



DAIRY FARM SURVEY

For the 2018/2019 Season

AN ECONOMIC SURVEY OF

FACTORY SUPPLY DAIRY FARMERS

FOR THE 2018/2019 SEASON
FROM THE PRACTICE OF
GRAHAM BROWN & CO LTD

A. THOSE SURVEYED

1. The population includes categories for Farm Owners, Sharemilkers and Farm Owners with Sharemilkers, of the practice of Graham Brown & Co Ltd, who:
 - (i) are factory supply, and
 - (ii) derive at least 95% of their gross income from dairying
2. The area represented by this survey is predominantly that of the South Waikato.
3. We are accredited to input data into Dairy Base so have enclosed a snap shot of the Economic Farm Surplus results from Dairy Base for the 2018/2019 season for Farm Owners in Waikato, Canterbury and Southland and Sharemilkers in Waikato, Canterbury and the South Island regions. We have also provided from Dairybase a comparison of the profitability of the various production systems for the 2018/2019 season.

We encourage you to compare your results with these benchmarks.

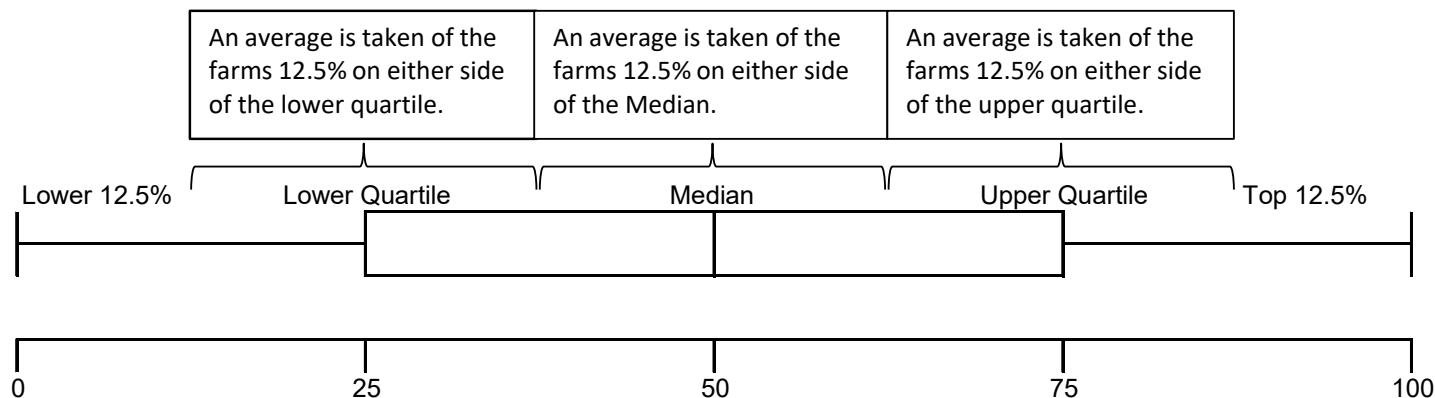
If you want more detail regarding Dairy Base reporting please contact us.

B. ECONOMIC FARM SURPLUS (EFS)

The surplus remaining after expenditure on farming operations (ie. repairs and maintenance, vehicle and standing charges) is called EFS. It measures relative profitability per hectare without being influenced by such items as levels of indebtedness, capital expenditure, taxation and personal drawings. For this reason we are firstly taking the farm surplus from the farm working account. This is prior to book entries for building depreciation, off farm income such as interest received and taxation provisions. It includes any increase or decrease in stock numbers at market values. Secondly, we are adding back interest and lease payments for stock and for land which is milked on. We are leaving in lease payments for land which is used as a run-off. Thirdly, we are deducting a management salary based on "unpaid" labour utilised in the farming operation. This primarily gives the proprietor a return for their labour. It also eliminates any anomalies which may exist where there are more or less than one full time proprietor.

C. FORMAT OF COMPARISONS

We have collated the data as averages of the Lower, Median and Upper Quartile. ie. If 100 farms were in the survey, we would first order them from smallest to largest by their EFS and the average of the quartiles would be calculated as per the following



D. OTHER POINTS

1. Separate statistics are prepared for the three distinct areas of:
 - Farm Owners
 - Sharemilkers
 - Farm Owners Employing Sharemilkers
2. No adjustment is made for interim and deferred final payments when calculating EFS which may in isolated circumstances cause some distortions.
3. Where a farmer utilises a run-off the effective hectares used for these calculations are those that are milked upon.
4. Effective hectares only excludes from total hectares unfarmable areas, (by way of contour for example) and does not exclude areas for tanker tracks, houses etc.
5. In some instances the figures will not add vertically. This is due to rounding when the figures are averaged.

STATISTICS 2018-2019 YEAR

FARM OWNERS

| | AVERAGE Around LOWER QUARTILE | AVERAGE Around MEDIAN | AVERAGE Around UPPER QUARTILE | AVERAGE OF TOP 10% |
|---|--|-----------------------------|--|-----------------------|
| <u>BASIC DATA</u> | | | | |
| EFFECTIVE HA's | 158 | 165 | 211 | 224 |
| COWS AS AT 31st October | 447 | 478 | 694 | 802 |
| <u>PRODUCTION</u> | | | | |
| TOTAL MILK SOLIDS | | | | |
| KG's/HA | 1127 | 1157 | 1484 | 1743 |
| KG's/COW | 396 | 409 | 470 | 491 |
| <u>INCOME/HA</u> | | | | |
| TOTAL SOLIDS | 6753.95 | 7211.95 | 9046.77 | 11470.13 |
| OTHER INCOME | 104.42 | 191.93 | 200.00 | 160.38 |
| LIVESTOCK INCOME | | | | |
| - CASH | 539.95 | 437.07 | 751.68 | 664.54 |
| - NUMBER CHANGE | -12.50 | 113.46 | 44.16 | 203.45 |
| <u>TOTAL INCOME/HA</u> | 7385.82 | 7954.41 | 10042.61 | 12498.51 |
| <u>COSTS/HA</u> | | | | |
| FARM WORKING | 3998.00 | 3765.78 | 4695.10 | 5440.26 |
| LABOUR | 625.43 | 634.95 | 1075.94 | 1081.24 |
| FINANCIAL EXPENSES | 1378.48 | 1706.07 | 1589.39 | 2105.55 |
| ADMINISTRATION | 360.11 | 330.62 | 326.24 | 391.12 |
| <u>EXPENSES/HA</u> | 6362.02 | 6437.43 | 7686.68 | 9018.17 |
| <u>FARM SURPLUS/HA</u> | 1023.79 | 1516.98 | 2355.93 | 3480.34 |
| <u>ECONOMIC FARM SURPLUS</u> | | | | |
| <u>ADJUSTMENT/HA</u> | | | | |
| INTEREST & LEASE CHARGES | 1375.27 | 1705.46 | 1589.37 | 2104.30 |
| INCREASE IN FEED ON HAND | 0.00 | 2.93 | 0.00 | 0.00 |
| EXTRAORDINARY EXPENSES | 0.14 | 0.00 | 0.00 | 50.00 |
| <u>Less</u> | | | | |
| Managerial Salary & Unpaid Labour/Ha | 336.00 | 390.67 | 239.88 | 176.03 |
| Decrease in Feed on Hand | 0.00 | 0.00 | 0.00 | 0.00 |
| Depreciation | 432.39 | 373.20 | 435.61 | 686.44 |
| Runoff Rental | 26.92 | 12.64 | 11.85 | 41.87 |
| <u>ECONOMIC FARM SURPLUS/HA</u> | 1603.90 | 2448.86 | 3257.96 | 4730.31 |
| Return on Dairy Assets (Plant at Opening Book, Stock at Opening MV, Land, Building & Shares at MV) | 3.09% | 4.98% | 5.24% | 5.79% |
| <u>RATIOS</u> | | | | |
| Term Debt & OD/Total Assets | 0.53 | 0.51 | 0.53 | 0.56 |
| Interest Cover (Farm Cash Surplus <i>before</i> Interest, Lease & Long-term grazing <i>less</i> Tax & Drawings/Interest, Lease & Long Term Grazing) | 1.26 | 1.24 | 1.66 | 1.98 |

STATISTICS 2018-2019 YEAR

FARM OWNERS

| | AVERAGE Around LOWER QUARTILE | AVERAGE Around MEDIAN | AVERAGE Around UPPER QUARTILE | AVERAGE OF TOP 10% |
|---|--|-----------------------------|--|-----------------------|
| <u>ANALYSIS/KG OF MILKSOLIDS</u> | | | | |
| EXPENSES: | | | | |
| FARM WORKING | 3.52 | 3.21 | 3.16 | 3.08 |
| LABOUR | 0.55 | 0.53 | 0.71 | 0.62 |
| ADMINISTRATION | 0.10 | 0.08 | 0.07 | 0.08 |
| STANDING CHARGES | 0.22 | 0.22 | 0.15 | 0.15 |
| | <hr/> 4.39 | <hr/> 4.02 | <hr/> 4.09 | <hr/> 3.93 |
| Less | | | | |
| OTHER INCOME | 0.12 | 0.25 | 0.16 | 0.19 |
| LIVESTOCK CASH INCOME | 0.48 | 0.39 | 0.50 | 0.36 |
| | <hr/> 3.78 | <hr/> 3.39 | <hr/> 3.42 | <hr/> 3.39 |
| Plus | | | | |
| INTEREST & LEASE CHARGES | 1.24 | 1.50 | 1.12 | 1.23 |
| PRINCIPAL | 0.52 | 0.24 | 0.43 | 0.22 |
| DRAWINGS | 0.61 | 0.69 | 0.54 | 0.35 |
| TAX | 0.04 | 0.14 | 0.22 | 0.36 |
| NET CAPITAL REPLACEMENT | 0.63 | 0.19 | 0.13 | 0.20 |
| <u>NET FARM COSTS</u> | <hr/> 6.81 | <hr/> 6.15 | <hr/> 5.86 | <hr/> 5.75 |
| BREAKDOWN OF FARM WORKING COSTS: | | | | |
| <u>VARIABLE COSTS:</u> | | | | |
| FERTILISER & SPREADING/HA | 475.18 | 448.30 | 512.62 | 466.79 |
| REPAIRS & MAINTENANCE/HA | 495.62 | 404.63 | 508.34 | 463.40 |
| NITROGEN/HA | 94.08 | 70.70 | 99.01 | 123.24 |
| <u>SEMI-VARIABLE COSTS:</u> | | | | |
| ANIMAL HEALTH/COW | 126.67 | 98.74 | 105.03 | 120.07 |
| BREEDING/COW | 56.09 | 47.01 | 48.30 | 53.20 |
| CALF REARING/COW | 23.80 | 25.54 | 23.53 | 22.17 |
| HERD TESTING/COW | 4.84 | 4.21 | 3.88 | 3.58 |
| BROUGHT IN FEED/COW | 552.32 | 564.41 | 717.11 | 793.90 |
| CONCENTRATES/COW | 86.64 | 64.78 | 179.73 | 122.58 |
| CROPPING EXPENSES/COW | 44.44 | 25.02 | 47.44 | 41.70 |
| GRASS SILAGE/COW | 41.77 | 37.52 | 18.02 | 28.53 |
| GRAZING CALVES/COW | 11.28 | 8.27 | 18.75 | 30.60 |
| GRAZING HEIFERS/COW | 76.76 | 81.76 | 89.41 | 94.61 |
| GRAZING COWS/COW | 15.52 | 18.78 | 25.92 | 42.48 |
| GRAZING LAND/COW | 4.46 | 7.62 | 9.80 | 0.02 |
| HAY/COW | 6.33 | 18.89 | 11.02 | 8.00 |
| MAIZE/COW | 62.33 | 76.39 | 79.03 | 98.25 |
| NITROGEN/COW | 32.78 | 25.68 | 30.78 | 33.86 |
| MEAL/PALM KERNEL/GRAIN ETC | 202.21 | 224.23 | 225.22 | 300.91 |
| HARVESTING/COW | 46.29 | 34.47 | 45.51 | 34.87 |
| PASTURE RENOVATION | 75.38 | 54.84 | 74.23 | 42.61 |
| WEED & PEST CONTROL/HA | 38.04 | 32.42 | 27.68 | 21.39 |
| VEHICLE EXPENSES/HA | 256.09 | 232.21 | 231.63 | 215.90 |
| WAGES/CONTRACT MILKING/COW | 219.00 | 217.18 | 336.34 | 299.30 |
| WAGES/CONTRACT MILKING & MANAGERIAL SALARY/COW | 337.64 | 357.85 | 415.69 | 351.90 |
| | 0.00 | 0.00 | 0.00 | 0.00 |
| <u>FIXED COSTS:</u> | | | | |
| FARM POWER/COW | 35.92 | 44.29 | 30.29 | 37.54 |
| SHED EXPENSES/COW | 23.17 | 30.95 | 28.60 | 23.86 |
| DRAWINGS | 88495 | 128208 | 140314 | 105396 |

STATISTICS 2018-2019 YEAR

SHAREMILKERS

| | AVERAGE Around LOWER QUARTILE | AVERAGE Around MEDIAN | AVERAGE Around UPPER QUARTILE | AVERAGE OF Top 10% |
|---|--|-----------------------------|--|-----------------------|
| <u>BASIC DATA</u> | | | | |
| EFFECTIVE HA's | 194 | 145 | 202 | 148 |
| COWS AS AT 31st October | 537 | 397 | 626 | 477 |
| <u>PRODUCTION</u> | | | | |
| TOTAL MILK SOLIDS | | | | |
| KG's/HA | 1197 | 1008 | 1307 | 1520 |
| KG's/COW | 436 | 351 | 410 | 478 |
| <u>INCOME/HA</u> | | | | |
| TOTAL SOLIDS | 3341.40 | 3308.71 | 4205.64 | 4522.11 |
| OTHER INCOME | 66.65 | 59.80 | 43.71 | 210.85 |
| LIVESTOCK INCOME | | | | |
| - CASH | 396.10 | 436.29 | 555.65 | 851.70 |
| - NUMBER CHANGE | -22.71 | 116.65 | 27.96 | 119.35 |
| <u>TOTAL INCOME/HA</u> | 3781.44 | 3921.44 | 4832.96 | 5704.02 |
| <u>COSTS/HA</u> | | | | |
| FARM WORKING | 1840.65 | 1821.55 | 2262.52 | 2624.56 |
| LABOUR | 770.32 | 531.93 | 696.03 | 412.12 |
| FINANCIAL EXPENSES | 168.41 | 192.41 | 204.07 | 224.63 |
| ADMINISTRATION | 117.05 | 152.81 | 120.77 | 114.49 |
| <u>EXPENSES/HA</u> | 2896.43 | 2698.70 | 3283.39 | 3375.80 |
| <u>FARM SURPLUS/HA</u> | 885.02 | 1222.74 | 1549.56 | 2328.22 |
| <u>ECONOMIC FARM SURPLUS</u> | | | | |
| <u>ADJUSTMENT/HA</u> | | | | |
| INTEREST & LEASE CHARGES | 167.89 | 191.68 | 203.57 | 224.63 |
| INCREASE IN FEED ON HAND | 0.00 | 0.00 | 0.00 | 0.00 |
| EXTRAORDINARY EXPENSES | 0.00 | 0.00 | 79.61 | 0.00 |
| <u>Less</u> | | | | |
| Managerial Salary & Unpaid Labour/Ha | 371.98 | 421.89 | 314.07 | 385.03 |
| Decrease in Feed | 0.00 | 0.00 | 0.00 | 0.00 |
| Depreciation | 183.33 | 199.38 | 146.39 | 167.09 |
| Runoff Rental | 0.00 | 0.00 | 0.00 | 0.00 |
| <u>ECONOMIC FARM SURPLUS/HA</u> | 497.59 | 793.15 | 1372.28 | 2000.74 |
| Return on Dairy Assets (Plant at Opening Book, Stock at Opening MV, Shares at MV) | 10.15% | 12.68% | 19.63% | 26.13% |
| <u>RATIOS</u> | | | | |
| Term Debt & OD/Total Assets | 0.43 | 0.39 | 0.34 | 0.36 |
| Interest Cover (Farm Cash Surplus <i>before</i> Interest, Lease & Long-term Grazing <i>less</i> Tax & Drawings/Interest, Lease & Long Term Grazing) | 2.21 | 2.03 | 2.49 | 3.08 |

STATISTICS 2018-2019 YEAR

SHAREMILKERS

| | AVERAGE Around LOWER QUARTILE | AVERAGE Around MEDIAN | AVERAGE Around UPPER QUARTILE | AVERAGE OF TOP 10% |
|---|--|-----------------------------|--|-----------------------|
| <u>ANALYSIS/KG OF MILKSOLIDS</u> | | | | |
| EXPENSES: | | | | |
| FARM WORKING | 1.63 | 1.80 | 1.70 | 1.72 |
| LABOUR | 0.62 | 0.51 | 0.51 | 0.27 |
| ADMINISTRATION | 0.06 | 0.11 | 0.07 | 0.05 |
| STANDING CHARGES | 0.03 | 0.04 | 0.03 | 0.03 |
| | <hr/> 2.34 | <hr/> 2.46 | <hr/> 2.31 | <hr/> 2.08 |
| Less | | | | |
| OTHER INCOME | 0.05 | 0.07 | 0.04 | 0.23 |
| LIVESTOCK CASH INCOME | 0.35 | 0.43 | 0.45 | 0.59 |
| | <hr/> 1.94 | <hr/> 1.95 | <hr/> 1.81 | <hr/> 1.25 |
| Plus | | | | |
| INTEREST & LEASE CHARGES | 0.16 | 0.21 | 0.16 | 0.14 |
| PRINCIPAL | 0.33 | 0.21 | 0.43 | 0.15 |
| DRAWINGS | 0.38 | 0.62 | 0.45 | 0.45 |
| TAX | 0.03 | 0.02 | 0.19 | 0.25 |
| NET CAPITAL REPLACEMENT | 0.16 | 0.18 | -0.03 | 1.18 |
| <u>NET FARM COSTS</u> | <hr/> 3.01 | <hr/> 3.20 | <hr/> 3.01 | <hr/> 3.42 |
| BREAKDOWN OF FARM WORKING COSTS: | | | | |
| <u>VARIABLE COSTS:</u> | | | | |
| FERTILISER & SPREADING/HA | 80.62 | 63.61 | 37.15 | 78.39 |
| REPAIRS & MAINTENANCE/HA | 74.87 | 80.18 | 70.51 | 79.15 |
| NITROGEN/HA | 43.73 | 53.72 | 85.42 | 114.78 |
| <u>SEMI-VARIABLE COSTS:</u> | | | | |
| ANIMAL HEALTH/COW | 105.60 | 91.66 | 79.49 | 123.67 |
| BREEDING/COW | 48.60 | 51.39 | 44.85 | 58.99 |
| CALF REARING/COW | 13.80 | 18.41 | 22.81 | 26.91 |
| HERD TESTING/COW | 4.94 | 8.44 | 6.91 | 6.09 |
| BROUGHT IN FEED/COW | 231.19 | 205.70 | 273.54 | 376.78 |
| CONCENTRATES/COW | 0.49 | 5.69 | 27.99 | 23.14 |
| CROPPING EXPENSES/COW | 14.43 | 7.37 | 9.36 | 35.86 |
| GRASS SILAGE/COW | 15.35 | 22.58 | 13.32 | 38.11 |
| GRAZING CALVES/COW | 13.43 | 13.39 | 14.31 | 32.83 |
| GRAZING HEIFERS/COW | 40.93 | 55.96 | 42.76 | 69.11 |
| GRAZING COWS/COW | 12.16 | 28.48 | 20.20 | 0.00 |
| GRAZING LAND/COW | 0.00 | 0.80 | 0.67 | 1.71 |
| HAY/COW | 12.40 | 2.00 | 6.83 | 5.28 |
| MAIZE/COW | 22.47 | 16.80 | 24.43 | 11.12 |
| NITROGEN/COW | 15.21 | 18.88 | 25.29 | 36.68 |
| OTHER BROUGHT IN FEED/SQUASH ETC | 99.54 | 48.48 | 113.65 | 159.61 |
| HARVESTING/COW | 10.97 | 34.78 | 27.16 | 26.80 |
| PASTURE RENOVATION | 14.81 | 20.03 | 15.77 | 1.61 |
| WEED & PEST CONTROL/HA | 5.79 | 6.15 | 6.78 | 15.50 |
| VEHICLE EXPENSES/HA | 204.61 | 215.01 | 194.79 | 201.79 |
| WAGES/CONTRACT MILKING/COW | 282.02 | 185.07 | 218.03 | 126.02 |
| WAGES/CONTRACT MILKING & MANAGERIAL SALARY/COW | 415.87 | 331.40 | 314.23 | 246.03 |
| <u>FIXED COSTS:</u> | | | | |
| FARM POWER/COW | 53.99 | 35.73 | 33.20 | 31.12 |
| SHED EXPENSES/COW | 19.86 | 15.64 | 14.07 | 11.04 |
| DRAWINGS | 68772 | 58006 | 101022 | 71937 |

STATISTICS 2018-2019 YEAR

FARM OWNERS WITH SHAREMILKERS

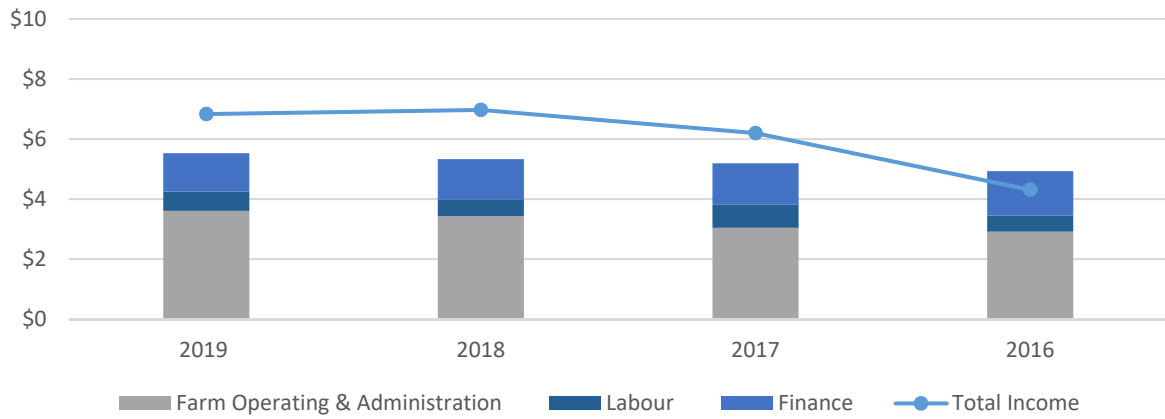
| | AVERAGE Around LOWER QUARTILE | AVERAGE Around MEDIAN | AVERAGE Around UPPER QUARTILE |
|--|--|-----------------------------|-------------------------------------|
| BASIC DATA | | | |
| <u>EFFECTIVE HA's</u> | 218.67 | 188.50 | 114.67 |
| COWS AS AT 31st October | 603 | 543 | 366 |
| PRODUCTION | | | |
| <u>TOTAL MILK SOLIDS</u> | | | |
| KG's/HA | 1057.71 | 996.74 | 1201.34 |
| KG's/COW | 385 | 348 | 375 |
| INCOME/HA | | | |
| <u>TOTAL SOLIDS</u> | 3475.04 | 3213.60 | 3845.08 |
| OTHER INCOME | 55.07 | 374.80 | 149.64 |
| LIVESTOCK INCOME | | | |
| - CASH | 0.00 | 22.09 | 0.00 |
| - NUMBER CHANGE | 0.00 | -24.77 | 0.00 |
| TOTAL INCOME/HA | 3530.11 | 3585.73 | 3994.72 |
| COSTS/HA | | | |
| <u>FARM WORKING</u> | 1623.80 | 1300.37 | 1491.63 |
| LABOUR | 0.00 | 0.00 | 9.01 |
| FINANCIAL EXPENSES | 405.17 | 806.82 | 667.19 |
| ADMINISTRATION | 276.61 | 279.30 | 290.64 |
| EXPENSES/HA | 2305.58 | 2386.49 | 2458.47 |
| FARM SURPLUS/HA | 1224.53 | 1199.24 | 1536.24 |
| ECONOMIC FARM SURPLUS/HA | | | |
| <u>ADJUSTMENT/HA</u> | | | |
| <u>INTEREST & LEASE CHARGES</u> | 404.71 | 807.18 | 667.19 |
| INCREASE IN FEED ON HAND | 0.00 | 0.00 | 0.00 |
| EXTRAORDINARY EXPENSES | 0.00 | 0.00 | 0.00 |
| Less | | | |
| <u>Decrease in Feed</u> | 0.00 | 0.00 | 0.00 |
| Depreciation | 338.53 | 280.59 | 154.53 |
| Runoff Rental | 0.00 | 0.00 | 26.01 |
| ECONOMIC FARM SURPLUS/HA | 1290.70 | 1725.83 | 2022.90 |
| <u>Return on Dairy Assets (Plant at Opening Book, Land, Building & Shares at MV)</u> | 1.85% | 3.53% | 3.77% |
| RATIOS | | | |
| Term Debt & OD/Total Assets | 0.20 | 0.36 | 0.19 |
| Interest Cover (Farm Cash Surplus <i>before</i> Interest, Lease & Long-term Grazing <i>less</i> Tax & Drawings/Interest, Lease & Long Term Grazing) | 0.98 | 0.91 | 2.39 |

STATISTICS 2018-2019 YEAR

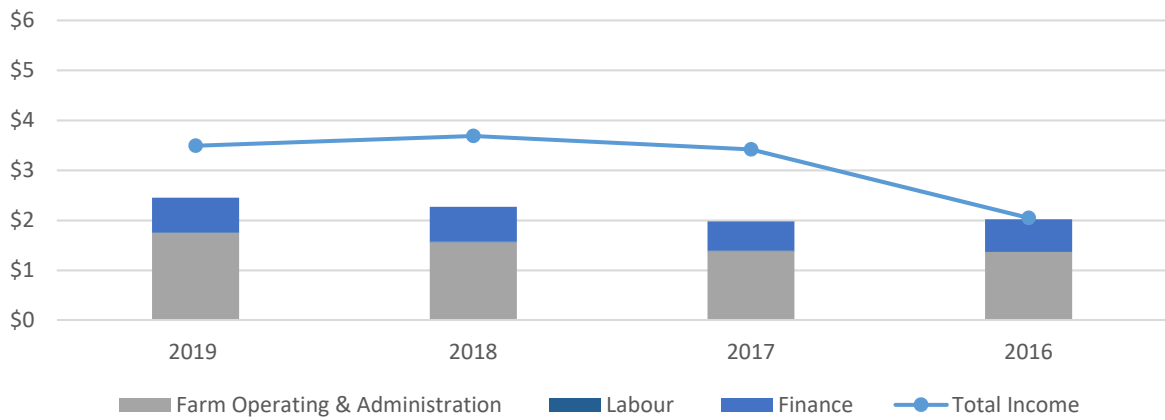
FARM OWNERS WITH SHAREMILKERS

| | AVERAGE Around LOWER QUARTILE | AVERAGE Around MEDIAN | AVERAGE Around UPPER QUARTILE |
|--|--|-----------------------------|-------------------------------------|
| ANALYSIS/KG OF MILKSOLIDS | | | |
| <u>EXPENSES:</u> | | | |
| FARM WORKING | 1.50 | 1.29 | 1.23 |
| LABOUR | 0.00 | 0.00 | 0.01 |
| ADMINISTRATION | 0.09 | 0.06 | 0.07 |
| STANDING CHARGES | 0.16 | 0.24 | 0.17 |
| | <hr/> | <hr/> | <hr/> |
| | 1.76 | 1.58 | 1.47 |
| Less | | | |
| OTHER INCOME | 0.09 | 0.62 | 0.17 |
| LIVESTOCK CASH INCOME | 0.00 | 0.04 | 0.00 |
| | <hr/> | <hr/> | <hr/> |
| | 1.67 | 0.94 | 1.30 |
| Plus | | | |
| INTEREST & LEASE CHARGES | 0.37 | 0.84 | 0.53 |
| PRINCIPAL | 0.42 | 0.66 | 0.25 |
| DRAWINGS | 0.26 | 0.42 | 0.42 |
| TAX | 0.17 | 0.24 | 0.14 |
| NET CAPITAL REPLACEMENT | 0.21 | 0.16 | 0.11 |
| | <hr/> | <hr/> | <hr/> |
| NET FARM COSTS | 3.10 | 3.25 | 2.74 |
| <u>BREAKDOWN OF FARM WORKING COSTS:</u> | | | |
| VARIABLE COSTS: | | | |
| <u>FERTILISER & SPREADING/HA</u> | 344.69 | 374.70 | 212.77 |
| REPAIRS & MAINTENANCE/HA | 364.67 | 329.88 | 317.05 |
| NITROGEN/HA | 26.15 | 26.02 | 74.60 |
| SEMI-VARIABLE COSTS: | | | |
| <u>ANIMAL HEALTH/COW</u> | 0.30 | 0.49 | 0.40 |
| BREEDING/COW | 0.00 | 0.00 | 0.00 |
| CALF REARING/COW | 3.40 | 1.91 | 0.21 |
| HERD TESTING/COW | 0.00 | 0.00 | 0.00 |
| BROUGHT IN FEED/COW | 244.57 | 138.11 | 217.52 |
| CONCENTRATES/COW | 0.00 | 0.00 | 32.55 |
| CROPPING EXPENSES/COW | 4.05 | 1.83 | 18.13 |
| GRASS SILAGE/COW | 10.69 | 6.90 | 11.31 |
| GRAZING CALVES/COW | 1.93 | 5.09 | 8.19 |
| GRAZING HEIFERS/COW | 30.65 | 19.96 | 39.44 |
| GRAZING COWS/COW | 0.00 | 18.92 | 0.00 |
| GRAZING LAND/COW | 24.65 | 8.73 | 0.00 |
| HAY/COW | 6.83 | 0.83 | 4.29 |
| MAIZE/COW | 31.41 | 15.44 | 13.63 |
| NITROGEN/COW | 9.63 | 9.33 | 22.44 |
| OTHER BROUGHT IN FEED/SQUASH ETC | 134.39 | 60.42 | 88.40 |
| HARVESTING/COW | 4.36 | 19.67 | 5.81 |
| PASTURE RENOVATION | 48.50 | 25.87 | 12.13 |
| WEED & PEST CONTROL/HA | 30.65 | 12.48 | 13.51 |
| VEHICLE EXPENSES/HA | 39.07 | 32.19 | 57.01 |
| WAGES/CONTRACT MILKING/COW | 15.28 | 0.00 | 3.19 |
| FIXED COSTS: | | | |
| FARM POWER/COW | 0.51 | 1.30 | 0.00 |
| SHED EXPENSES/COW | 0.77 | 3.88 | 16.00 |
| DRAWINGS | 37609.00 | 73057.83 | 69339.00 |

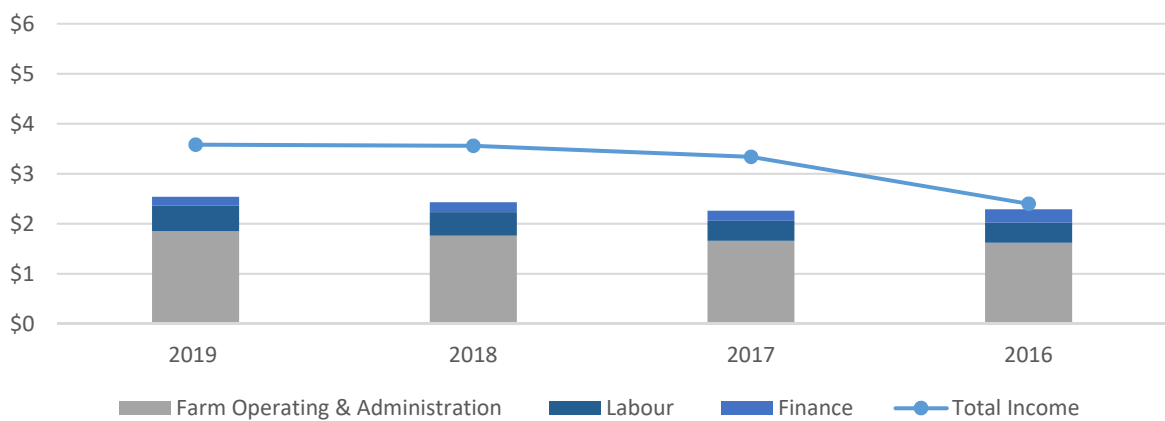
Practice Averages for Farm Owners



Practice Averages for Farm Owners with Sharemilkers



Practice Averages for Sharemilkers



DAIRY BASE EFS BENCHMARKS

(for the 2018/2019 season)

When comparing your results to Dairy Base please be aware there are different assumptions made and calculations used to arrive at the EFS and Operating Costs/Kg MS.

The key difference in the EFS calculation reported in our statistics and those calculated by Dairy Base is the treatment of livestock. In our statistics we make an allowance for changes in market value and numbers whereas Dairy Base only calculate the change in the value of the stock.

When calculating the Operating Costs/Kg MS Dairy Base includes the management salary expense (based on "unpaid" labour utilised in the farming operation) and the depreciation expense.

FARM OWNERS – Operating Costs based on region

| | Operating Costs/Kg MS | EFS/Ha |
|---------------------|-----------------------|---------|
| New Zealand Average | \$5.14 | \$2,247 |
| Waikato | \$5.30 | \$2,141 |
| Canterbury | \$4.89 | \$3,204 |
| Southland | \$4.96 | \$2510 |

FARM OWNERS – Operating Costs based on production system

| | Operating Costs/Kg MS | EFS/Ha |
|----------|-----------------------|---------|
| System 1 | \$5.26 | \$1,290 |
| System 2 | \$5.18 | \$1,541 |
| System 3 | \$5.04 | \$2,204 |
| System 4 | \$5.10 | \$2,702 |
| System 5 | \$5.49 | \$2,433 |

SHAREMILKERS – Operating Costs based on region

| | Operating Costs/Kg MS | EFS/Ha |
|---------------------|-----------------------|---------|
| New Zealand Average | \$3.05 | \$748 |
| Waikato | \$3.08 | \$645 |
| Canterbury | \$3.00 | \$1,198 |
| Southland | \$2.97 | \$778 |

Regions

Central North Island
Bay of Plenty
Waikato
Canterbury
Southland
South Island

South Waikato, Rotorua, Taupo
Western BOP, Kawerau, Opotiki, Rotorua, Tauranga, Whakatane, Gisborne, Wairoa
South of Auckland to Taupo incl. Waipa, Waitomo & Otorahanga
Timaru, Ashburton, Kaiapoi, Culverden
Southland, Invercargill, Gore, Balclutha
All South Island Council Regions