

FARM STATISTICAL SURVEY FOR THE 2010 YEAR

SURVEY GROUPS

DAIRY OWNER-OPERATOR – NON-IRRIGATED
SHAREMILKER – NON-IRRIGATED
DAIRY OWNER-OPERATOR – IRRIGATED
SHAREMILKER – IRRIGATED
DAIRY OWNER WITH 50:50 SHAREMILKER
SHEEP AND BEEF HILL COUNTRY
SHEEP AND BEEF DOWNLANDS AND FLATLANDS
MIXED CROPPING



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15 August 2011

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Chartered Accountants***

2010 Farm Statistical Survey

BACKGROUND:

- The survey data has been taken from our clients' actual Financial Statements for the 2010 year. As in previous years, we have combined the survey so that all farm sector groups have a sound sample size.
- All financial data is GST exclusive.
- Most of the balance dates are 31/3/2010, 31/5/2010 or 30/6/2010.
- We have split out the dairy groups into irrigated and non irrigated. Although in the non irrigated group most have a quite high natural rainfall (i.e. Westland and Southland).
- Probably only one of the eight farm groups will deeply interest you but we suggest you read through all groups and the relevant comments as it will give you a good overview of the physical and financial results from the agricultural industry for the 2010 year.
- The averages referred to are per farm and as per that farm's actual Financial Statements for the 2010 year - the averages are not weighted averages which would produce slightly different data again.
- Benchmark. On the right hand side of each survey summary for each sector, we have shown the average figures for the top 10% - 15% based on the interest return on total farm capital employed. Figures in the right column are the average of those top farms for each statistic. We could have chosen other benchmarks or several benchmarks but the interest return on total farm capital employed means we can compare farmers with differing levels of debt, scale, production and also make a comparison between sectors.

This means we are looking at both the income and expense side of the equation, and the net farm profit, whereas some benchmarks and ratios look at specific areas and issues very well but many are only looking at one side of the equation. We readily acknowledge that there could be other equally meaningful benchmarks.

**COMPARISON OF SELECTION OF STATISTICS FROM THE SEVEN FARM GROUPS
(Overall Average Results - 2010 Year)**

	Mixed Cropping	Sheep & Beef Flatland/ Downlands	Sheep & Beef Hill Country	Dairy Owner-Operator Irrigated	Dairy Owner-Operator Non-Irrigated	Dairy Share Milker Irrigated	Dairy Share Milker Non-Irrigated
Gross Farm Income (GFI)	\$1,067,319	\$384,679	\$562,217	\$2,437,116	\$1,134,103	\$1,003,793	\$573,837
Farm Working Expenses (FWE)	\$632,051	\$227,077	\$353,423	\$1,327,107	\$678,776	\$593,069	\$367,620
Net Farm Profit (NFP)	\$161,491	\$61,692	\$79,900	\$433,762	\$122,255	\$252,740	\$117,322
NFP as a % of GFI	14.6%	13.1%	14.2%	19.8%	15.7%	24.1%	17.4%
FWE per SU or per ACM	-	\$61.77	\$44.68	\$1,415	\$1,367	\$855	\$737
FWE to GFI Ratio	59.0%	60.6%	62.0%	52.9%	57.8%	61.4%	64.6%
Personal Drawings (Excluding Allowances)	\$57,879	\$46,255	\$44,146	\$68,001	\$45,539	\$55,769	\$45,297
Estimated Total Farm Capital (TFC)	\$7,026,269	\$4,594,880	\$6,366,932	\$13,085,541	\$7,401,354	\$1,366,736	\$1,387,500
Estimated Interest Earned on TFC	3.4%	2.0%	1.9%	6.7%	3.9%	19.4%	8.7%
Total Term Debt		\$662,910	\$1,064,934	\$6,892,012	\$3,424,051	\$805,177	\$709,954
GFI to Plant Ownership Ratio	2.6	4.2	5.6	7.2	5.0	8.5	4.7
Net Capital Plant Purchases	\$124,943	\$29,633	\$32,732	\$83,790	\$45,870	\$35,540	\$17,131
Interest and/or Rent paid as % of GFI	17.9%	19.3%	19.7%	24.3%	21.4%	11.7%	13.9%



Graham BROWN



Peter GLASSFORD



Haydn RANDALL



Paul MCCARRON

HIGHLIGHTS - DAIRY OWNER-OPERATOR - NON IRRIGATED SURVEY - 2010 YEAR

Comments on overall average figures:

- EGA at 209 ha – five year average 201 ha.
- ACM at 484 – five year average 462.
- MS production at 194,608 kg – five year average 177,367 kg.
- Average value of MS sales \$5.39 per kg – five year average \$5.14 per kg.
- MS per ACM 401 kg – similar to irrigated group but much lower stocking rate – five year average 384 kg.
- Production per EGA rising slowly up from 835 kg in 2006 to 929 kg in 2010.
- FWE at \$678,776 up \$18,727 or 3% from previous year – FWE down slightly per ACM.
- Interest + rent paid \$280,860 – represents \$1.44 per kg/ms – was \$1.59 in previous year.
- FWE per kg of MS \$3.49 – was \$3.57 in previous year.
- Net farm profit of \$122,255 – up from \$58,331 in previous year.
- Net capital plant purchases of \$45,870 – five year average of \$79,250.
- Term debt of \$3,424,051 – represents \$17.60 per kg/ms and 46% of TFC employed.
- Total cost of production \$4.87 kg/ms - \$5.17 in previous year – pullback of 30 cents kg/ms – down 6%.

Comparison between the benchmark group and the average group for 2010:

- Higher scale – ACM at 683 higher by 41%.
- Stocking rate higher at 2.6 - higher by 13%.
- MS production at 263,208 kg – higher by 68,600 kg or 35%.
- MS per ACM very similar but higher per EGA by 90 kg or 9.7%.
- FWE per ACM at \$1,052 is much lower – 23% lower.
- FWE per kg/ms at \$2.77 is much lower by 72 cents kg/ms – 21% lower.
- All main expenses are lower.
- Interest + rent paid at \$481,476 is much higher at \$1.83 kg/ms.
- Term debt at \$5,780,750 represents \$22 kg/ms.
- Net profit of \$233,302 – represents 89 cents kg/ms.
- Term debt of \$714,777 – rent paid is much more than the interest.
- Total cost of production is \$4.52 kg/ms – 35 cents kg/ms lower than average group.
- Interest + rent cost per kg/ms is high but FWE per kg/ms is low and the higher scale brings out a better result.

**DAIRY OWNER/OPERATOR NON-IRRIGATED
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Effective Grazing Area (ha) (EGA)	172	207	211	207	209	273
Average Cows Milked (ACM)	385	496	473	474	484	683
ACM/EGA	2.2	2.4	2.3	2.3	2.3	2.6
Milk Solids Revenue	\$574,387	\$732,495	\$1,206,569	\$988,896	\$1,061,275	\$1,413,335
Milk Solids Production (kg)	145,851	186,102	175,466	184,810	194,608	263,208
Average Value of Milk Solid Sales (Kg)	\$4.04	\$3.97	\$6.83	\$5.47	\$5.39	\$5.45
Milk Solid Revenue/ACM	\$1,465	\$1,497	\$2,597	\$2,128	\$2,180	\$2,121
Milk Solid Revenue/EGA	\$3,300	\$3,584	\$5,978	\$4,852	\$5,087	\$5,628
Milk Solids/ACM (kg)	371	379	381	388	401	390
Milk Solids/EGA (kg)	835	905	872	895	929	1019
Milk Solids as a % of GFI	88.2%	97.0%	89.8%	93.7%	93.9%	95.6%
Gross Farm Income (GFI)	\$663,137	\$817,857	\$1,363,289	\$1,067,448	\$1,134,103	\$1,482,612
Farm Working Expenses (FWE)	\$376,308	\$513,928	\$636,657	\$660,049	\$678,776	\$728,065
FWE as a % of GFI	53.7%	66.4%	44.1%	60.2%	57.8%	47.6%
FWE/ACM	\$907	\$993	\$1,290	\$1,380	\$1,367	\$1,052
Wages/ACM	\$135	\$186	\$183	\$160	\$177	\$160
Animal Health/ACM	\$47	\$54	\$69	\$80	\$84	\$56
Livestock Improvement/ACM	\$30	\$34	\$37	\$39	\$41	\$35
Stockfood/ACM	\$154	\$189	\$303	\$344	\$345	\$305
Fertiliser/ACM	\$187	\$175	\$267	\$324	\$282	\$208
R & M/ACM	\$80	\$84	\$103	\$112	\$100	\$52
Vehicle Expenses & Fuel/ACM	\$82	\$72	\$80	\$79	\$75	\$60
Dairy Shed Expenses/ACM	\$14	\$16	\$22	\$19	\$21	\$16
Interest & Rent Paid	\$124,306	\$210,606	\$255,435	\$294,237	\$280,860	\$481,476
Interest & Rent Paid as a % of GFI	17.8%	26.9%	16.4%	24.2%	21.4%	29.3%
Cost of Prodn per KG MS (excl Interest & Rent)	\$2.70	\$2.91	\$3.70	\$3.81	\$3.62	\$2.86
Net Farm Profit	\$123,305	\$49,438	\$417,885	\$58,331	\$122,255	\$233,302
Net Farm Profit as a % of GFI	22.0%	0.7%	35.6%	10.2%	15.7%	20.2%
Net Plant Purchases	\$75,277	\$55,653	\$123,485	\$95,965	\$45,870	\$30,174
Personal Drawings (excl Allowances)	\$38,943	\$38,841	\$47,907	\$49,408	\$45,539	\$59,830
Est Total Farm Capital (TFC)	\$4,556,250	\$5,886,207	\$7,211,812	\$7,467,473	\$7,401,354	\$9,186,750
Est TFC per kg Milk Solids	\$30.42	\$32.19	\$42.52	\$38.99	\$39.39	\$35.63
Est Interest on TFC	4.3%	2.9%	8.4%	4.3%	3.9%	6.6%
Total Term Debt	\$1,242,575	\$2,510,393	\$2,779,543	\$3,252,058	\$3,424,051	\$5,780,750
Total Term Debt as % TFC	25.3%	40.1%	33.4%	43.5%	46.3%	62.9%
GFI to Plant Ownership Ratio	3.6	3.9	5.8	4.2	5.0	9.9
Earnings Before Interest, Rent & Tax (EBIT)	\$247,610	\$260,044	\$673,320	\$352,568	\$403,115	\$714,777
EBIT/ACM	\$658	\$562	\$1,515	\$782	\$847	\$1,100
EBIT/EGA	\$1,455	\$1,362	\$3,478	\$1,759	\$1,986	\$2,933
EBIT/kg Milk Solids	\$1.78	\$1.42	\$4.00	\$2.04	\$2.13	\$2.83
Total Cost of Production/Kg	\$3.49	\$4.02	\$4.99	\$5.17	\$4.87	\$4.52
Margin/Kg MS	\$0.56	(\$0.04)	\$1.83	\$0.29	\$0.52	\$0.93
"Misery Index"	72%	93%	60%	84%	79%	77%

HIGHLIGHTS – SHAREMILKER - NON IRRIGATED SURVEY - 2010 YEAR

Comments on overall average figures:

- EGA at 186 ha – five year average 195 ha – unchanged over the five years.
- ACM at 480 – five year average 505 – unchanged over the five years.
- MS production at 178,702 kg – five year average 175,940 kg – unchanged over the five years.
- MS production per ACM at 372 kg – five year average 355 kg – unchanged over the five years.
- MS production per EGA at 975 kg – an upwards trend over the five years.
- FWE at \$367,620 – a sharp pullback on the previous year's \$400,536.
- FWE per ACM at \$737 compared with \$794 in previous year – lower by 7.2%.
- Stock food per ACM of \$164 compared with \$211 in previous year – lower by 22.3%.
- FWE per kg of MS at \$2.06 compared with \$2.43 in previous year – lower by 15.2%.
- Interest + rent paid of \$67,798 - \$71,722 in 2009 year – five year average of \$69,459.
- Interest + rent paid of 38 cents per kg/ms – 43.5 cents in previous year.
- Net farm profit of \$117,322 – 60 cents per kg/ms – previous year's net profit was \$34,794.
- Net capital plant purchases of \$17,131 – 10 cents per kg/ms – previous year's plant purchases \$49,609.
- Personal drawings of \$45,297 – represents 25.3 cents per kg/ms – previous year's drawings \$50,540.
- Term Debt of \$709,954 – represents \$4 per kg/ms.
- Total farm capital \$1,387,500 – net equity of \$677,546 – net equity of \$566,409 in previous year.
- Total cost of production \$2.48 per kg/ms - \$2.93 per kg/ms in previous year – lower by 15.3%.

Comparison between the benchmark group and the average group for 2010:

- Higher scale re ACM by 14%.
- Higher MS production by 17.7%.
- Higher production per EGA by 10%.
- FWE higher by \$126,655 or 34.5%.
- FWE per ACM of \$888 – higher by \$151 per ACM or 20.4%.
- Wages, animal health and stock food all higher.
- Interest + rent paid of \$40,666 or 19.3 cents per kg/ms – 40% lower than average group per kg/ms.
- Net farm profit of \$239,381 – just on double the average group.
- Term debt of \$629,509 - \$80,445 lower than average (rent paid also lower).
- Net profit per kg of MS of \$1.11 – almost twice the average group.
- Total cost of production \$2.68 per kg/ms – 20 cents per kg higher than average group.
- Major difference is higher MS production per EGA, higher scale and lower interest.

SHAREMILKER NON-IRRIGATED SURVEY - 2010 YEAR

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	OVERALL AVERAGE 2010
Effective Grazing Area (ha) (EGA)	195	208	205	183	186	205
Average Cows Milked (ACM)	461	560	546	476	480	549
ACM/EGA	2.4	2.8	2.7	2.6	2.6	2.8
Milk Revenue	\$381,358	\$375,178	\$669,280	\$442,387	\$490,051	\$624,032
Milk Solids Production (kg)	159,035	185,253	191,812	164,900	178,702	210,282
Average Value of Milk Solid Sales	\$2.25	\$2.03	\$3.56	\$2.69	\$2.71	\$2.92
Milk Solid Revenue/ACM	\$805	\$687	\$1,217	\$938	\$1,010	\$1,115
Milk Solid Revenue/EGA	\$1,897	\$1,901	\$3,334	\$2,415	\$2,695	\$3,224
Milk Solids/ACM (kg)	356	339	357	349	372	381
Milk Solids/EGA (kg)	861	935	961	907	975	1,077
Milk Solids as a % of GFI	81.2%	80.7%	81.5%	84.2%	92.3%	76.9%
Gross Farm Income (GFI)	\$469,747	\$477,116	\$863,927	\$536,413	\$573,837	\$804,430
Farm Working Expenses (FWE)	\$286,193	\$329,511	\$424,470	\$400,536	\$367,620	\$494,275
FWE as a % of GFI	58.5%	66.9%	45.6%	70.2%	64.6%	61.0%
FWE/ACM	\$597	\$573	\$715	\$794	\$737	\$888
Wages/ACM	\$109	\$121	\$161	\$177	\$163	\$180
Animal Health/ACM	\$57	\$48	\$63	\$54	\$62	\$78
Livestock Improvement/ACM	\$36	\$26	\$41	\$36	\$40	\$43
Stockfood/ACM	\$197	\$111	\$157	\$211	\$164	\$263
R & M/ACM	\$26	\$16	\$21	\$26	\$27	\$30
Vehicle Expenses & Fuel/ACM	\$40	\$44	\$52	\$57	\$67	\$65
Dairy Shed Expenses/ACM	\$15	\$15	\$16	\$19	\$17	\$19
Interest & Rent Paid	\$66,364	\$57,614	\$83,797	\$71,722	\$67,798	\$40,466
Interest & Rent Paid as a % of GFI	12.4%	12.3%	9.8%	13.6%	13.9%	5.4%
Net Farm Profit	\$88,415	\$74,578	\$328,615	\$34,794	\$117,322	\$239,381
Net Farm Profit as a % of GFI	22.7%	17.8%	41.0%	10.2%	17.4%	29.4%
Net Plant Purchases	\$61,423	\$35,416	\$53,220	\$49,609	\$17,131	\$35,694
Personal Drawings (excl Allowances)	\$40,578	\$37,472	\$55,452	\$50,540	\$45,297	\$32,124
Est Total Farm Capital (TFC)	\$1,703,571	\$956,154	\$2,071,364	\$1,314,258	\$1,387,500	\$1,216,667
Est TFC per kg Milk Solids	\$10.62	\$5.12	\$10.33	\$8.18	\$8.12	\$5.95
Est Interest on TFC	7.0%	6.0%	17.7%	7.2%	8.7%	17.1%
Total Term Debt	\$820,554	\$524,823	\$910,005	\$747,849	\$709,954	\$629,509
Term Debt as % TFC	58.7%	57.2%	43.9%	60.8%	49.8%	51.7%
GFI to Plant Ownership Ratio	3.6	6.4	7.2	4.2	4.7	5.7
Earnings Before Interest, Rent & Tax (EBIT)	\$154,779	\$132,191	\$412,412	\$106,516	\$185,121	\$279,848
EBIT/ACM	\$334	\$269	\$764	\$262	\$377	\$500
EBIT/EGA	\$776	\$728	\$2,083	\$603	\$973	\$1,415
EBIT/kg Milk Solids	\$0.94	\$0.77	\$2.14	\$0.73	\$0.99	\$1.31
Net Profit/kg Milk Solids	\$0.55	\$0.46	\$1.73	\$0.29	\$0.60	\$1.11
Cost of Production/ kg Milk Solids	\$2.24	\$2.09	\$2.59	\$2.93	\$2.48	\$2.68
Milksold Margin/Kg MS	\$0.01	(\$0.06)	\$0.97	(\$0.24)	\$0.23	\$0.24
"Misery Index"	71%	79%	55%	84%	78%	66%

HIGHLIGHTS - DAIRY OWNER-OPERATOR - IRRIGATED

SURVEY - 2010 YEAR

Comments on overall average figures:

- EGA has flattened out over the last three years – three year average of 272 ha.
- ACM/EGA has flattened out over the last five years – five year average of 3.36 per ha.
- MS production has flattened out over last three years – three year average of 381,096 kg/ms.
- MS payout is volatile – from \$4.17 to \$7.19 – five year average of \$5.27 kg/ms.
- MS production per ACM has flattened out over the last five years – five year average of 408 kg/ACM.
- MS Production per EGA has flattened out over the last five years – five year average of 1,378 kg/EGA.
- Enormous variation in GFI – a low of \$1,453,240 and high in 2010 year of \$2,437,116 – a \$1,000,000 difference.
- FWE – a sharp pull back in 2010 year compared with 2009 year – down by 64 cents per kg – a function of the very unsound 2009 year.
- FWE to GFI ratio – 52.9% in 2010 year – 82.5% in 2009 year – five year average of 60.8%.
- FWE per ACM – down to \$1,415 in 2010 year from \$1,589 in 2009 year – five year average of \$1,346.
- Wages, animal health, livestock improvement, stock food + fertiliser all lower per ACM in 2010 year compared with 2009 year. Repairs + maintenance, vehicle expenses + dairy shed expenses per ACM similar in 2010 year as 2009 year.
- Interest + rent paid of \$586,814 or \$1.51 per kg/ms compared with \$1.65 per kg/ms in 2009 year.
- FWE per kg/ms at \$3.61 in 2010 compared with \$4.27 in 2009 year – very strong pullback.
- Net farm profit of \$443,762 compared with loss of (\$336,513) in 2009 year – a much needed better result which represents \$1.14 per kg/ms.
- Net capital plant purchases of \$83,790 – five year average of \$110,015 – the annual average net capital plant purchases for the five years is 30.8 cents per kg/ms.
- Average term debt of \$6,892,012 – keeps rising fairly steadily – 2010 term debt represents \$17.72 per kg/ms – term debt represents around 50% of total farm capital employed.
- Total cost of production (excluding return to management) of \$5.07 per kg/ms – much lower than anticipated – a function of a strong pullback of FWE and lower interest payments – a very sound figure.

Comparison between the benchmark group and the average group for 2010:

- Very similar ACM and EGA.
- Slightly higher production per ACM at 463 kg – higher by 10.5%.
- Higher production per EGA at 1,594 kg – higher by 13%.
- FWE per ACM at \$1,493 is \$78 per ACM higher than average group – higher by 5.5%.
- Stock food cost per ACM higher but vehicles cost per ACM lower otherwise very similar costs per ACM.
- Interest + rent cost much lower at 83¢ per kg/ms – lower by 68 cents per kg/ms or 45%.
- Much lower overall cost of production at \$4.20 per kg/ms – 87 cents per kg/ms lower than average group – 17% lower.
- Net profit of \$1,023,486 – more than twice the average group due to higher ms production per ACM and per EGA and lower interest and rent payments.
- Much lower term debt at \$4,036,791 – average of \$9.32 per kg/ms.
- Average net profit per kg of ms of \$2.41.

**DAIRY OWNER/OPERATOR IRRIGATED
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Effective Grazing Area (ha) (EGA)	237	233	258	280	278	272
Average Cows Milked (ACM)	781	785	927	955	939	941
ACM/EGA	3.3	3.4	3.4	3.4	3.3	3.4
Milk Revenue	\$1,332,577	\$1,305,238	\$2,747,304	\$1,830,804	\$2,294,623	\$2,714,342
Milk Solids Production (Kg)	319,018	321,422	383,125	371,323	388,839	433,232
Average Value of Milk Solid Sales/Kg	\$4.17	\$4.18	\$7.19	\$4.92	\$5.91	\$6.25
Milk Solid Revenue/ACM	\$1,701	\$1,698	\$2,977	\$1,948	\$2,473	\$2,894
Milk Solid Revenue/EGA	\$5,558	\$5,632	\$10,266	\$6,635	\$8,288	\$9,972
Milk Solids/ACM (Kg)	407	406	414	395	419	463
Milk Solids/EGA (Kg)	1,335	1,372	1,430	1,348	1,407	1,594
Milk Solids as a % of GFI	89.6%	90.2%	93.4%	98.9%	93.2%	94.6%
Gross Farm Income (GFI)	\$1,485,737	\$1,453,240	\$2,952,620	\$1,868,714	\$2,437,116	\$2,857,041
Farm Working Expenses (FWE)	\$891,525	\$937,360	\$1,328,744	\$1,504,422	\$1,327,107	\$1,403,818
FWE as a % of GFI	59.3%	65.0%	44.2%	82.5%	52.9%	48.9%
FWE/ACM	\$1,134	\$1,184	\$1,406	\$1,589	\$1,415	\$1,493
Wages/ACM	\$207	\$189	\$217	\$222	\$207	\$215
Animal Health/ACM	\$63	\$62	\$75	\$82	\$73	\$70
Livestock Improvement/ACM	\$33	\$33	\$40	\$41	\$34	\$37
Stockfood/ACM	\$248	\$277	\$412	\$537	\$471	\$554
Fertiliser/ACM	\$153	\$153	\$200	\$235	\$190	\$197
R & M/ACM	\$85	\$97	\$122	\$99	\$95	\$94
Vehicle Expenses & Fuel/ACM	\$44	\$52	\$80	\$54	\$56	\$41
Dairy Shed Expenses/ACM	\$16	\$16	\$19	\$17	\$19	\$19
Interest & Rent Paid	\$337,393	\$368,463	\$509,925	\$612,913	\$586,814	\$358,118
Interest & Rent Paid as a % of GFI	22.2%	25.5%	16.8%	32.4%	24.3%	12.1%
Cost of Prodn per Kg MS (excl Interest & Rent)	\$3.01	\$3.08	\$3.61	\$4.27	\$3.61	\$3.40
Net Farm Profit	\$181,658	\$108,311	\$1,043,862	(\$336,513)	\$433,762	\$1,023,486
Net Farm Profit as a % of GFI	13.4%	7.1%	36.6%	-	19.8%	36.5%
Net Plant Purchases	\$89,909	\$80,584	\$149,100	\$146,693	\$83,790	\$73,097
Personal Drawings (excl Allowances)	\$74,292	\$68,379	\$77,319	\$66,670	\$68,001	\$65,695
Est Total Farm Capital (TFC)	\$9,182,970	\$9,886,667	\$12,922,857	\$12,398,813	\$13,085,541	\$11,827,333
Est TFC per Kg Milk Solids	\$29.79	\$31.54	\$39.57	\$35.56	\$35.71	\$27.61
Est Interest on TFC	4.6%	2.9%	9.8%	3.2%	6.7%	10.6%
Total Term Debt	\$4,056,470	\$4,240,532	\$5,891,669	\$6,558,059	\$6,892,012	\$4,036,791
Term Debt as % TFC	42.8%	42.1%	38.0%	49.2%	49.0%	32.9%
GFI to Plant Ownership Ratio	5.1	5.3	8.9	5.0	7.2	9.6
Earnings Before Interest, Rent & Tax (EBIT)	\$519,051	\$476,774	\$1,553,787	\$276,400	\$1,020,575	\$1,381,605
EBIT/ACM	\$673	\$605	\$1,706	\$370	\$1,108	\$1,488
EBIT/EGA	\$2,195	\$2,041	\$5,910	\$1,284	\$3,835	\$5,107
EBIT/Kg Milk Solids	\$1.66	\$1.50	\$4.12	\$0.91	\$2.73	\$3.21
Net Profit / Kg Milk Solids	\$0.64	\$0.33	\$2.82	-	\$1.27	\$2.41
Total Cost of Production per Kg MS	\$4.03	\$4.24	\$4.91	\$5.85	\$5.07	\$4.20
MS Margin over and above MS Payout (/Kg MS)	\$0.14	(\$0.07)	\$2.28	(\$0.93)	\$0.83	\$2.05
"Misery Index"	81%	91%	61%	115%	77%	61%

HIGHLIGHTS – SHAREMILKER - IRRIGATED SURVEY - 2010 YEAR

Comments on overall average figures:

- EGA has flattened out – 209 ha in 2010 year – five year average of 206 ha.
- ACM has also flattened out somewhat – 688 in 2010 year – five year average of 697.
- ACM per EGA of 3.3 in 2010 is identical with the four previous years.
- MS production creeping up at 279,969 kg – five year average is 275,143 kg.
- Average MS payout per kg - \$3.26 in 2010 year – five year average is \$2.65 per kg.
- MS production per ACM at 407 kg – is very similar to earlier years – five year average is 394.
- MS production per EGA at 1,357 kg – also very similar to earlier years – five year average is 1,338 kg.
- GFI - \$1,003,793 in 2010 year – volatile over recent years – five year average is \$849,708.
- FWE - \$593,069 in 2010 year – big pullback compared with previous year of \$638,132.
- FWE per kg of MS in 2010 year of \$2.12 – five year average of \$1.92 per kg/ms.
- FWE per ACM \$855 in 2010 year - \$892 in 2009 year – drop of \$37 per ACM or 4%.
- Wages and stock food cost both significantly lower in 2010 year compared with 2009 year.
- Interest + rent paid \$131,970 in 2010 year - \$111,860 in 2009 year – increase of \$20,110 or 18%.
- Net farm profit of \$252,740 – compared with loss of (\$29,400) in previous year.
- Net capital plant purchases of \$35,540 in 2010 year – five year average of \$42,899.
- Personal drawings - \$55,769 in 2010 year – five year average of \$47,527.
- Total term debt of \$805,177 in 2010 year – five year average of \$806,410.
- Net Profit per kg of MS in 2010 year of 87 cents – five year average of 71 cents.
- Total cost of production in 2010 year per kg of MS of \$2.68 – five year average of \$2.42.

Comparison between the benchmark group and the average group for 2010:

- Slightly lower ACM + EGA – about 6% and 9% respectively.
- Slightly higher stocking rate at 3.4.
- MS production per ACM at 442 kg is 35 kg or 9% higher.
- MS production per EGA at 1,509 kg is 152 kg or 11% higher.
- FWE per kg of MS at \$2.02 is nine cents lower than the average group.
- FWE per ACM at \$884 is \$29 higher – 3% higher.
- Wages + stock food paid per ACM is higher.
- Interest + rent at \$153,041 is \$21,071 or 16% higher.
- Net profit at \$330,006 is \$77,266 or 31% higher.
- Net capital plant purchases at \$34,571 are very similar.
- Personal drawings at \$34,986 are \$20,783 lower.
- Total cost of production at \$2.58 kg/ms – 11 cents per kg/ms lower than average group.
- Overall difference is higher gross farm income with very slightly lower cost of production.

**SHAREMILKER IRRIGATED
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Effective Grazing Area (ha) (EGA)	199	209	201	211	209	191
Average Cows Milked (ACM)	663	711	692	729	688	650
ACM/EGA	3.3	3.4	3.4	3.5	3.3	3.4
Milk Revenue	\$548,112	\$570,976	\$938,055	\$656,784	\$911,932	\$946,295
Milk Solids Production (kg)	252,465	273,586	283,949	285,745	279,969	290,438
Average Value of Milk Solid Sales (Kg)	\$2.15	\$2.08	\$3.41	\$2.35	\$3.26	\$3.30
Milk Solid Revenue/ACM	\$832	\$802	\$1,383	\$919	\$1,313	\$1,445
Milk Solid Revenue/EGA	\$2,747	\$2,761	\$4,707	\$3,130	\$4,458	\$4,983
Milk Solids/ACM (kg)	383	385	405	391	407	442
Milk Solids/EGA (kg)	1,264	1,324	1,395	1,351	1,357	1,509
Milk Solids as a % of GFI	80.7%	82.4%	87.3%	92.4%	92.3%	88.2%
Gross Farm Income (GFI)	\$677,342	\$695,747	\$1,114,628	\$757,028	\$1,003,793	\$1,086,726
Farm Working Expenses (FWE)	\$436,029	\$472,957	\$507,612	\$638,132	\$593,069	\$587,876
FWE as a % of GFI	63.4%	69.3%	45.1%	88.4%	61.4%	53.5%
FWE/ACM	\$653	\$665	\$729	\$892	\$855	\$884
Wages/ACM	\$145	\$146	\$162	\$192	\$180	\$217
Animal Health/ACM	\$57	\$56	\$70	\$69	\$68	\$69
Livestock Improvement/ACM	\$31	\$29	\$34	\$32	\$31	\$32
Stockfood/ACM	\$146	\$132	\$240	\$358	\$260	\$326
R & M/ACM	\$21	\$19	\$25	\$25	\$27	\$23
Vehicle Expenses & Fuel/ACM	\$44	\$41	\$46	\$47	\$48	\$40
Dairy Shed Expenses/ACM	\$19	\$17	\$14	\$18	\$16	\$21
Interest & Rent Paid	\$95,675	\$91,524	\$85,633	\$111,860	\$131,970	\$153,041
Interest & Rent Paid as a % of GFI	14.1%	13.2%	7.2%	14.0%	11.7%	13.7%
Net Farm Profit	\$116,699	\$123,592	\$495,168	(\$29,400)	\$252,740	\$330,006
Net Farm Profit as a % of GFI	18.1%	16.7%	45.1%	-	24.1%	31.5%
Net Plant Purchases	\$43,228	\$40,034	\$45,817	\$49,874	\$35,540	\$34,571
Personal Drawings (excl Allowances)	\$39,864	\$41,015	\$50,187	\$50,800	\$55,769	\$34,986
Est Total Farm Capital (TFC)	\$1,598,077	\$1,189,361	\$2,117,813	\$1,430,029	\$1,366,736	\$1,102,584
Est TFC per kg Milk Solids	\$6.27	\$4.68	\$8.14	\$5.41	\$5.14	\$3.78
Est Interest on TFC	8.7%	13.8%	25.1%	-	19.4%	34.6%
Total Term Debt	\$644,393	\$841,482	\$719,671	\$1,021,326	\$805,177	\$1,096,206
Term Debt as % of TFC	43.5%	53.8%	35.9%	67.8%	58.9%	87.4%
GFI to Plant Ownership Ratio	5.7	7.0	9.1	4.7	8.5	13.3
Earnings Before Interest, Rent & Tax (EBIT)	\$212,374	\$207,945	\$580,801	\$82,460	\$384,710	\$483,047
EBIT/ACM	\$340	\$303	\$860	\$106	\$548	\$741
EBIT/EGA	\$1,132	\$1,049	\$2,932	\$382	\$1,894	\$2,583
EBIT/kg Milk Solids	\$0.88	\$0.77	\$2.10	\$0.25	\$1.34	\$1.71
Net Profit / kg Milk Solids	\$0.47	\$0.43	\$1.78	-	\$0.87	\$1.17
Total Cost of Production/KG MS	\$2.23	\$2.13	\$2.22	\$2.82	\$2.68	\$2.58
Milksolid Margin/Kg MS	(0.07)	(0.05)	1.19	(0.47)	0.58	0.73
"Misery Index"	77%	82%	52%	102%	73%	67%

**HIGHLIGHTS – DAIRY OWNER - WITH 50:50 SHAREMILKER
SURVEY - 2010 YEAR**

Comments on overall average figures:

- A small sample – real care required in any analysis.
- EGA of 212 ha and ACM of 700 in 2010 year are very similar to the four previous years.
- Milk solids production of 292,655 kg – five year average of 279,303 kg.
- MS per ACM of 406 – five year average of 404 kg.
- MS per EGA of 1,300 kg – five year average of 1,324 kg.
- Gross farm income of \$976,559 – five year average of \$831,179.
- Farm working expenses of \$442,824 – five year average of \$402,223.
- FWE per ACM of \$660 - \$702 in 2009 year – five year average of \$609.
- FWE per kg of ms - \$1.51 – five year average of \$1.44.
- Stock food + fertiliser lower than previous year.
- Interest + rent of \$225,733 - \$254,987 in 2009 year – five year average of \$221,272.
- Interest + rent per kg of ms of 77 cents – five year average of 79 cents.
- Net profit of \$256,243 – loss of (\$20,685) in 2009 year – net profit is volatile.
- Net capital plant purchases of \$41,099 – five year average of \$48,001.
- Total farm capital of \$8,951,154 – five year average of \$8,326,027.
- Term debt of \$2,746,548 – a very solid net equity in this group – average of \$6,000,000.
- Total cost of production of \$2.53 per kg/ms – five year average of \$2.42 per kg/ms.
- Average net profit over the five years of \$155,056.

**DAIRY OWNER WITH 50:50 SHAREMILKER
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Effective Grazing Area (ha) (EGA)	213	203	200	205	212	356
Average Cows Milked (ACM)	706	647	657	684	700	1,367
ACM/EGA	3.25	3.19	3.31	3.30	3.17	3.78
Milk Revenue	\$612,380	\$583,271	\$1,024,720	\$708,563	\$901,964	\$1,793,303
Milk Solids Production (kg)	292,611	265,579	272,236	273,434	292,655	605,319
Average Value of Milk Solid Sales	\$2.07	\$2.30	\$3.83	\$2.76	\$3.17	\$3.03
Milk Solid Revenue/ACM	\$842	\$938	\$1,575	\$1,056	\$1,285	\$1,383
Milk Solid Revenue/EGA	\$2,756	\$2,988	\$5,277	\$3,486	\$4,100	\$5,186
Milk Solids/ACM (kg)	407	407	411	388	406	455
Milk Solids/EGA (kg)	1,334	1,315	1,380	1,291	1,300	1,710
Milk Solids as a % of GFI	95.6%	88.3%	94.6%	92.0%	92.9%	88.2%
Gross Farm Income (GFI)	\$623,382	\$708,539	\$1,082,540	\$764,876	\$976,559	\$1,988,628
Farm Working Expenses (FWE)	\$343,598	\$318,961	\$423,729	\$482,003	\$442,824	\$834,322
FWE as a % of GFI	55.3%	49.3%	38.6%	60.1%	46.9%	43.6%
FWE/ACM	\$492	\$550	\$640	\$702	\$660	\$728
Stockfood/ACM	\$113	\$148	\$220	\$224	\$161	\$217
Fertiliser/ACM	\$126	\$115	\$145	\$173	\$141	\$155
R & M/ACM	\$94	\$68	\$91	\$83	\$106	\$119
Vehicle Expenses & Fuel/ACM	\$24	\$27	\$38	\$31	\$31	\$22
Interest & Rent Paid	\$197,629	\$205,005	\$223,004	\$254,987	\$225,733	\$605,530
Interest & Rent Paid as a % of GFI	27.4%	28.8%	18.7%	29.3%	22.0%	30.5%
Cost of Prodn per KGMS (excl Interest & Rent)	\$1.37	\$1.60	\$1.67	\$1.99	\$1.78	\$1.76
Net Farm Profit	\$36,285	\$95,675	\$407,763	(\$20,685)	\$256,243	\$421,477
Net Farm Profit as a % of GFI	10.1%	14.6%	40.5%	-	26.2%	19.8%
Net Plant Purchases	\$55,523	\$13,427	\$55,193	\$74,765	\$41,099	\$72,801
Personal Drawings (excl Allowances)	\$58,772	\$58,096	\$74,894	\$74,134	\$74,008	\$117,245
Est Total Farm Capital (TFC)	\$7,724,375	\$7,487,500	\$8,542,108	\$8,925,000	\$8,951,154	\$15,921,667
Est TFC per kg Milk Solids	\$26.90	\$27.95	\$31.32	\$42.95	\$39.60	\$26.21
Est Interest on TFC	2.3%	2.5%	6.9%	2.9%	4.0%	6.0%
Total Term Debt	\$2,201,453	\$2,331,940	\$2,420,387	\$3,437,850	\$2,746,548	\$8,656,768
Term Debt as % of TFC	23.2%	27.0%	24.3%	28.9%	23.0%	54.2%
GFI to Plant Ownership Ratio	4.3	4.6	5.7	3.9	5.1	4.3
Earnings Before Interest, Rent & Tax (EBIT)	\$233,914	\$300,680	\$630,767	\$234,302	\$481,976	\$1,027,007
EBIT/ACM	\$334	\$466	\$1,002	\$402	\$670	\$778
EBIT/EGA	\$1,092	\$1,562	\$3,399	\$1,324	\$2,167	\$2,938
EBIT/kg Milk Solids	\$0.82	\$1.13	\$2.41	\$1.09	\$1.65	\$1.72
Net Profit / kg Milk Solids	\$0.23	\$0.39	\$1.65	\$0.21	\$0.90	\$0.66
Total Cost of Production per KG MS	\$1.95	\$2.35	\$2.42	\$2.87	\$2.53	\$2.82
Milksolds Margin/Kg MS	\$0.12	(\$0.05)	\$1.40	(\$0.10)	\$0.64	\$0.21
"Misery Index"	83%	78%	57%	90%	69%	74%

HIGHLIGHTS – SHEEP AND BEEF HILL COUNTRY

SURVEY - 2010 YEAR

Comments on overall average figures:

- Area grazed 2,857 ha – five year average 2,688 ha.
- Stock units 7,658 su – five year average 7,156 su.
- Gross farm income \$562,217 – easily the highest of the five years – average of the previous four years was \$415,696.
- GFI per su of \$72.34 – average of previous four years was \$57.32.
- FWE of \$353,423 – easily the highest of the last five years – average of previous four years was \$278,553.
- FWE per su of \$44.68 – average of previous four years of \$37.92.
- Interest + rent paid of \$99,896 – very similar to previous two years.
- Net farm profit of \$79,900 – previous year was \$62,922 – the three years prior to that were all unsound.
- Sheep Account gross profit of \$291,894 – much higher than any of the four previous years.
- Average lamb price of \$72.52 – same as previous year – 2006, 2007 + 2008 year average of \$46.41.
- Wool income of \$122,174 – five year average of \$111,244.
- Cattle Account gross profit of \$119,993 – GP per cattle su of \$49.17 – previous four year average of \$102,713.
- Deer Account gross profit of \$138,167 – easily the best of the last five years – GP per deer su \$107.26.
- Fertiliser of \$58,814 – much the highest of the five years – perhaps some catch up in the 2009 + 2010 years.
- Net capital plant purchases of \$32,732 – five year average was \$31,336.
- Term debt of \$1,064,934 – five year average of \$918,902.
- Fertiliser per su of \$7.16 – five year average of \$5.62.
- Very high net equity in this group – probably \$5,000,000 - \$5,250,000.

Benchmark group compared to average group:

- Carrying another 1,873 su – higher su scale by 24.5%.
- Higher su carrying capacity at 6 su compared with five year average in average group of 5.
- Gross farm income of \$768,619 – 36.7% higher than average group.
- GFI per su of \$80.46 – 11.2% higher.
- FWE of \$394,204 – only 11.5% higher.
- FWE per su of \$40.11 – compared with \$44.68 in average group.
- Interest + rent paid of \$206,584 – twice as high.
- Net farm profit of \$134,341 – less of a margin than in the 2009 year.
- Average lamb price of \$80.73 – 11% above average group.
- Fertiliser expenditure at \$53,433 is lower than average group of \$58,814.
- Term debt of \$2,035,905 – twice the average group.
- Benchmark group has higher scale, lower FWE per su, much higher debt servicing and lower net equity – higher profit by \$54,441.
- The higher lambing percentage at 128% is 9.4% higher than the average group and this would realise additional GFI of perhaps \$500,000.

**SHEEP/BEEF HILL COUNTRY
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Total Area Grazed (ha)	2,662	2,768	2,628	2,525	2,857	3,361
Stock Units (SU) Carried	7,157	7,167	7,285	6,511	7,658	9,531
SU per Grazed Area	5.1	4.9	5.0	5.0	4.9	6.0
Gross Farm Income (GFI)	\$397,842	\$410,060	\$382,530	\$472,350	\$562,217	\$768,619
GFI per SU	\$55.07	\$54.03	\$50.21	\$69.97	\$72.34	\$80.46
Farm Working Expenses (FWE)	\$263,499	\$282,311	\$279,989	\$288,415	\$353,423	\$394,204
FWE as a % of GFI	69.1%	73.1%	76.7%	62.8%	62.0%	49.4%
FWE per SU	\$36.14	\$36.62	\$37.42	\$41.50	\$44.68	\$40.11
Interest & Rent Paid	\$74,004	\$81,579	\$94,088	\$98,210	\$99,896	\$206,584
Interest & Rent Paid as a % of GFI	22.5%	23.8%	29.1%	24.2%	19.7%	28.8%
Net Farm Profit	\$34,540	\$22,412	(\$13,363)	\$62,992	\$79,900	\$134,341
Net Farm Profit as a % of GFI	8.7%	5.5%	(3.5%)	13.3%	14.2%	17.5%
Gross Profit Sheep Account	\$184,345	\$177,562	\$147,487	\$231,897	\$291,894	\$443,677
Lambing %	109%	103%	104%	107%	117%	128%
Ave Sale Value Lambs	\$47.64	\$47.62	\$43.97	\$73.77	\$72.52	\$80.73
Ave Sale Value Ewes	\$44.39	\$40.83	\$31.08	\$49.62	\$61.82	\$57.21
Gross Wool Revenue	\$102,547	\$113,673	\$116,499	\$101,329	\$122,174	\$104,105
Wool Production (kg)	25,213	25,874	25,578	22,839	25,143	29,247
Ave Value of Wool Sold per Kg	\$3.39	\$3.76	\$4.05	\$3.78	\$3.91	\$3.27
GP Sheep & Wool per Sheep SU	\$50.78	\$50.79	\$46.36	\$66.90	\$75.91	\$82.72
Gross Profit Cattle Account	\$96,605	\$103,602	\$102,594	\$108,050	\$119,993	\$166,094
Ave Sale Value Calves	\$425	\$411	\$333	\$446	\$422	-
Ave Sale Value Steers	\$811	\$801	\$798	\$835	\$842	\$879
Ave Sale Value Heifers	\$657	\$625	\$642	\$749	\$704	\$785
GP Cattle per Cattle SU	\$46.92	\$49.08	\$45.52	\$55.83	\$49.17	\$56.52
Gross Profit Deer Account	\$38,663	\$20,422	\$70,614	\$109,771	\$138,167	\$134,539
GP Deer per Deer SU	\$39.09	\$24.66	\$56.61	\$100.01	\$107.26	\$102.34
Fertiliser Expenditure	\$38,866	\$40,936	\$41,893	\$47,042	\$58,814	\$53,433
Fertiliser Expense per SU	\$4.88	\$4.80	\$5.19	\$6.07	\$7.16	\$5.49
Personal Drawings (excl Allowances)	\$36,432	\$38,012	\$38,781	\$37,972	\$44,146	\$55,401
Net Plant Purchases	\$30,812	\$18,752	\$23,134	\$51,250	\$32,732	\$25,253
Est Total Farm Capital (TFC)	\$5,107,630	\$5,864,667	\$5,939,677	\$5,640,466	\$6,366,932	\$6,697,408
Est TFC per SU	\$785	\$869	\$965	\$857	\$891	\$711
Est Interest on TFC	2.0%	1.8%	0.6%	3.0%	1.9%	4.0%
Total Term Debt	\$771,340	\$900,509	\$963,078	\$894,651	\$1,064,934	\$2,035,905
Term Debt as % of TFC	16.2%	17.3%	21.1%	23.3%	18.0%	32.5%
GFI to Plant Ownership	3.8	4.4	4.1	5.9	5.6	7.4
Earnings Before Interest, Rent & Tax (EBIT)	\$108,544	\$103,991	\$80,726	\$162,172	\$179,797	\$340,925
EBIT per SU	\$14.50	\$12.39	\$7.74	\$24.71	\$37.04	\$37.08
"Misery Index"	92%	96%	105%	87%	82%	78%

HIGHLIGHTS – SHEEP AND BEEF - DOWNLANDS/FLATLANDS SURVEY - 2010 YEAR

Comments on overall average figures:

- Average stock units carried of 4,007 – five year average is 4,267 su – complicated by the exclusion of dairy grazing su which have increased over recent years.
- Carrying capacity – 7.4 su/ha – five year average is 7.82 su/ha.
- Gross farm income - \$384,679 in 2010 year - \$381,128 in 2009 year – five year average is \$337,555.
- Dairy grazing + deer income have both lifted the GFI per su – a big lift particularly over the 2009 + 2010 years.
- Farm working expenses creeping up but very similar for 2009 year at \$226,116 and 2010 year at \$227,077.
- FWE to GFI ratio at 60.6% - five year average 64.2%.
- FWE per su just above \$60 for 2009 + 2010 years.
- Interest + rent paid \$72,964 – very similar to 2008 + 2009 years – five year average of \$68,008.
- Net farm profit of \$61,692 – similar to \$58,817 in 2009 year – five year average of \$44,141.
- Average value for lambs of \$79.81 and \$59.91 for ewes.
- Wool income of \$34,414 - five year average of \$39,210.
- Wool production 14,330 kg – five year average of 14,917 kg – five year average price of \$2.64 per kg.
- Gross profit from sheep over the five years has averaged \$173,110 – five year average for cattle gross profit has been \$96,422.
- Term debt at \$662,910 – five year average term debt of \$620,605.
- This group has had insufficient profitability for three of the last five years but low term debt and close to a \$4,000,000 net equity strengthens up the position significantly.

Benchmark group compared to overall average group:

- 20% higher scale.
- Higher production and income consequently per su particularly in the Sheep Account.
- Similar FWE per su.
- Interest + rent higher but lower when looked at as a ratio of GFI.
- Deer are important in both groups.
- Fertiliser higher per su.
- Net capital plant purchases are similar.
- Personal drawings are similar.
- Benefit of higher su and higher return per su coupled with overall expenses being similar are showing through strongly.
- Higher lambing percentage of 142% - higher by 4.4% - this amounts to an extra perhaps \$14,000 of GFI.

**SHEEP/BEEF DOWNLANDS/FLATLANDS
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Total Effective Area Farmed (ha)	712	768	676	781	684	663
Stock Units (SU) Carried (1)	4,365	4,527	4,256	4,178	4,007	4,804
SU per Effective Ha (1)	8.2	7.9	8.1	7.5	7.4	8.9
Gross Farm Income (GFI)	\$297,847	\$312,213	\$311,128	\$381,907	\$384,679	\$654,919
GFI per SU (1)	\$74.93	\$70.08	\$86.49	\$103.65	\$104.36	\$136.72
GFI per Effective Ha	\$613	\$611	\$743	\$802	\$826	\$1,304
Farm Working Expenses (FWE)	\$185,755	\$193,877	\$192,461	\$226,116	\$227,077	\$292,570
FWE as a % of GFI	64.6%	64.8%	65.6%	65.2%	60.6%	45.6%
FWE per SU (1)	\$47.53	\$47.81	\$53.42	\$63.18	\$61.77	\$58.77
Interest & Rent Paid	\$54,082	\$63,728	\$71,384	\$77,884	\$72,964	\$103,587
Interest & Rent Paid as a % of GFI	19.1%	21.6%	24.0%	21.0%	19.3%	15.9%
Net Farm Profit	\$38,158	\$34,216	\$27,823	\$58,817	\$61,692	\$240,365
Net Farm Profit as a % of GFI	8.5%	22.7%	4.4%	6.4%	13.1%	31.5%
Gross Profit Sheep Account	\$158,349	\$160,137	\$149,767	\$194,697	\$202,599	\$343,461
Lambing %	132%	128%	129%	125%	136%	142%
Ave Sale Value Lambs	\$53.23	\$55.01	\$52.17	\$78.81	\$79.81	\$80.62
Ave Sale Value Ewes	\$42.17	\$39.72	\$33.34	\$50.99	\$59.91	\$61.66
Gross Wool Revenue	\$42,057	\$46,465	\$39,231	\$33,882	\$34,414	\$42,102
Wool Production (kg)	15,806	16,211	14,969	13,268	14,330	18,518
Ave Value of Wool Sold per Kg	\$2.67	\$2.76	\$2.53	\$2.81	\$2.45	\$2.57
GP Sheep & Wool per Sheep SU	\$66.80	\$62.96	\$66.82	\$83.51	\$90.76	\$107.05
Gross Profit Cattle Account	\$85,798	\$97,804	\$84,361	\$115,713	\$98,436	\$157,551
Ave Sale Value Calves	\$448	\$506	\$373	\$408	\$466	-
Ave Sale Value Steers	\$813	\$872	\$825	\$907	\$948	\$1,033
Ave Sale Value Heifers	\$653	\$675	\$678	\$746	\$747	\$823
GP Cattle per Cattle SU	\$67.75	\$60.29	\$60.76	\$81.84	\$70.48	\$105.22
Gross Profit Deer Account	\$38,310	\$48,881	\$51,944	\$80,597	\$96,237	\$128,082
GP Deer per Deer SU	\$57.87	\$51.69	\$75.40	\$104.91	\$101.99	\$106.16
Grazing/Lease Income	-	-	\$148,195	\$125,869	\$137,960	\$183,739
Grazing/Lease Income/Total Farm Area	-	-	\$706	\$663	\$714	\$594
Fertiliser Expenditure	\$31,588	\$29,974	\$28,977	\$40,993	\$39,024	\$58,021
Fertiliser Expense per SU (1)	\$6.85	\$6.65	\$7.95	\$10.96	\$10.24	\$14.14
Personal Drawings (excl Allowances)	\$37,135	\$34,231	\$39,019	\$41,345	\$46,255	\$46,553
Net Plant Purchases	\$21,629	\$18,319	\$24,847	\$32,440	\$29,633	\$33,836
Est Total Farm Capital (TFC)	\$3,721,775	\$4,186,179	\$4,202,240	\$4,621,766	\$4,594,880	\$5,422,615
Est Interest on TFC	1.8%	1.4%	1.3%	2.4%	2.0%	5.0%
Total Term Debt	\$495,290	\$627,467	\$643,192	\$674,165	\$662,910	\$924,778
Term Debt as % of TFC	13.5%	15.5%	15.0%	15.1%	14.3%	19.9%
GFI to Plant Ownership	3.4	3.4	3.6	4.1	4.2	5.7
Earnings Before Interest, Rent & Tax (EBIT)	\$92,325	\$94,578	\$97,621	\$139,138	\$134,791	\$319,916
EBIT per SU (1)	\$21.36	\$18.99	\$26.22	\$30.80	\$36.04	\$71.56
"Misery Index"	84%	86%	90%	86%	80%	61%

(Note (1) Excludes Dairy Grazing)

HIGHLIGHTS – MIXED CROPPING

SURVEY - 2010 YEAR

Comments on overall average figures:

- Crop harvested area at 227 ha has increased slightly over the five years – five year average 217 ha.
- GFI at \$1,067,319 is similar to the last two years.
- FWE at \$632,052 is similar to the last two years.
- FWE to GFI ratio at 59% is the lowest of the five years – five year average is 61.8%.
- Interest + rent paid at \$188,312 represents 17.9% of GFI – five year average is 19%.
- Net Farm Profit of \$161,491 – best result of the five years – five year average is \$116,752.
- Gross Return per cropped ha of \$3,165 which is very similar to the two previous years.
- Gross Profit from Sheep Account of \$99,010 – five year average is \$99,310.
- Average lamb sale value at \$96.19 per head – easily the best of the five years – five year average is \$76.22.
- Net capital plant purchases \$124,943 – five year average is \$121,430.
- Over the five years the average net farm profit and the net capital plant purchases each year have been similar.
- Average term debt in 2010 is \$1,609,196 – very similar to the two previous years.
- This group has a solid average net equity but the net farm profit has only been satisfactory over the last two years.

Benchmark group compared to overall average group:

- Much higher scale – crop area is 76 ha or 33.5% higher.
- Gross return per cropped area is 50% higher – more high risk crops plus potatoes and some horticulture.
- Higher gross income from Sheep Account – a 45% increase.
- Higher weed + pest and fertiliser costs per cropped hectare.
- Much more land being leased / rented.

**MIXED CROPPING
SURVEY - 2010 YEAR**

	OVERALL AVERAGE 2006	OVERALL AVERAGE 2007	OVERALL AVERAGE 2008	OVERALL AVERAGE 2009	OVERALL AVERAGE 2010	BENCHMARK GROUP 2010
Total Effective Area Farmed (ha) (EGA)	303	307	321	316	310	367
Area Cropped Grain & Seeds (Ha)	206	205	217	232	227	303
Gross Farm Income (GFI)	\$783,497	\$853,446	\$963,493	\$1,074,901	\$1,067,319	\$2,164,408
Farm Working Expenses (FWE)	\$491,881	\$519,031	\$599,183	\$642,485	\$632,051	\$1,174,177
FWE as a % of GFI	63.3%	63.0%	62.3%	61.2%	59.0%	55.3%
Interest & Rent Paid	\$142,652	\$164,705	\$181,635	\$205,130	\$188,312	\$385,371
Interest & Rent Paid as a % of GFI	19.1%	18.8%	20.0%	19.1%	17.9%	18.9%
Net Farm Profit	\$73,245	\$101,331	\$104,613	\$143,081	\$161,491	\$429,358
Net Farm Profit as a % of GFI	7.1%	14.7%	9.0%	11.4%	14.6%	17.8%
Gross Profit Cropping Account	\$591,829	\$648,775	\$748,097	\$756,802	\$826,630	\$1,626,936
Gross Profit Cropping per Ha	\$2,586	\$2,751	\$3,088	\$3,043	\$3,165	\$4,761
Gross Profit Cropping as a % of GFI	66.8%	65.3%	69.5%	64.1%	64.7%	71.0%
Gross Profit Sheep	\$97,753	\$94,726	\$92,659	\$112,404	\$99,010	\$143,697
Ave Sale Value Lambs	\$69.96	\$65.08	\$61.97	\$87.88	\$96.19	\$107.53
Gross Wool Revenue	\$21,159					
Wool Production (kg)	7,519					
Net Plant Purchases	\$102,921	\$106,710	\$136,769	\$135,808	\$124,943	\$163,714
GFI To Plant Ownership	2.1	2.0	2.6	2.6	2.6	3.4
Weed & Pest per Cropped Area	\$332	\$355	\$372	\$381	\$368	\$543
Fertiliser per Total EGA	\$211	\$248	\$325	\$383	\$327	\$398
Personal Drawings (excl Allowances)	\$52,712	\$55,444	\$59,739	\$57,062	\$57,879	\$69,706
Est Total Farm Capital (TFC)	\$5,095,827	\$5,818,778	\$6,387,337	\$6,738,694	\$7,026,269	\$6,669,286
Est TFC/EGA	\$17,068	\$19,173	\$21,238	\$22,607	\$24,080	\$22,248
Est Interest on TFC	3.1%	3.2%	3.2%	3.7%	3.4%	9.0%
Total Term Debt	\$1,221,291	\$1,357,366	\$1,618,086	\$1,715,997	\$1,609,196	\$2,833,067
Term Debt as % of TFC	23.6%	21.3%	23.8%	25.6%	23.5%	43.5%
Earnings Before Interest, Rent & Tax (EBIT)	\$215,897	\$266,036	\$286,248	\$348,212	\$346,379	\$785,383
EBIT as a % of GFI	26.3%	28.9%	29.1%	30.5%	32.3%	74.2%
EBIT/EGA	\$667	\$795	\$923	\$1,032	\$1,121	\$2,498
"Misery Index"	82%	82%	82%	80%	77%	74%

GLOSSARY OF TERMS AND TERMINOLOGY

SU	=	<i>Stock Units (or Ewe Equivalent)</i>
GFI	=	<i>Gross Farm Income</i>
FWE	=	<i>Farm Working Expenses</i>
Personal Drawings (excluding allowances)	=	<i>Personal Drawings but excluding</i> <ul style="list-style-type: none">• <i>Life Assurance</i>• <i>Personal Insurances</i>• <i>Superannuation</i>• <i>Taxation</i>• <i>Personal Insurance, Electricity & Car Allowances</i>• <i>School Fees</i>• <i>Health & Sickness Insurance</i>• <i>Personal ACC Levies</i>
Net Plant Purchases	=	<i>Gross Capital Plant Purchases less Capital Plant Sales/Trade-ins</i>
TFC	=	<i>Estimated Total Farm Capital Employed in the farming operation in the form of Land, Stock & All Plant (+ Dairy Shares where relevant)</i>
EGA	=	<i>Effective Grazing or Milking Area (in hectares)</i>
ACM	=	<i>Average Cows Milked (usually taken at or around early to mid January each year)</i>
MS (kg)	=	<i>Milk Solids (kg)</i>
EBIT	=	<i>Earnings before interest and tax = Gross Farm Income less all expenses except Interest and/or Rent</i>
Net Farm Profit	=	<i>True Net Farm Profit (calculated after allowing for and adjusting for any livestock number and class number changes and being reflected at the current year's Herd Scheme Values and after deducting FWE, interest, rent and depreciation).</i>
GFI to Plant Ownership	=	<i>The relationship of the Gross Farm Income to the book value of plant at year's end. The lower the number the more the exercise has excess plant or insufficient GFI or a combination of the two.</i>
Total Term Debt	=	<i>Includes all external debt and family debt. Some family debt may involve a low to nil interest cost.</i>
Interest Earned on Total Farm Employed (TFC)	=	<i>The net farm profit plus added back interest and/or rent paid less a capital wages of management figure for one or both spouses as is appropriate, divided by the estimated value of the total assets employed re land, buildings, stock and plant. Where land is rented, an estimate of its value is included in the TFC.</i>
Farm Sector Groups	=	<i>It is fair comment that some farms could fit either in whole or in part into several different farm sector groups but this would generally only apply to about 5% of the total. The comment applies to several downlands and several hill country farms.</i>
'Misery Index'	=	<i>The sum of the FWE to GFI ratio and the interest and/or rent paid to GFI ratio. Where the sum is above 75% - 80% it almost invariably means trouble because it means more than one key benchmark is being broken at any one point in time.</i>
BG	=	<i>Benchmark Group</i>