



Tammac Consultants cc

## DAIRY FINANCIAL MANAGEMENT - GROUP COMPARISONS

GROUP AVERAGE

Figures are the group rolling 12-month averages to February 2019.

11 Apr 2019

	Rands/CIH			Litres/CIH		Cents/Litre (1)		Rand/Hectare (2)		
	Top 1/3	Group	Bottom 1/3	Your Figs	Group	Your Figs	Group	Your Figs	Group	Your Figs
<b>INCOME</b>	-	<b>2,790.20</b>	-		<b>657.61</b>		<b>464.12</b>		<b>5,482.41</b>	
1 Milk Sales (1)	-	2,548.92	-		601.18		423.98		5,008.32	
2 Cattle Sales	-	169.89	-		39.73		28.26		333.81	
3 Other Dairy Income	-	4.88	-		1.14		0.81		9.59	
4 Non Dairy Income	-	66.52	-		15.56		11.06		130.70	
<b>DAIRY EXPENSES</b>	-	<b>185.10</b>	-		<b>43.29</b>		<b>30.79</b>		<b>363.70</b>	
5 Vet & Medicine	-	80.63	-		18.86		13.41		158.42	
6 Semen & AI Costs	-	34.22	-		8.00		5.69		67.24	
7 Other Dairy Costs	-	70.25	-		16.43		11.69		138.04	
<b>PURCHASED FEEDS</b>	-	<b>980.87</b>	-		<b>229.38</b>		<b>163.16</b>		<b>1,927.28</b>	
8 Cow Feeds	-	822.71	-		192.40		136.85		1,616.54	
9 Heifer Feeds	-	51.36	-		12.01		8.54		100.91	
10 Calf Feeds (1)	-	82.11	-		19.20		13.66		161.33	
11 Other Purch Feeds	-	24.69	-		5.77		4.11		48.51	
<b>HOME-PROD FEEDS</b>	-	<b>389.75</b>	-		<b>91.15</b>		<b>64.83</b>		<b>765.81</b>	
12 Fertilizer	-	182.22	-		42.61		30.31		358.05	
13 Seed	-	63.26	-		14.79		10.52		124.30	
14 Weed-/Pesticides	-	35.55	-		8.31		5.91		69.85	
15 Other/Transport	-	108.71	-		25.42		18.08		213.61	
<b>GROSS MARGIN</b>	-	<b>1,234.48</b>	-		<b>293.79</b>		<b>205.34</b>		<b>2,425.61</b>	
<b>LABOUR</b>	-	<b>308.65</b>	-		<b>72.18</b>		<b>51.34</b>		<b>606.45</b>	
16 Wages	-	281.56	-		65.84		46.83		553.23	
17 Rations (1)	-	4.04	-		0.94		0.67		7.93	
18 Other Labour Costs	-	23.05	-		5.39		3.83		45.30	
<b>MECHANICAL COSTS</b>	-	<b>201.88</b>	-		<b>47.21</b>		<b>33.58</b>		<b>396.67</b>	
19 Fuel & Oils	-	97.88	-		22.89		16.28		192.32	
20 Tractor R&M	-	39.55	-		9.25		6.58		77.71	
21 Implement R&M	-	29.46	-		6.89		4.90		57.89	
22 Other Mech Costs	-	34.99	-		8.18		5.82		68.75	
<b>OTHER FIXED COSTS</b>	-	<b>272.04</b>	-		<b>63.62</b>		<b>45.25</b>		<b>534.53</b>	
23 Insurance	-	24.53	-		5.74		4.08		48.20	
24 Electricity	-	113.56	-		26.56		18.89		223.13	
25 R&M Fixed Improv.	-	42.60	-		9.96		7.09		83.70	
26 Other Costs	-	31.27	-		7.31		5.20		61.45	
27 Sundry Costs	-	60.09	-		14.05		9.99		118.06	
<b>NET FARM INCOME</b>	-	<b>451.91</b>	-		<b>110.78</b>		<b>75.17</b>		<b>887.96</b>	

(1) - Figures have been adjusted for saleable milk retained for calves, labour and household.

(2) - Fertilized hectares only.

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NB! Financial & Capital Costs should be used with care. These are non-comparable figures—they reflect the unique financial situation of producers.

	Rands/CIH				Litres/CIH		Cents/Litre (1)		Rand/Hectare (2)	
	Top 1/3	Group	Bottom 1/3	Your Figs	Group	Your Figs	Group	Your Figs	Group	Your Figs
<b>FINANCIAL COSTS</b>	-	<b>147.84</b>	-		<b>34.57</b>		<b>24.59</b>		<b>290.49</b>	
28 Interest	-	57.36	-		13.41		9.54		112.71	
29 Debt Redemption	-	90.48	-		21.16		15.05		177.78	
<b>CAPITAL COSTS</b>	-	<b>123.12</b>	-		<b>28.79</b>		<b>20.48</b>		<b>241.92</b>	
30 Drawings (1)	-	69.79	-		16.32		11.61		137.13	
31 Fixed Improvements	-	16.41	-		3.84		2.73		32.25	
32 Plant & Equipment	-	36.91	-		8.63		6.14		72.53	
<b>BOTTOM LINE</b>	-	<b>180.96</b>	-		<b>47.42</b>		<b>30.10</b>		<b>355.56</b>	

	Top Third	Group Average	Bottom Third	Your Figures	
Number of participants .....		11			
Standard deviation (SDev) of Gross Income .....		344.2			68% of the data ranges from (Avg - SDev) to (Avg + SDev)
Standard deviation (SDev) of Gross Margin .....		270.3			
Standard deviation (SDev) of Net Farm Income .....		296.4			
Average number of cows in herd .....		885			
Percentage cows in milk .....		87.2%			
Litres milk sold per cow in herd per day .....		19.6			
Litres milk sold per cow in milk per day .....		22.5			
Average milk price (cents per litre) .....		424.0			
Cow purchased feed as percent of milk income .....		32.3%			
Total feeds as percent of dairy income .....		50.3%			
Home-produced feeds as percent of total feed costs .....		28.4%			
Average number of hectares employed (excluding veld) .....		451			
Number of cows in herd per hectare employed .....		2.0			
Average number of litres sold daily per hectare employed .....		38.8			
Average number of labourers employed .....		38			
Cows in herd per labour unit .....		23			
Average wage per labour unit .....		R 6,548			
Gross Margin per R100 of associated costs .....		R 79.35			
Net Farm Income per R100 of associated costs .....		R 19.33			

(1) - Figures have been adjusted for saleable milk retained for calves, labour and household. (2) - Fertilized hectares only.

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