



DAIRY FINANCIAL MANAGEMENT - GROUP COMPARISONS

Tammac Consultants cc

GROUP AVERAGE

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

13 May 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
INCOME	-	2,774.39	-		658.12		461.92		5,454.04	
1 Milk Sales (1)	-	2,530.07	-		600.62		421.24		4,973.75	
2 Cattle Sales	-	171.86	-		40.45		28.61		337.86	
3 Other Dairy Income	-	5.34	-		1.26		0.89		10.50	
4 Non Dairy Income	-	67.12	-		15.79		11.17		131.94	
DAIRY EXPENSES	-	186.18	-		43.81		31.00		366.00	
5 Vet & Medicine	-	80.34	-		18.91		13.38		157.94	
6 Semen & AI Costs	-	34.28	-		8.07		5.71		67.39	
7 Other Dairy Costs	-	71.55	-		16.84		11.91		140.66	
PURCHASED FEEDS	-	977.68	-		230.08		162.78		1,921.98	
8 Cow Feeds	-	820.63	-		193.12		136.63		1,613.25	
9 Heifer Feeds	-	51.65	-		12.15		8.60		101.54	
10 Calf Feeds (1)	-	81.94	-		19.28		13.64		161.09	
11 Other Purch Feeds	-	23.46	-		5.52		3.91		46.11	
HOME-PROD FEEDS	-	374.63	-		88.16		62.37		736.47	
12 Fertilizer	-	178.33	-		41.97		29.69		350.57	
13 Seed	-	62.96	-		14.82		10.48		123.77	
14 Weed-/Pesticides	-	33.87	-		7.97		5.64		66.58	
15 Other/Transport	-	99.47	-		23.41		16.56		195.55	
GROSS MARGIN	-	1,235.90	-		296.07		205.77		2,429.60	
LABOUR	-	310.40	-		73.05		51.68		610.21	
16 Wages	-	283.72	-		66.77		47.24		557.76	
17 Rations (1)	-	3.93	-		0.92		0.65		7.72	
18 Other Labour Costs	-	22.75	-		5.35		3.79		44.73	
MECHANICAL COSTS	-	202.54	-		47.66		33.72		398.17	
19 Fuel & Oils	-	98.81	-		23.25		16.45		194.24	
20 Tractor R&M	-	39.73	-		9.35		6.62		78.11	
21 Implement R&M	-	29.58	-		6.96		4.93		58.16	
22 Other Mech Costs	-	34.42	-		8.10		5.73		67.66	
OTHER FIXED COSTS	-	268.83	-		63.26		44.76		528.47	
23 Insurance	-	24.36	-		5.73		4.06		47.88	
24 Electricity	-	113.53	-		26.72		18.90		223.18	
25 R&M Fixed Improv.	-	42.15	-		9.92		7.02		82.86	
26 Other Costs	-	29.04	-		6.83		4.83		57.09	
27 Sundry Costs	-	59.75	-		14.06		9.95		117.47	
NET FARM INCOME	-	454.13	-		112.09		75.61		892.75	

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

(2) - Fertilized hectares only.

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

	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
FINANCIAL COSTS	-	133.02	-		31.30		22.15		261.50	
28 Interest	-	57.83	-		13.61		9.63		113.68	
29 Debt Redemption	-	75.19	-		17.70		12.52		147.82	
CAPITAL COSTS	-	132.08	-		31.08		21.99		259.65	
30 Drawings (1)	-	70.58	-		16.61		11.75		138.75	
31 Fixed Improvements	-	16.41	-		3.86		2.73		32.25	
32 Plant & Equipment	-	45.09	-		10.61		7.51		88.65	
BOTTOM LINE	-	189.03	-		49.71		31.47		371.60	

	Top Third	Group Average	Bottom Third	Your Figures
Number of participants		11		
Standard deviation (SDev) of Gross Income		355.5		
Standard deviation (SDev) of Gross Margin		263.7		
Standard deviation (SDev) of Net Farm Income		286.3		
Average number of cows in herd		886		
Percentage cows in milk		87.1%		
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)		421.2		
Cow purchased feed as percent of milk income		32.4%		
Total feeds as percent of dairy income		50.0%		
Home-produced feeds as percent of total feed costs		27.7%		
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 6,608		
Gross Margin per R100 of associated costs		R 80.33		
Net Farm Income per R100 of associated costs		R 19.57		

68% of the data ranges from (Avg - SDev) to (Avg + SDev)

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

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Top and bottom third divisions (when available) are based on NET FARM INCOME per cow in herd, excluding depreciation