



DAIRY FINANCIAL MANAGEMENT - GROUP COMPARISONS

Tammac Consultants cc

GROUP AVERAGE

Figures are the group rolling 12-month averages to August 2020.

Sun 18th Oct 2020

	Rands/CIH	Litres/CIH	Cents/Litre (1)	Rand/Hectare (2)
	Group Average	Group Average	Group Average	Group Average
INCOME	2,973.14	649.85	498.03	6,223.60
1 Milk Sales (1)	2,728.81	596.98	457.10	5,712.15
2 Cattle Sales	145.88	31.57	24.44	305.37
3 Other Dairy Income	3.66	0.79	0.61	7.66
4 Non Dairy Income	94.79	20.51	15.88	198.42
GROSS INCOME	2,973.14 -	649.85 -	498.03 -	6,223.60 -
DAIRY EXPENSES	216.56	46.86	36.28	453.33
5 Vet & Medicine	96.46	20.87	16.16	201.91
6 Semen & AI Costs	36.30	7.85	6.08	75.98
7 Other Dairy Costs	83.81	18.13	14.04	175.44
PURCHASED FEEDS	1,129.62	244.42	189.22	2,364.61
8 Cow Feeds	902.35	195.25	151.15	1,888.86
9 Heifer Feeds	92.06	19.92	15.42	192.70
10 Calf Feeds (1)	98.04	21.21	16.42	205.23
11 Other Purch Feeds	37.17	8.04	6.23	77.81
HOME-PROD FEEDS	407.83	88.25	68.32	853.71
12 Fertilizer	197.95	42.83	33.16	414.36
13 Seed	69.37	15.01	11.62	145.21
14 Weed-/Pesticides	39.29	8.50	6.58	82.25
15 Other/Transport	101.22	21.90	16.96	211.89
GROSS MARGIN	1,219.12	270.32	204.21	2,551.95
LABOUR	317.20	68.63	53.13	663.99
16 Wages	293.18	63.44	49.11	613.72
17 Rations (1)	5.08	1.10	0.85	10.64
18 Other Labour Costs	18.93	4.10	3.17	39.63
MECHANICAL COSTS	207.54	44.91	34.76	434.43
19 Fuel & Oils	95.93	20.76	16.07	200.81
20 Tractor R&M	42.00	9.09	7.04	87.92
21 Implement R&M	26.59	5.75	4.45	55.67
22 Other Mech Costs	43.01	9.31	7.20	90.03
OTHER FIXED COSTS	350.46	75.83	58.71	733.60
23 Insurance	30.63	6.63	5.13	64.12
24 Electricity	150.33	32.53	25.18	314.68
25 R&M Fixed Improv.	59.44	12.86	9.96	124.42
26 Other Costs	32.59	7.05	5.46	68.22
27 Sundry Costs	77.47	16.76	12.98	162.16
NET FARM INCOME	343.93	80.95	57.61	719.93

(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)
	Group Average	Group Average	Group Average	Group Average
FINANCIAL COSTS	233.21	50.46	39.07	488.18
28 Interest	67.25	14.55	11.27	140.78
29 Debt Redemption	165.96	35.91	27.80	347.40
CAPITAL COSTS	81.38	17.61	13.63	170.35
30 Drawings (1)	62.11	13.44	10.40	130.00
31 Fixed Improvements	-	-	-	-
32 Plant & Equipment	19.27	4.17	3.23	40.34
BOTTOM LINE	29.33	12.88	4.91	61.40

	Group Average
Number of participants	11
Standard deviation (SDev) of Gross Income	338.3
Standard deviation (SDev) of Gross Margin	265.3
Standard deviation (SDev) of Net Farm Income	280.6
Average number of cows in herd	898
Percentage cows in milk	87.5%
Litres milk sold per cow in herd per day	19.4
Litres milk sold per cow in milk per day	22.2
Average milk price (cents per litre)	457.1
Cow purchased feed as percent of milk income	33.1%
Total feeds as percent of dairy income	53.4%
Home-produced feeds as percent of total feed costs	26.5%
Average number of hectares employed (excluding veld) ...	429
Number of cows in herd per hectare employed	2.1
Average number of litres sold daily per hectare employed .	41.1
Average number of labourers employed	39
Cows in herd per labour unit	23
Average wage per labour unit	R 6,743
Gross Margin per R100 of associated costs	R 69.50
Net Farm Income per R100 of associated costs	R 13.08

STANDARD DEVIATION

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

So for 68% of the R/CIH figures the...
GI ranges from R2,635 to R3,311 /CIH
GM ranges from R954 to R1,484 /CIH
NFI ranges from R63 to R281 /CIH

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