



Tammac Consultants cc

DAIRY FINANCIAL MANAGEMENT - GROUP COMPARISONS

GROUP AVERAGE

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

Fri 13th Nov 2020

	Rands/CIH	Litres/CIH	Cents/Litre (1)	Rand/Hectare (2)
	Group Average	Group Average	Group Average	Group Average
INCOME	2,964.83	645.56	497.41	6,257.38
1 Milk Sales (1)	2,735.20	596.06	458.88	5,772.73
2 Cattle Sales	142.49	30.71	23.91	300.73
3 Other Dairy Income	3.67	0.79	0.62	7.74
4 Non Dairy Income	83.48	17.99	14.01	176.19
GROSS INCOME	2,964.83	645.56	497.41	6,257.38
DAIRY EXPENSES	218.49	47.10	36.66	461.14
5 Vet & Medicine	96.94	20.90	16.26	204.61
6 Semen & AI Costs	36.27	7.82	6.09	76.55
7 Other Dairy Costs	85.28	18.38	14.31	179.98
PURCHASED FEEDS	1,128.14	243.17	189.27	2,380.98
8 Cow Feeds	901.36	194.29	151.22	1,902.34
9 Heifer Feeds	91.34	19.69	15.32	192.77
10 Calf Feeds (1)	97.48	21.01	16.35	205.74
11 Other Purch Feeds	37.97	8.18	6.37	80.13
HOME-PROD FEEDS	414.44	89.33	69.53	874.69
12 Fertilizer	204.71	44.13	34.34	432.05
13 Seed	69.09	14.89	11.59	145.83
14 Weed-/Pesticides	39.14	8.44	6.57	82.61
15 Other/Transport	101.49	21.88	17.03	214.20
GROSS MARGIN	1,203.76	265.96	201.95	2,540.57
LABOUR	317.87	68.52	53.33	670.88
16 Wages	293.66	63.30	49.27	619.77
17 Rations (1)	5.15	1.11	0.86	10.88
18 Other Labour Costs	19.06	4.11	3.20	40.23
MECHANICAL COSTS	207.30	44.68	34.78	437.51
19 Fuel & Oils	94.74	20.42	15.89	199.95
20 Tractor R&M	42.21	9.10	7.08	89.08
21 Implement R&M	27.08	5.84	4.54	57.14
22 Other Mech Costs	43.28	9.33	7.26	91.33
OTHER FIXED COSTS	352.04	75.88	59.06	742.99
23 Insurance	30.37	6.55	5.09	64.09
24 Electricity	150.77	32.50	25.29	318.20
25 R&M Fixed Improv.	59.15	12.75	9.92	124.83
26 Other Costs	32.96	7.10	5.53	69.56
27 Sundry Costs	78.80	16.98	13.22	166.30
NET FARM INCOME	326.55	76.88	54.78	689.20

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

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	234.51	50.55	39.34	494.94
28 Interest	67.27	14.50	11.29	141.98
29 Debt Redemption	167.24	36.05	28.06	352.96
CAPITAL COSTS	84.62	18.24	14.20	178.60
30 Drawings (1)	61.69	13.30	10.35	130.20
31 Fixed Improvements	-	-	-	-
32 Plant & Equipment	22.93	4.94	3.85	48.40
BOTTOM LINE	7.42	8.09	1.24	15.66

	Group Average
Number of participants	11
Standard deviation (SDev) of Gross Income	354.8
Standard deviation (SDev) of Gross Margin	254.7
Standard deviation (SDev) of Net Farm Income	288.3
Average number of cows in herd	898
Percentage cows in milk	87.4%
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)	458.9
Cow purchased feed as percent of milk income	33.0%
Total feeds as percent of dairy income	53.5%
Home-produced feeds as percent of total feed costs	26.9%
Average number of hectares employed (excluding veld)	425
Number of cows in herd per hectare employed	2.1
Average number of litres sold daily per hectare employed	41.3
Average number of labourers employed	39
Cows in herd per labour unit	23
Average wage per labour unit	R 6,762
Gross Margin per R100 of associated costs	R 68.35
Net Farm Income per R100 of associated costs	R 12.38

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 R2,610 to R3,320 /CIH
GM ranges from R949 to R1,458 /CIH
NFI ranges from R38 to R288 /CIH

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

E&OE