AgriFocus Limited Musings

Newsletter No.15, May 2014

Greetings *from the team at AgriFocus as we wind down on the 2014 season.*

WHICH WAY IS UP?

Never before have all the arrows been pointing up as they currently are. There is however a melting pot of risks and opportunities as we look at the current situation and into the future.

The grass has been growing since the early spring. Last spring was a winner but this year may never be repeated.

- At the Woodlands research centre there was 11.9 tonne DM of growth to the 8th March compared with 10.8 tonne DM for the whole of last season to the 30th May. The average annual growth is 11 tonne DM.

The milk price is at all-time highs-

- The advance payment lift is coming through with $6.25 April pay May
- The winter will see strong cashflows with $2.15 of deferred milk payments
- Predictions for next season continue to be buoyant ranging up to $7.80 per kgms

Sheep and Beef returns seem to be firming-

- The $100+ lamb is back on the agenda
- The Chinese are loving our mutton
- The US requirement for grinding beef is increasing
- Wool, although unpredictable is seeing a small revival especially for fine wools

The property market has taken a lift for well-located properties-

- Good quality dairy farms have broken the $40,000 per ha barrier
- Dairy farms in Canterbury are regularly breaking $50,000 per ha.
- Good grazing blocks are selling fast at very high values
- Sheep and beef values have risen well beyond $1000 per su.

DOES THIS ALL SOUND FAMILIAR?

Interest rates are on the rise-

- Predictions are for a 2% lift over the next 2 years.
- The interest yield curve is starting to flatten with short- term rates rising quicker than long term rates
- There is confusion over the benefits of fixing interest rates or riding the wave. There is no right answer to this

The $NZD is rising to the highs of the 50's& 60's-

- Rising interest rates and high commodity returns are fuelling the $NZD
- New Zealand has the feel good factor for investors
- We have a small market that can be easily influenced

The sharemarket has risen to new highs with the flow of money from off-shore-

- The recent Government energy company floats were ambitious but have been well timed
- The Fonterra share float was over successful and then recalibrated to a level that remains over priced for the returns

China has become very dominant in imports and exports-

- The milk price relies on China
- The mutton price relies on China
- I suspect they also dominate the fruit export markets
- A $30 billion trade agreement (when it suits)

Environmental awareness-

- Our ability to export relies on our clean green image
- All these clean streams accords, nitrogen leaching and animal welfare issues are about our image in our export markets.
- Food Safety and Bio-Security issues have the ability to devastate our primary industry
- Fonterra and MPI (Ministry of Primary Industries) need to show we as a country are committed to producing top quality clean green produce.
- Compliance and committing to the image will require significant investment by the agricultural industry.

VOLATILITY

Volatility is part of our market. New Zealand is a small country whose prospects can be influenced by outside factors. We are currently on the peak of an upward cycle for commodity returns. The rules for dealing with a cash surplus have not changed.

- Ensure your farm is well maintained and can produce at least at the current level. Invest in affordable production gains-full fertiliser application, pasture renewal, plant replacement, herd improvement.
- Build a cash buffer. A cash buffer is funds that are available to you at your discretion (cash or unused overdraft facility). A cash buffer puts you in charge of your business as you do not have to ask anyone for additional funds. Large commercial businesses have cash buffers. $1 per kgms is a good place to start.
- Ensure your taxation payments are up to date and well planned. Most farmers will have increased taxable income this year. Ensure your budget is up to date and sufficient provisional tax is paid or at least planned for.
- Any surplus money after satisfying the above can be used to repay debt, invest or take a holiday.

WHAT GOES UP MUST COME DOWN

- Plan for a re-adjustment in returns and increasing interest rates now
- If possible safe guard your business against a crash like in 2008. This may come in the form of a war, bio- security or food safety event. A collapse in Europe is not off the agenda yet either.
- Ensure any capital decisions are based on long term viability,not on emotion.

Now is the time to talk to your advisors to discuss ways to safe- guard your businesses for the future.

HISTORY REPEATS

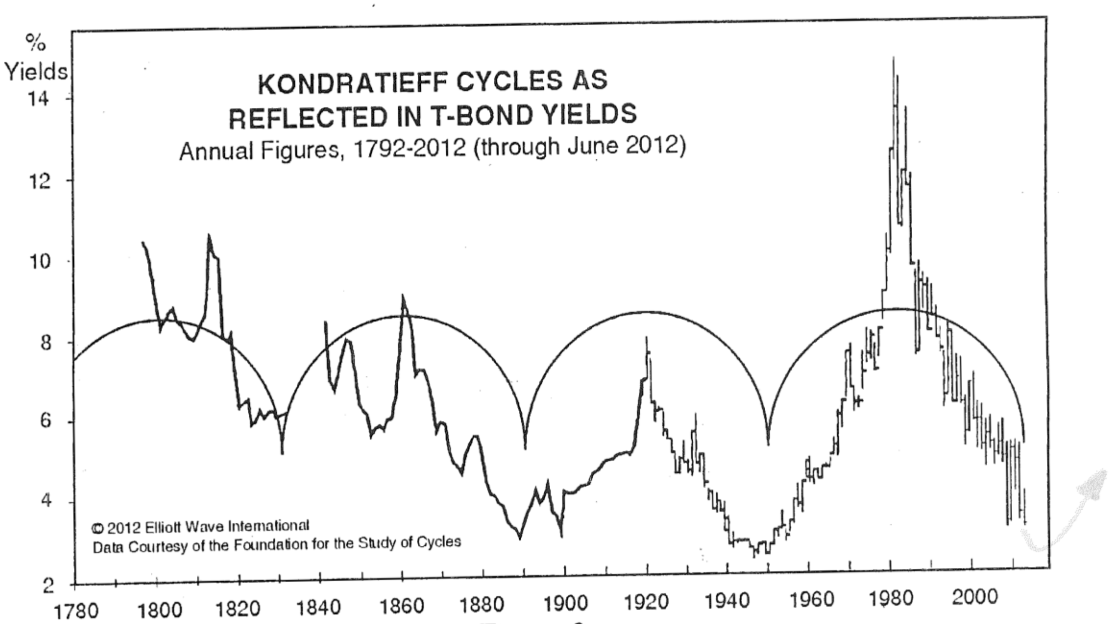


Figure 2

This is an interesting graph showing the cycles in Bond yields (interest rates) over the past 220 years. This shows a bigger picture to the economic cycles the world goes through. There appears to be a cycle of around 60 years where the rates cycle up and back down. We are currently at the bottom of this larger cycle awaiting the rise in yields again. Hopefully we do not reach the highs of the 1980's, like the last cycle.

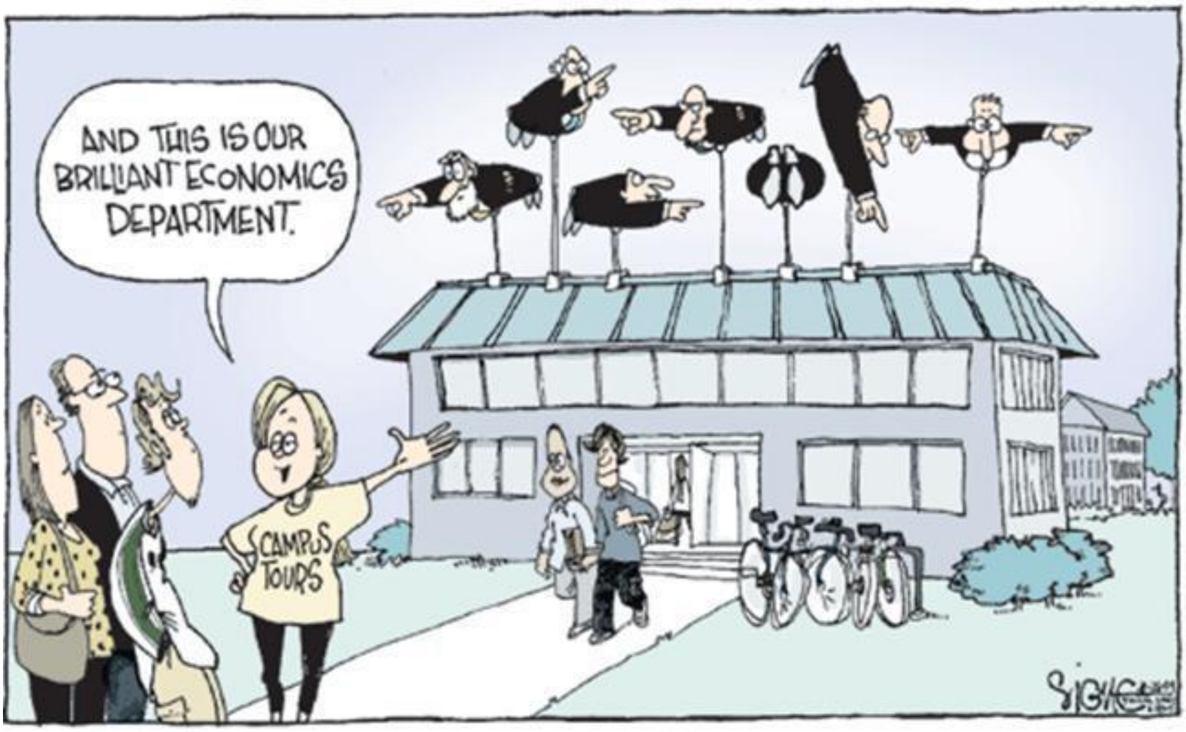
DID YOU KNOW

- The trade deal with China includes the ability for China to implement tariffs if imports are effecting domestic production. This may be currently the case with dairy.
- USA milk production looks set to increase by approximately 2/3 of the current NZ milk production. This increase will be available for export.
- Restrictions on milk production in Britain and Ireland are due to come off giving expected increases in milk production.
- Demand for milk is growing at about twice the rate of supply even considering the increased global supply.
- NZ is now one of the highest cost milk producers.
- NZ farm debt is by far the highest world wide .
- China is stacking up the cash. China bank deposits are almost twice as much as the USA and increasing exponentially.
- There are 6 countries in the EU with negative inflation (each year they own less but still owe the same amount).
- The unrest in Ukraine is about debt. The EU offered a bail out and then Russia offered a better one. Oil and trade no doubt have a major influence as well.
- There is a lack of capital remaining in Europe, any future bail outs of countries nearing bankruptcy will need to come from within.
- A wealth tax has been used in Cyprus giving the government the ability to take up to 20% of the wealthy savings above $100,000. Yes they basically take your savings.
- There are 5 or 6 other European countries close to this.

- If there is more uncertainty in Europe there is a high likelihood the money will flow back to the USA as a safe haven. This will push the value of $USD up and ours down.
- Perhaps we just need a good war to set things alight again. We should not joke about that.

SUMMARY

There are many factors that affect production levels and profitability. There is and will continue to be significant volatility in the market places, interest rates and compliancy requirements. The outlook – your guess is as good as ours.



2014 STATISTICS

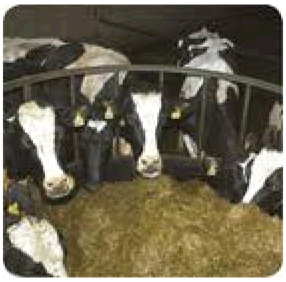
DAIRY

- Production both per cow and per hectare were down for owner operators but on a par for Contract Milkers. The dry autumn definitely had an effect on production.
- The returns from milk dropped to an average of $6.06 per kgMS.
- Income from stock sales also decreased to $0.73 per kgMS.
- Farm Working Expenses increased marginally to $4.12 per kgMS based on the lower production.
- Interestingly farm working expenses have increased 25% since 2010 while production has remained largely unchanged. Stock feed has increase 67% and grazing 82% (+$251 per cow).
- Are we becoming less efficient at converting grass to milk?
- Contract milkers expenses have also increased 21% in the past 4 seasons.
- The Top 20% of owner operators have 16% higher production per hectare, 15% ($0.53) lower farm working expenses resulting in 44% higher operating surplus to the average.
- Reduced interest rates have resulted in a saving of $0.45 per kgMS (25%). The reducing interest rates has covered up deteriorating costs of production.
- Average term liabilities remains at $25 per kgMS.

- Personal costs seem to be continuing to increase.
- The results of the statistics have some disturbing trends. Gains from reduced interest rates have not resulted in reduced debt but complacency around other farm working costs.
- Budgets for the current season indicate the trend of increased expenditure continuing. Ideal weather conditions and increased production hopefully will mitigate this.

SHEEP

- The 2013 season was a difficult one for the sheep industry.
- The Operating Surplus (Gross Farm Income – Farm Working Expenses) per Hectare was similar to the last season at $855.
- Income was back but most people adjusted and reduced their spending.
- Overall Operating Surplus's per Hectare have ranged from a low of $189 in 2006 to a high of $908 in 2011.
- We have some very good sheep farmers who continue to be disappointed with the industry. In the 20 years that I have been dealing with the industry I have never seen such normally positive people so frustrated at where the red meat industry is at.
- Over the last year a number of people asked us if now is the time to convert to dairy.
- My answer. Do you enjoy what you are currently doing? In most cases the answer is yes. Do you and your children have a passion for the dairy industry? Can you live with $5 million dollars more debt? In most cases the answer is no.
- If your children are not passionate about the dairy industry it can be a hard way to make money. Bare in mind the equity gains that have occurred have flowed through to all land uses.
- I think if you are going to convert perhaps you or your children should work on a dairy farm prior to converting and see if you like it. There must be a driver in the family.
- Another option to support the children going forward is utilising the equity in the sheep business to help the children.
- How passionate are you in making sure the family farm passes down to the next generation?
- The above comments are only general in nature. If you do wish to do the figures please feel free to give us a call.



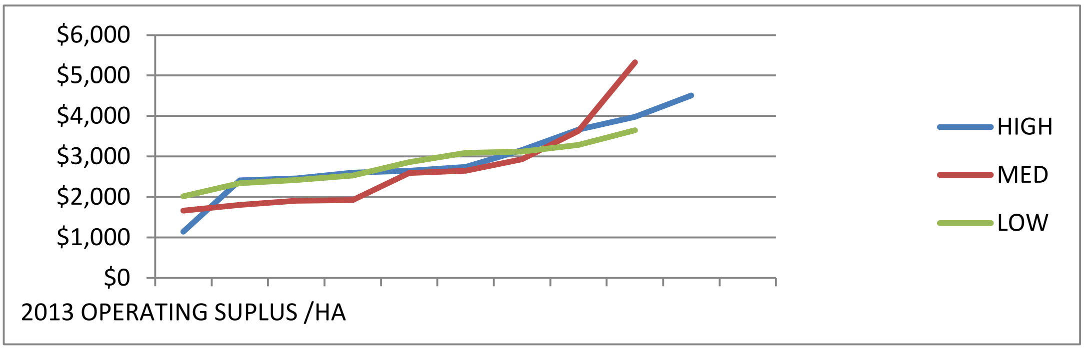
PROFITABILITY AT DIFFERENT FEEDING LEVELS

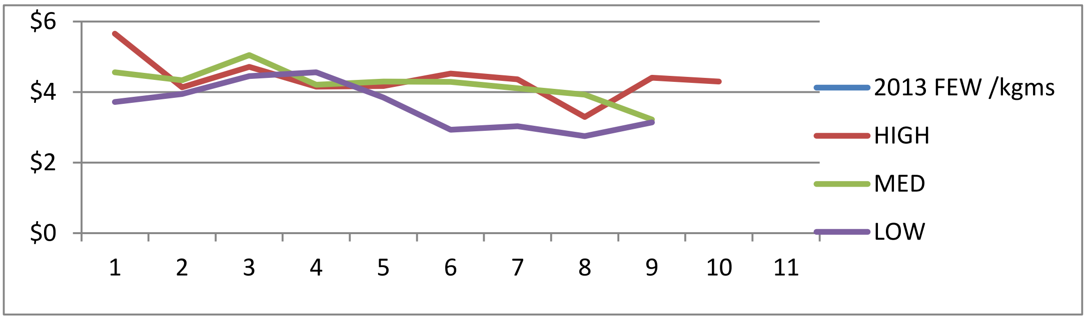
I have taken the past 3 seasons statistics for owner operators and sorted them into 3 groups depending on the $ value spent on stock food. This captures all stock food not just grain fed in the cowshed. There may be a disadvantage to those who winter on farm but there is no subjectivity to the process.

The results interestingly mirror a similar analysis completed by DairyNZ.

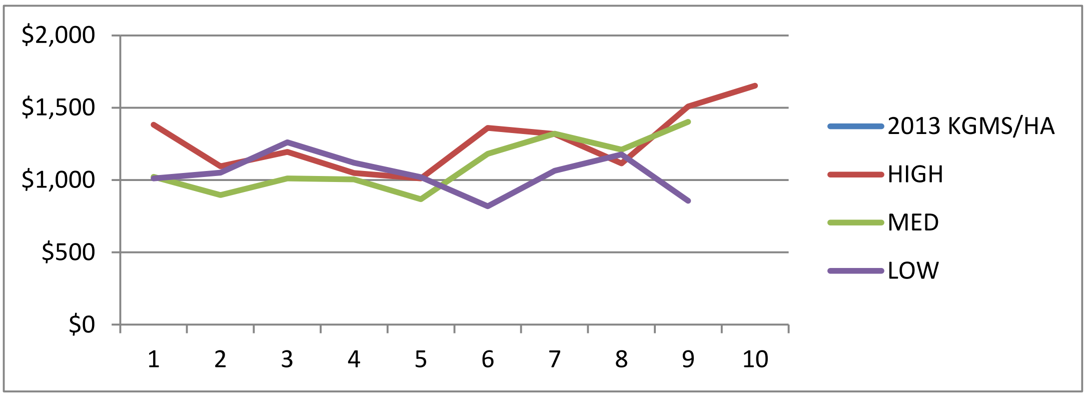
The following graph shows the operating surplus per area milked for each system. As you will see there is a wide range within each system from a low of $1500 per hectare to around $4,500 per hectare. There is more volatility in the high feed group with the ability to have very high returns, but it can go all wrong. There is one farm in the medium group that over achieve in relation to the others.

OPERATING SURPLUS/HA FOR DIFERENT FEED INPUT LEVELS





FARM WORKING EXPENSES / KGMS



PRODUCTION / HA

(Note the Farm working expenses and production relate to the same arm on the bottom axis sorted on operating surplus per hectare).

The groups were then graphed for farm working expenses. Interestingly there is only limited correlation between expenses per kgMS and operating surplus her hectare. Similarly, the correlation between production per hectare and operating surplus per hectare is also weak.

This leads us to the conclusion the missing link is management. The value of the manager cannot be under estimated in any system. There are managers that can get excellent results in all systems. There are also managers that under achieve. There are managers that are good at one system but not the other. Managing high input systems has a different skill set to managing low feed input systems.

The key is to employ managers/contract milkers that are good at your system. If you get a good one look after them as the next manager may be very costly.

LAST WORD

We have welcomed to our Invercargill office during the last year new staff members, Fiona McCabe and Emma Shaw. Accordingly, our Invercargill Office is now open 5 days a week from 8.00am to 4.30pm. Contact details, including the phone number for our Invercargill office and P O Box number is listed below.

If you are shifting farms in the coming season, please let us know your new address and contact details. If your email address has changed please also let us know as this is now our main way of contacting you for our newsletters and importantly, invitations to our end of year function!

As usual, please remember we are only a phone call away for any issues however small you may think they are.

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DAIRY STATISTICS

DAIRY STATISTICS	Owners		Owners		Sharemilkers		Sharemilkers		Contract		Contract	
FARM and PRODUCTION DETAILS	***2011-2012***		***2012-2013***		***2011-2012***		***2012-2013***		***2011-2012***		***2012-2013***	
Milking Platform (ha's)	242		234		200		202		212		232	
Run Off (ha's)	58		64		35		22		21		21	
Total Cows Milked (mid December)	661		631		589		573		621		746	
Average Cows per milked area (ha)	2.80		2.74		2.94		2.86		2.87		3.26	
Milksolids Production (kg)	263,795		254,773		219,571		222,804		249,080		271,565	
Milksolids Production (kg) per average cow milked (kg)	405		392		376		388		391		399	
Milksolids Production (kg) per milked hectare (kg)	1,132		1,104		1,106		1,116		1,147		1,176	
INCOME												
Cattle Income (Sales-Purchases + Increase / Decrease in Stock)	$229,655	12%	$178,749	10%	$251,824	27%	$174,582	20%	$26,758	8%	$29,448	8%
Milk Sales	$1,648,565	87%	$1,519,201	88%	$670,393	72%	$692,184	79%	$315,015	89%	$322,746	87%
GROSS FARM INCOME (GFI)	**$1,904,310**		**$1,718,803**		**$936,237**		**$881,190**		**$354,788**		**$371,386**	
Gross farm income per milked area	$7,886		$7,540		$5,103		$4,350		$1,626		$1,598	
Gross farm income per average cow	$2,854		$2,641		$1,723		$1,510		$557		$547	
***FARM EXPENDITURE** (excluding depn)*	**$1,055,900**		**$1,027,281**		**$503,161**		**$557,715**		**$183,745**		**$202,833**	
Wages per kgms and per cow milked	$0.51	$205	$0.43	$172	$0.39	$143	$0.40	$155	$0.31	$123	$0.33	$133
Animal Health "	$0.19	$80	$0.20	$80	$0.20	$73	$0.20	$76	$0.01	$2	$0.01	$2
Breeding Expenses "	$0.13	$52	$0.14	$55	$0.12	$45	$0.14	$53	$0.00	$2	$0.01	$3
Dairy Shed Expenses "	$0.06	$25	$0.06	$21	$0.06	$22	$0.06	$25	$0.03	$12	$0.03	$11
Electricity "	$0.09	$35	$0.08	$33	$0.10	$36	$0.09	$35	$0.07	$29	$0.08	$30
Stockfood "	$0.79	$336	$0.82	$341	$0.32	$118	$0.42	$168	$0.03	$12	$0.02	$11
Grazing "	$0.54	$219	$0.66	$250	$0.44	$163	$0.41	$157	$0.01	$4	$0.02	$8
Fertiliser "	$0.55	$222	$0.54	$210	$0.17	$64	$0.15	$59	$0.01	$4	$0.01	$5
Contract and Cultivation "	$0.14	$58	$0.15	$55	$0.09	$34	$0.06	$24	$0.00	$2	$0.01	$3
Freight "	$0.07	$27	$0.10	$38	$0.05	$20	$0.07	$27	$0.00	$1	$0.00	$1
Vehicle "	$0.22	$88	$0.21	$81	$0.16	$61	$0.15	$59	$0.10	$40	$0.09	$35
Repairs and Maintenance "	$0.40	$162	$0.41	$162	$0.10	$39	$0.11	$45	$0.03	$14	$0.03	$13
Administration "	$0.13	$54	$0.15	$57	$0.11	$40	$0.11	$40	$0.05	$21	$0.05	$22
Standing Charges "	$0.15	$61	$0.16	$63	$0.07	$25	$0.07	$26	$0.04	$16	$0.04	$18
Other: "	$0.04	$16	$0.05	$19	$0.03	$13	$0.01	$5	$0.01	$4	$0.01	$2
TOTAL FARM WORK EXP (TFWE) per kgms and per cow	$4.02	$1,637	$4.19	$1,636	$2.41	$894	$2.44	$955	$0.71	$283	$0.75	$298
TOTAL FARM WORK EXP (TFWE) as % of GFI	55%		68%		58%		67%		51%		49%	
TOTAL FARM WORK EXP (TFWE) per milked ha	$4,564		$4,577		$2,638		$2,749		$832		$875	
Grazing Block Allowance @ $500	$42,712		$51,239		$25,549		$17,855		$15,463		$16,771	
FARM WORK EXP per kgms and per cow (including run off allowance)	$4.21	$1,710	$4.44	$1,737	$2.54	$944	$2.52	$988	$0.76	$306	$0.82	$329
OPERATING SURPLUS (EBIT) **(Includes lift in stock no's)**	**$848,410**		**$691,523**		**$433,077**		**$323,475**		**$171,043**		**$168,553**	
OPERATING SURPLUS (EBIT) per ha	**$3,322**		**$2,962**		**$2,465**		**$1,601**		**$794**		**$723**	
OPERATING SURPLUS (EBIT) per kgms	**$3.08**		**$2.58**		**$2.19**		**$1.40**		**$0.68**		**$0.63**	
Interest and Rent as % of GFI	23%		28%		9%		9%		3%		2%	
Interest and Rent per kg of Milksolid	$1.76		$1.79		$0.37		$0.34		$0.06		$0.07	
OTHER DATA												
Assets												
Land	$8,223,924		$8,073,876		$57,894		$687,090		$171,058		$116,722	
Shares Values	$1,192,353		$1,783,410		$0		$0		$0		$0	
Run Off at $ Ha	$1,281,254		$1,346,295		$423,000		$263,227		$97,643		$145,500	
Stock Values	$1,589,670		$1,459,764		$1,059,253		$1,041,303		$75,606		$83,247	
Plant (Closing Book Value)	$219,777		$231,616		$138,593		$151,418		$80,513		$78,426	
Total Assets	$12,506,977		$12,894,961		$1,678,739		$2,143,038		$424,820		$423,896	
less Liabilities	$6,804,688		$6,789,357		$1,110,158		$1,275,171		$270,614		$308,745	
EQUITY (Assets - Liabilities)	**$5,702,289**		**$6,105,604**		**$568,582**		**$867,867**		**$154,206**		**$115,151**	
Equity (%)	46%		47%		34%		40%		36%		27%	
Increase in Term Liabilities	$801,216		$407,811		$284,972		$161,411		$60,518		$15,116	
Term Liabilities per kgms	$24.42		$25.21		$4.42		$4.46		$0.80		$0.85	
Interest Earned on TFC (ex. int. but inc. Management Salary)	5.21%		5.45%		35.66%		17.64%		-22.64%		121.63%	
Net Farm Trading Profit	$90,467		$23,534		$198,678		$106,179		$134,497		$119,426	
Net Farm Trading Profit as % of GFI	6%		-4%		25%		14%		40%		36%	
Taxable Income	$81,787		$39,720		$89,090		$64,007		$87,567		$85,493	
Minimum Net Farm Trading Profit required for viability	$118,867		$129,158		$111,612		$80,828		$93,168		$99,938	
Drawings (excluding personal proportion of business costs)	$84,230		$100,448		$77,431		$63,669		$64,767		$66,885	
Net Plant Purchases	$150,937		$79,513		$47,511		$37,149		$32,615		$30,522	
Plant Efficiency Ratio (GFI / Book Value of Plant)	9.5		8.9		9.1		6.5		11.3		12.1	
Average price per kgms ($)	$6.36		$6.03		$3.20		$3.05		$1.24		$1.19	
Average price for calves sold ($)	$45		$43		$33		$38		$5		$8	
Average price for cull cows sold ($)	$666		$631		$617		$539		$71		$47	
STOCK DETAILS Values at (Herd Scheme $)												
MA Cows	$1,097,840	509	$1,059,228	566	$708,201	329	$777,891	415	$54,420	25	$46,089	25
R2 Heifers	$269,918	149	$240,445	154	$198,850	110	$144,442	93	$7,909	4	$19,779	13
R1 Heifers	$212,638	172	$151,187	169	$145,352	118	$116,447	131	$11,659	9	$15,419	17
R1 Bulls	$841	2	$2,790	6	$3,236	6	$1,005	2	$671	1	$274	1
MA Bulls	$8,433	6	$6,115	5	$3,614	2	$1,519	1	$947	1	$1,687	1
Total Value ($)	$1,589,670	838	$1,459,764	900	$1,059,253	565	$1,041,303	642	$75,606	41	$83,247	56
Increase / (Decrease) in Value ($)	$94,830		$130,846		$30,503		$95,287		$33,747		$49,598	

(07/05/14)

AgriFocus FARM FINANCIAL MANAGEMENT

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Sheep, Beef & Deer Statistics	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		2009-2010		2010-2011		2011-2012		2012 - 2013	
FARM and STOCK UNIT DETAILS																				
Effective Area (ha's)	314		379		323		323		263		362		405		316		322		292	
Hill Ground (ha's)	0		8		0		0		0		7		0		42		0		54	
Average Stock Units Carried	3735		3999		3769		3757		3381		3949		4556		3573		3214		3536	
Average Stock Units Carried per effective ha	11.89		11.39		11.67		12.36		12.81		11.75		11.92		12.31		12.12		13.55	
Lambing Percentage	134%		133%		138%		144%		138%		141%		140%		139%		141%		146%	
INCOME																				
Total Wool Sales Income	$51,280	14%	$44,454	14%	$54,068	20%	$31,141	12%	$21,673	10%	$22,147	9%	$26,204	3%	$36,169	9%	$40,444	9%	$32,293	8%
Gross Profit from Sheep (+/- Stock)	$181,183	49%	$161,992	53%	$152,374	56%	$149,745	53%	$65,550	30%	$231,984	87%	$258,231	32%	$231,516	56%	$261,643	56%	$204,422	52%
Gross Profit from Cattle (+/- Stock)	$32,970	9%	$40,727	12%	$30,679	11%	$30,846	12%	$63,809	17%	$42,231	14%	$42,136	20%	$26,993	8%	$29,254	6%	$33,155	10%
Gross Profit from Deer (+/- Stock)	$42,219	11%	$2,698	1%	$27,860	10%	$33,460	6%	$100,690	16%	$55,318	18%	$154,968	33%	$21,179	1%	$82,115	17%	$37,694	4%
Grazing Income	$0	0%	$58,114	14%	$0	0%	$20,272	12%	$33,725	27%	$102,624	29%	$14,190	7%	$65,561	22%	$39,011	8%	$54,541	14%
Other Income	$24,901	7%	$15,461	5%	$8,146	3%	$22,691	8%	$10,599	4%	$17,030	5%	$13,702	5%	$29,905	7%	$21,161	4%	$57,460	12%
GROSS FARM INCOME (GFI)	**$368,322**		**$323,446**		**$273,127**		**$288,154**		**$296,046**		**$471,334**		**$509,430**		**$449,276**		**$473,627**		**$419,565**	
Gross farm income per stock unit	$99		$81		$72		$79		$83		$119		$110		$133		$147		$146	
Gross farm income per hectare	$1,173		$854		$845		$1,002		$1,092		$1,449		$1,320		$1,696		$1,766		$1,919	
Gross Profit from Sheep and Wool per sheep stock unit	$84.00		$74.70		$67.54		$68.15		$63.07		$115.55		$110.00		$134.12		$141.24		$1,840.37	
Gross Profit from Cattle per cattle stock unit	$117.00		$64.55		$138.92		$88.89		$114.32		$67.05		$71.20		$130.51		$230.73		$102.38	
Gross Profit from Deer per deer stock unit	$85.00		$10.11		$0.00		$87.05		$132.19		$113.26		$102.08		$97.07		$100.77		$60.95	
FARM EXPENDITURE *(excluding depn)*	**$208,036**		**$214,586**		**$211,855**		**$169,487**		**$186,690**		**$209,830**		**$215,170**		**$211,140**		**$243,599**		**$228,000**	
Fertiliser — per stock unit and % of FWE	$10.29	10%	$9.80	18%	$8.07	14%	$7.77	17%	$12.20	22%	$11.97	21%	$13.52	23%	$12.87	20%	$14.64	19%	$13.94	19%
Vehicle — per stock unit and % of FWE	$8.32	8%	$5.99	11%	$9.14	17%	$6.91	14%	$5.39	10%	$8.67	15%	$6.87	12%	$8.51	14%	$9.55	12%	$8.30	12%
Repairs and Maintenance — per stock unit and % of FWE	$6.76	7%	$5.79	10%	$6.24	12%	$4.99	10%	$4.56	8%	$6.78	12%	$6.52	12%	$7.25	11%	$13.18	16%	$7.63	10%
Stock Food and Grazing — per stock unit and % of FWE	$5.79	6%	$8.24	15%	$5.88	8%	$4.17	8%	$6.24	12%	$4.90	9%	$5.70	8%	$10.96	17%	$12.05	15%	$21.18	19%
Animal Health — per stock unit and % of FWE	$3.76	4%	$3.76	7%	$6.22	12%	$3.62	8%	$4.75	9%	$3.65	6%	$4.58	7%	$4.83	8%	$6.27	8%	$5.87	8%
Shearing — per stock unit and % of FWE	$4.56	5%	$4.26	8%	$6.58	12%	$4.08	9%	$3.08	6%	$3.82	6%	$2.09	6%	$3.64	6%	$4.18	5%	$4.19	6%
Freight — per stock unit and % of FWE	$1.31	1%	$1.25	2%	$1.11	2%	$1.84	4%	$2.54	5%	$1.84	3%	$2.92	5%	$2.16	4%	$2.80	4%	$2.06	3%
Wages — per stock unit and % of FWE	$3.68	4%	$2.35	4%	$0.59	2%	$1.42	3%	$2.13	4%	$1.95	4%	$2.60	7%	$2.75	4%	$4.14	5%	$3.08	5%
Administration — per stock unit and % of FWE	$3.91	4%	$2.96	6%	$5.66	9%	$3.62	7%	$2.89	5%	$3.19	6%	$2.47	4%	$3.07	5%	$3.77	5%	$3.44	5%
Standing Charges — per stock unit and % of FWE	$4.74	5%	$3.72	7%	$4.90	10%	$4.10	8%	$3.44	6%	$4.38	7%	$4.36	6%	$4.87	8%	$5.57	7%	$6.78	9%
Other: — per stock unit and % of FWE	$0.00	0%	$6.50	12%	$1.84	3%	$5.57	12%	$6.62	13%	$6.90	12%	$5.85	9%	$3.29	5%	$2.90	3%	$2.80	4%
TOTAL FARM WORK EXP (TFWE) per stock unit	$59.40		$54.62	100%	$56.21	100%	$48.08	100%	$53.84	100%	$58.05	100%	$57.50	100%	$64.18	100%	$79.07	100%	$80.70	100%
TOTAL FARM WORK EXP (TFWE) as % of GFI	56%		66%		78%		62%		76%		51%		53%		59%		55%		57%	
TOTAL FARM WORK EXP (TFWE) per ha	$663		$618		$589		$604		$691		$684		$704		$785		$931		$1,064	
OPERATING SURPLUS (EBIT)	**$160,286**		**$108,860**		**$61,272**		**$118,668**		**$109,356**		**$261,503**		**$294,260**		**$238,375**		**$230,028**		**$191,565**	
(Includes lift in stock no's)																				
OPERATING SURPLUS (EBIT) per ha	**$510**		**$411**		**$189**		**$399**		**$401**		**$765**		**$616**		**$908**		**$836**		**$855**	
OPERATING SURPLUS (EBIT) per stock unit	**$43**		**$33**		**$16**		**$31**		**$29**		**$64**		**$53**		**$68**		**$68**		**$65**	
Interest and Rent as % of GFI	17%		21%		23%		26%		34%		24%		21%		26%		18%		19%	
Interest and Rent per stock unit	$15.55		$17.19		$16.67		$19.56		$22.77		$27.17		$23.55		$22.37		$24.61		$22.22	
OTHER DATA																				
Assets																				
Farm at $ Ha	$0		$2,871,298		$3,609,000		$3,200,927		$4,080,675		$3,777,072		$5,399,000		$3,247,372		$3,605,600		$3,284,035	
Hill Ground at $ Ha	$0		$34,286		$0		$0		$0		$72,222		$83,761		$427,778		$0		$562,918	
Stock Values	$0		$324,235		$354,453		$308,294		$306,365		$384,370		$411,325		$345,706		$399,023		$399,127	
Plant (Closing Book Value)	$0		$130,462		$133,013		$119,529		$91,850		$142,590		$152,062		$114,140		$139,992		$137,747	
Total Assets	$2,578,235		$3,360,281		$4,096,465		$3,628,750		$4,478,890		$4,376,255		$6,046,148		$4,134,996		$4,144,615		$4,383,826	
less Liabilities	$489,865		$809,566		$546,505		$718,687		$847,759		$1,061,921		$784,013		$922,023		$971,520		$953,422	
EQUITY (Assets - Liabilities)	**$2,088,370**		**$2,550,715**		**$3,549,960**		**$2,910,063**		**$3,631,131**		**$3,314,334**		**$5,262,135**		**$3,212,974**		**$3,173,095**		**$3,430,404**	
Equity (%)	81%		76%		87%		77%		81%		71%		81%		74%		75%		72%	
Increase in Term Liabilities	-$15,613		$82,497		$22,100		$44,995		$234,027		$153,147		$33,333		-$84,586		$114,443		$76,950	
Term Liabilities per stock unit	$131		$133		$145		$183		$163		$229		$196		$209		$268		$220	
Interest Earned on TFC (ex. int. but inc. Management Salary)	2.0%		2.6%		0.8%		2.1%		1.4%		4.3%		3.3%		3.5%		4.5%		3.4%	
Net Farm Trading Profit	$25,071		$48,270		$36,310		$24,484		-$3,672		$75,387		$175,189		$66,151		$143,210		$79,295	
Net Farm Trading Profit as % of GFI	7%		8%		-2%		0%		-25%		1431270%		26%		5%		24%		1428899%	
Taxable Income	$21,827		$36,199		-$18,613		$33,894		-$5,589		$41,948		$169,447		$81,874		$123,046		$65,418	
Minimum Net Farm Trading Profit required for viability	$0		$64,922		$57,000		$64,166		$93,000		$68,272		$50,000		$103,884		$111,062		$95,430	
Drawings (excluding personal proportion of business costs)	$0		$46,135		$40,905		$39,311		$55,693		$44,122		$35,632		$47,103		$63,792		$78,363	
Net Plant Purchases	$51,906		$33,371		$61,568		$30,514		$5,170		$40,699		$32,654		-$37,101		$36,189		$28,792	
Plant Efficiency Ratio (GFI / Book Value of Plant)	2.4		2.6		2.1		2.5		3.5		3.6		4.7		3.6		3.9		4.6	
(07/05/14)																				