

**Summary Farm Performance - Dairy**  
**Gippsland Vic Dairy 2018 Benchmarks**  
**Gippsland Vic Dairy 2018 Owner**



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>PHYSICAL PARAMETERS</b>				
Number of Cows in Herd	402	569	460	596
Total Effective Dairy Hectares	155.2	222.8	154.3	202.2
Effective Milking Hectares	152.3	204.9	150.4	182.7
Cows per Milking Hectare	2.64	2.78	3.06	3.26
Litres per Cow	5,963	5,171	6,555	5,765
Litres per Cow (ECM)	6,298	5,580	6,900	6,199
Milksolids per Cow	467	416	511	461
Litres per Milking Hectare	15,741	14,362	20,046	18,808
Litres per Milking Hectare (ECM)	16,625	15,498	21,103	20,223
Milksolids per Milking Hectare	1,232	1,155	1,563	1,505
Litre Price	\$ 0.449	\$ 0.467	\$ 0.457	\$ 0.478
Litre Price (ECM)	\$ 0.426	\$ 0.433	\$ 0.434	\$ 0.444
Milksolids Price (per kgMS)	\$ 5.74	\$ 5.81	\$ 5.86	\$ 5.97
Pasture Dry Matter Harvested (tDM/Ha)	8.88	10.21	10.61	12.72
<b>KEY PERFORMANCE INDICATORS</b>				
Operating Profit per Hectare	\$ 864	\$ 1,204	\$ 2,189	\$ 2,622
Operating Profit per Cow	\$ 327	\$ 434	\$ 716	\$ 804
Operating Profit per kg Milksolids	\$ 0.70	\$ 1.04	\$ 1.40	\$ 1.74
Operating Profit per Litre (ECM)	\$ 0.052	\$ 0.078	\$ 0.104	\$ 0.130
Total Assets per Ha at Start of Year (Avg Values)	\$ 36,449	\$ 30,555	\$ 31,445	\$ 30,808
EQUITY % at Average Values	62.5 %	68.4 %	62.4 %	69.2 %
RETURN ON CAPITAL (ROC) at Average Values	3.2 %	4.4 %	7.5 %	8.7 %
Return on Assets (ROA) at Average Values	2.9 %	4.3 %	7.7 %	8.8 %
ROA including Capital Gain at Average Values	6.1 %	6.6 %	12.9 %	13.3 %
RETURN ON EQUITY (ROE) at Average Values	0.7 %	3.4 %	8.9 %	10.3 %
ROE including Capital Gain at Average Values	6.0 %	6.8 %	17.7 %	17.0 %
OPERATING PROFIT MARGIN	11.3 %	16.5 %	22.2 %	26.8 %
Cost of Production per Litre	\$ 0.395	\$ 0.383	\$ 0.348	\$ 0.339
Cost of Production per Litre (ECM)	\$ 0.374	\$ 0.355	\$ 0.330	\$ 0.315
Financing Costs per Litre	\$ 0.067	\$ 0.051	\$ 0.049	\$ 0.040
Cost of Prod'n + Financing Cost per Litre	\$ 0.441	\$ 0.417	\$ 0.384	\$ 0.361
Cost of Production per kg Milksolids	\$ 5.04	\$ 4.77	\$ 4.46	\$ 4.23
Financing Costs per kg Milksolids	\$ 0.86	\$ 0.63	\$ 0.62	\$ 0.50
Cost of Prod'n + Financing Cost per kgMS	\$ 5.63	\$ 5.18	\$ 4.93	\$ 4.51
Total Operating Expenses per Litre	\$ 0.432	\$ 0.426	\$ 0.384	\$ 0.380
Total Operating Expenses per Litre (ECM)	\$ 0.409	\$ 0.394	\$ 0.364	\$ 0.354
Total Operating Expenses per kg Milksolid	\$ 5.52	\$ 5.29	\$ 4.92	\$ 4.75
Total Operating Expenses as % Gross Revenue	79.0 %	71.2 %	69.9 %	60.1 %
Financing Costs as % Gross Revenue	13.8 %	9.9 %	9.9 %	7.7 %
Core per Cow Cost	\$ 637	\$ 548	\$ 646	\$ 564
Core per Hectare Cost per tDM Pasture Harvest	\$ 118	\$ 105	\$ 110	\$ 92
Management + Staff Cost per Cow	\$ 582	\$ 500	\$ 516	\$ 470
Management + Staff Cost per Litre	\$ 0.10	\$ 0.10	\$ 0.08	\$ 0.08
Management + Staff Cost per kg Milksolid	\$ 1.25	\$ 1.20	\$ 1.01	\$ 1.02
Cows per Full Time Staff Equivalent	144	153	170	179
Total Feed (Supplement+Pasture) Cost / Litre	\$ 0.214	\$ 0.210	\$ 0.201	\$ 0.193
Pasture Cost per Litre	\$ 0.054	\$ 0.067	\$ 0.050	\$ 0.062
Supplement Cost per Litre	\$ 0.160	\$ 0.144	\$ 0.151	\$ 0.131
Total Feed (Supplement+Pasture) Cost / kgMS	\$ 2.74	\$ 2.61	\$ 2.58	\$ 2.41
Pasture Cost per kg Milksolid	\$ 0.69	\$ 0.83	\$ 0.64	\$ 0.77
Supplement Cost per kg Milksolid	\$ 2.05	\$ 1.78	\$ 1.94	\$ 1.64
Pasture as % of Total Consumed	57.3 %	69.8 %	56.2 %	69.7 %
Average Cost of All Consumed Feed (/tDM)	\$ 317	\$ 290	\$ 285	\$ 258
Pasture Cost (Per tDM)	\$ 268	\$ 235	\$ 231	\$ 200
Forage Cost (/tDM Consumed incl.wastage)	\$ 292	\$ 297	\$ 266	\$ 276
Concentrate Cost (/tDM Consumed incl.wastage)	\$ 424	\$ 463	\$ 389	\$ 437
Pasture Direct Cost (Per tDM consumed)	\$ 91	\$ 83	\$ 89	\$ 80
Forage Purchase/Production Cost (/tDM consumed)	\$ 214	\$ 232	\$ 199	\$ 217
Concentrate Purchase/Production Cost (/tDM con.)	\$ 402	\$ 442	\$ 371	\$ 418



**Physical Summary - Dairy**  
**Gippsland Vic Dairy 2018 Benchmarks**  
**Gippsland Vic Dairy 2018 Owner**



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>PHYSICAL PARAMETERS</b>				
<b>Number of Cows in Herd</b>	<b>402</b>	<b>569</b>	<b>460</b>	<b>596</b>
Effective Milking Hectares	152.3	204.9	150.4	182.7
<b>Cows per Milking Hectare</b>	<b>2.64</b>	<b>2.78</b>	<b>3.06</b>	<b>3.26</b>
Cows per Milking Pasture Hectare	2.69	2.78	3.10	3.26
Cow Liveweight per Milking Hectare	1,410	1,384	1,636	1,654
<b>Litre Price</b>	<b>\$ 0.449</b>	<b>\$ 0.467</b>	<b>\$ 0.457</b>	<b>\$ 0.478</b>
<b>Milksolids Price (per kgMS)</b>	<b>\$ 5.74</b>	<b>\$ 5.81</b>	<b>\$ 5.86</b>	<b>\$ 5.97</b>
<b>Litres per Cow</b>	<b>5,963</b>	<b>5,171</b>	<b>6,555</b>	<b>5,765</b>
<b>Milksolids per Cow</b>	<b>467</b>	<b>416</b>	<b>511</b>	<b>461</b>
Milksolids as Percent of Cow Liveweight	87.4 %	83.5 %	95.5 %	91.0 %
<b>Litres per Milking Hectare</b>	<b>15,741</b>	<b>14,362</b>	<b>20,046</b>	<b>18,808</b>
<b>Milksolids per Milking Hectare</b>	<b>1,232</b>	<b>1,155</b>	<b>1,563</b>	<b>1,505</b>
Milkfat Percentage (mass/volume)	4.33 %	4.47 %	4.31 %	4.45 %
Protein Percentage (mass/volume)	3.50 %	3.57 %	3.49 %	3.55 %
Protein as a Percentage of Milkfat	80.8 %	79.9 %	80.8 %	79.8 %
<b>PASTURE &amp; SUPPLEMENTS</b>				
<b>Pasture Dry Matter Harvested (tDM/Ha)</b>	<b>8.88</b>	<b>10.21</b>	<b>10.61</b>	<b>12.72</b>
Estimated Dryland Pasture Harvest (tDM/Ha)	8.23	9.18	9.92	10.56
Estimated Irrigated Pasture Harvest (tDM/Ha)	11.52	11.94	13.89	13.73
<b>Percentage Hectares Irrigated</b>	<b>19.7 %</b>	<b>37.2 %</b>	<b>17.5 %</b>	<b>68.4 %</b>
Nitrogen Applied per Hectare	174.5	182.5	216.4	217.8
Total Grazed & Conserved Pasture (tDM/Ha)	8.88	10.21	10.61	12.72
Grazed Pasture (tDM/Ha)	7.35	9.21	9.03	11.92
Conserved Pasture (tDM/Ha)	1.53	0.99	1.58	0.81
<b>Pasture as % of Total Consumed</b>	<b>57.3 %</b>	<b>69.8 %</b>	<b>56.2 %</b>	<b>69.7 %</b>
Supplement as % of Total Consumed	42.7 %	30.2 %	43.8 %	30.3 %
- Forage as % of Total Consumed	13.5 %	8.5 %	12.7 %	8.5 %
- Concentrate as % of Total Consumed	29.1 %	21.7 %	31.0 %	21.9 %
Pasture Consumed Per Cow (estimated tDM)	3.17	3.55	3.29	3.78
Forage Consumed Per Cow (estimated tDM)	0.87	0.50	0.86	0.53
- Homegrown Forage Consumed (est tDM/cow)	0.45	0.10	0.47	0.20
- Imported Forage Consumed (est tDM/cow)	0.41	0.41	0.39	0.34
Concentrate Consumed Per Cow (estimated tAF)	1.58	1.08	1.78	1.16
<b>Total Consumed Per Cow (estimated tDM)</b>	<b>5.46</b>	<b>5.02</b>	<b>5.75</b>	<b>5.35</b>
Feed Conversion Efficiency (kgsDM/kgMS)	11.66	12.02	11.28	11.57
<b>Pasture Cost per Litre</b>	<b>\$ 0.054</b>	<b>\$ 0.067</b>	<b>\$ 0.050</b>	<b>\$ 0.062</b>
<b>Supplement Cost per Litre</b>	<b>\$ 0.160</b>	<b>\$ 0.144</b>	<b>\$ 0.151</b>	<b>\$ 0.131</b>
<b>Total Feed (Supplement+Pasture) Cost / Litre</b>	<b>\$ 0.214</b>	<b>\$ 0.210</b>	<b>\$ 0.201</b>	<b>\$ 0.193</b>
<b>Heifer &amp; 'Other' Total Feed Cost per Litre</b>	<b>\$ 0.034</b>	<b>\$ 0.032</b>	<b>\$ 0.034</b>	<b>\$ 0.032</b>
<b>Pasture Cost per kg Milksolid</b>	<b>\$ 0.69</b>	<b>\$ 0.83</b>	<b>\$ 0.64</b>	<b>\$ 0.77</b>
<b>Supplement Cost per kg Milksolid</b>	<b>\$ 2.05</b>	<b>\$ 1.78</b>	<b>\$ 1.94</b>	<b>\$ 1.64</b>
<b>Total Feed (Supplement+Pasture) Cost / kgMS</b>	<b>\$ 2.74</b>	<b>\$ 2.61</b>	<b>\$ 2.58</b>	<b>\$ 2.41</b>
<b>Heifer &amp; 'Other' Total Feed Cost per kgMS</b>	<b>\$ 0.43</b>	<b>\$ 0.40</b>	<b>\$ 0.44</b>	<b>\$ 0.40</b>
<b>Average Cost of All Consumed Feed (/tDM)</b>	<b>\$ 317</b>	<b>\$ 290</b>	<b>\$ 285</b>	<b>\$ 258</b>
<b>Pasture Cost (Per tDM)</b>	<b>\$ 268</b>	<b>\$ 235</b>	<b>\$ 231</b>	<b>\$ 200</b>
- Direct Pasture Cost (Per tDM)	\$ 91	\$ 83	\$ 89	\$ 80
- Variable Pasture Cost (Per tDM)	\$ 53	\$ 47	\$ 45	\$ 42
- Capital Pasture Cost (Per tDM)	\$ 125	\$ 105	\$ 98	\$ 79
Average Cost of All Supplements (/tDM Consumed)	\$ 382	\$ 416	\$ 353	\$ 392
<b>Forage Cost (/tDM Consumed incl.wastage)</b>	<b>\$ 292</b>	<b>\$ 297</b>	<b>\$ 266</b>	<b>\$ 276</b>
- Purchase/Production Forage Cost (/tDM)	\$ 190	\$ 206	\$ 176	\$ 192
- Homegrown Forage Cost (Per tDM)	\$ 167	\$ 155	\$ 154	\$ 162
- Imported Forage Cost (Per tDM)	\$ 237	\$ 239	\$ 226	\$ 224
- Variable Forage Cost (Per tDM)	\$ 50	\$ 40	\$ 42	\$ 37
- Capital Forage Cost (Per tDM)	\$ 20	\$ 17	\$ 18	\$ 16
Home Produced Forage as Percent of Total	52.4 %	19.0 %	54.7 %	37.0 %
<b>Concentrate Cost (/tDM Consumed incl.wastage)</b>	<b>\$ 424</b>	<b>\$ 463</b>	<b>\$ 389</b>	<b>\$ 437</b>
- Purchase/Production Concentrate Cost (/tDM)	\$ 393	\$ 433	\$ 363	\$ 410
- Variable Concentrate Cost (Per tDM)	\$ 14	\$ 12	\$ 12	\$ 11
- Capital Concentrate Cost (Per tDM)	\$ 8	\$ 9	\$ 7	\$ 7



**Operating Profit Per Cow - Dairy**  
**Gippsland Vic Dairy 2018 Benchmarks**  
**Gippsland Vic Dairy 2018 Owner**



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Manufacturing Milk Sales	2,680	2,416	2,995	2,755
Quota/Contract/Dividends for Milk	0	0	0	0
Livestock Revenue	211	202	225	220
Other Revenue	13	15	11	20
<b>Gross Revenue</b>	<b>2,904</b>	<b>2,634</b>	<b>3,231</b>	<b>2,995</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	60	56	50	43
Animal Health	90	69	87	67
Breeding & Herd Testing	74	51	72	49
Dairy Shed Expenses	41	37	40	44
Electricity	55	50	53	50
Feeds / Supplements (Total)	1,029	793	1,061	794
- Grazing / Support Area	176	160	203	168
- Cropping (green feed)	16	15	17	15
- Grains, Pellets & Concentrates	624	460	652	478
- Forages (incl. hay, silages, byproducts)	212	158	190	132
Fertiliser (Total)	158	195	166	191
- Nitrogen	89	95	94	99
- Phosphate & All Other Fertiliser	68	101	72	92
Freight	14	14	12	15
Irrigation	34	53	35	90
Pasture Maintenance & Renovation	58	46	56	37
Rates, Licenses, Levies & Insurance	77	55	74	59
Repairs & Maintenance	134	104	122	102
Vehicle Expenses (including fuel & oil)	55	52	51	55
Management & Staff Expenses	582	500	516	470
- Wages, Salaries & Employment Exp.	375	345	352	289
- Imputed Labour & Management	207	155	164	182
Depreciation	118	125	119	126
<b>Gross Expenses</b>	<b>2,577</b>	<b>2,200</b>	<b>2,515</b>	<b>2,192</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	2,252	1,920	2,232	1,884
Core per Cow Cost	637	548	646	564
<b>OPERATING PROFIT/(LOSS)</b>	<b>327</b>	<b>434</b>	<b>716</b>	<b>804</b>



**Operating Profit Per Hectare - Dairy**  
**Gippsland Vic Dairy 2018 Benchmarks**  
**Gippsland Vic Dairy 2018 Owner**



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Manufacturing Milk Sales	7,074	6,711	9,159	8,988
Quota/Contract/Dividends for Milk	1	1	1	1
Livestock Revenue	558	562	687	719
Other Revenue	34	42	33	64
<b>Gross Revenue</b>	<b>7,666</b>	<b>7,316</b>	<b>9,880</b>	<b>9,772</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	159	156	153	140
Animal Health	237	192	267	219
Breeding & Herd Testing	194	142	219	160
Dairy Shed Expenses	108	101	123	143
Electricity	144	138	162	165
Feeds / Supplements (Total)	2,715	2,202	3,245	2,590
- Grazing / Support Area	466	444	621	549
- Cropping (green feed)	42	42	51	49
- Grains, Pellets & Concentrates	1,647	1,277	1,993	1,561
- Forages (incl. hay, silages, byproducts)	561	439	581	431
Fertiliser (Total)	416	543	506	623
- Nitrogen	236	264	286	323
- Phosphate & All Other Fertiliser	180	279	220	299
Freight	38	40	38	48
Irrigation	89	146	107	293
Pasture Maintenance & Renovation	153	127	172	119
Rates, Licenses, Levies & Insurance	203	153	228	192
Repairs & Maintenance	353	288	373	333
Vehicle Expenses (including fuel & oil)	146	144	156	179
Management & Staff Expenses	1,536	1,389	1,577	1,535
- Wages, Salaries & Employment Exp.	989	960	1,076	942
- Imputed Labour & Management	547	430	501	593
Depreciation	310	348	364	410
<b>Gross Expenses</b>	<b>6,802</b>	<b>6,112</b>	<b>7,691</b>	<b>7,150</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	5,944	5,334	6,826	6,147
Core per Hectare Cost	1,052	1,073	1,171	1,167
<b>OPERATING PROFIT/(LOSS)</b>	<b>864</b>	<b>1,204</b>	<b>2,189</b>	<b>2,622</b>



# Operating Profit Per Litre (c/l ECM)

## Gippsland Vic Dairy 2018 Benchmarks

### Gippsland Vic Dairy 2018 Owner



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>REVENUE (cents/litre ECM)</b>				
Manufacturing Milk Sales	42.55	43.30	43.40	44.44
Quota/Contract/Dividends for Milk	0.00	0.00	0.00	0.00
Livestock Revenue	3.36	3.63	3.25	3.55
Other Revenue	0.20	0.27	0.16	0.32
<b>Gross Revenue</b>	<b>46.11</b>	<b>47.21</b>	<b>46.82</b>	<b>48.32</b>
<b>EXPENSES (cents/litre ECM)</b>				
Administration (incl. professional fees)	0.96	1.01	0.72	0.69
Animal Health	1.43	1.24	1.26	1.08
Breeding & Herd Testing	1.17	0.92	1.04	0.79
Dairy Shed Expenses	0.65	0.65	0.58	0.71
Electricity	0.87	0.89	0.77	0.81
Feeds / Supplements (Total)	16.33	14.21	15.38	12.81
- Grazing / Support Area	2.80	2.87	2.94	2.72
- Cropping (green feed)	0.25	0.27	0.24	0.24
- Grains, Pellets & Concentrates	9.91	8.24	9.44	7.72
- Forages (incl. hay, silages, byproducts)	3.37	2.83	2.75	2.13
Fertiliser (Total)	2.50	3.50	2.40	3.08
- Nitrogen	1.42	1.70	1.36	1.60
- Phosphate & All Other Fertiliser	1.09	1.80	1.04	1.48
Freight	0.23	0.26	0.18	0.24
Irrigation	0.54	0.94	0.51	1.45
Pasture Maintenance & Renovation	0.92	0.82	0.82	0.59
Rates, Licenses, Levies & Insurance	1.22	0.99	1.08	0.95
Repairs & Maintenance	2.12	1.86	1.77	1.65
Vehicle Expenses (including fuel & oil)	0.88	0.93	0.74	0.88
Management & Staff Expenses	9.24	8.96	7.47	7.59
- Wages, Salaries & Employment Exp.	5.95	6.19	5.10	4.66
- Imputed Labour & Management	3.29	2.77	2.37	2.93
Depreciation	1.87	2.25	1.72	2.03
<b>Gross Expenses</b>	<b>40.91</b>	<b>39.44</b>	<b>36.44</b>	<b>35.36</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	35.76	34.42	32.35	30.40
Core Cost Structure per Litre (ECM)	25.68	25.72	22.38	22.46
<b>OPERATING PROFIT/(LOSS)</b>	<b>5.20</b>	<b>7.77</b>	<b>10.37</b>	<b>12.96</b>



**Operating Profit Per MilkSolids**  
**Gippsland Vic Dairy 2018 Benchmarks**  
**Gippsland Vic Dairy 2018 Owner**



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Manufacturing Milk Sales	5.74	5.81	5.86	5.97
Quota/Contract/Dividends for Milk	0.00	0.00	0.00	0.00
Livestock Revenue	0.45	0.49	0.44	0.48
Other Revenue	0.03	0.04	0.02	0.04
<b>Gross Revenue</b>	<b>6.22</b>	<b>6.33</b>	<b>6.32</b>	<b>6.49</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	0.13	0.14	0.10	0.09
Animal Health	0.19	0.17	0.17	0.15
Breeding & Herd Testing	0.16	0.12	0.14	0.11
Dairy Shed Expenses	0.09	0.09	0.08	0.10
Electricity	0.12	0.12	0.10	0.11
Feeds / Supplements (Total)	2.20	1.91	2.08	1.72
- Grazing / Support Area	0.38	0.38	0.40	0.36
- Cropping (green feed)	0.03	0.04	0.03	0.03
- Grains, Pellets & Concentrates	1.34	1.11	1.27	1.04
- Forages (incl. hay, silages, byproducts)	0.45	0.38	0.37	0.29
Fertiliser (Total)	0.34	0.47	0.32	0.41
- Nitrogen	0.19	0.23	0.18	0.21
- Phosphate & All Other Fertiliser	0.15	0.24	0.14	0.20
Freight	0.03	0.03	0.02	0.03
Irrigation	0.07	0.13	0.07	0.19
Pasture Maintenance & Renovation	0.12	0.11	0.11	0.08
Rates, Licenses, Levies & Insurance	0.16	0.13	0.15	0.13
Repairs & Maintenance	0.29	0.25	0.24	0.22
Vehicle Expenses (including fuel & oil)	0.12	0.12	0.10	0.12
Management & Staff Expenses	1.25	1.20	1.01	1.02
- Wages, Salaries & Employment Exp.	0.80	0.83	0.69	0.63
- Imputed Labour & Management	0.44	0.37	0.32	0.39
Depreciation	0.25	0.30	0.23	0.27
<b>Gross Expenses</b>	<b>5.52</b>	<b>5.29</b>	<b>4.92</b>	<b>4.75</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	4.82	4.62	4.37	4.08
Core Cost Structure per kg MilkSolid	3.46	3.45	3.02	3.02
<b>OPERATING PROFIT/(LOSS)</b>	<b>0.70</b>	<b>1.04</b>	<b>1.40</b>	<b>1.74</b>



# Operating Profit as Percent of Revenue - Dairy

## Gippsland Vic Dairy 2018 Benchmarks

### Gippsland Vic Dairy 2018 Owner



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>REVENUE</b>				
Manufacturing Milk Sales	92.3 %	91.7 %	92.7 %	92.0 %
Quota/Contract/Dividends for Milk	0.0 %	0.0 %	0.0 %	0.0 %
Livestock Revenue	7.3 %	7.7 %	7.0 %	7.4 %
Other Revenue	0.4 %	0.6 %	0.3 %	0.7 %
<b>Gross Revenue</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
<b>EXPENSES</b>				
Administration (incl. professional fees)	2.1 %	2.1 %	1.5 %	1.4 %
Animal Health	3.1 %	2.6 %	2.7 %	2.2 %
Breeding & Herd Testing	2.5 %	1.9 %	2.2 %	1.6 %
Dairy Shed Expenses	1.4 %	1.4 %	1.2 %	1.5 %
Electricity	1.9 %	1.9 %	1.6 %	1.7 %
Feeds / Supplements (Total)	35.4 %	30.1 %	32.8 %	26.5 %
- Grazing / Support Area	6.1 %	6.1 %	6.3 %	5.6 %
- Cropping (green feed)	0.6 %	0.6 %	0.5 %	0.5 %
- Grains, Pellets & Concentrates	21.5 %	17.5 %	20.2 %	16.0 %
- Forages (incl. hay, silages, byproducts)	7.3 %	6.0 %	5.9 %	4.4 %
Fertiliser (Total)	5.4 %	7.4 %	5.1 %	6.4 %
- Nitrogen	3.1 %	3.6 %	2.9 %	3.3 %
- Phosphate & All Other Fertiliser	2.4 %	3.8 %	2.2 %	3.1 %
Freight	0.5 %	0.5 %	0.4 %	0.5 %
Irrigation	1.2 %	2.0 %	1.1 %	3.0 %
Pasture Maintenance & Renovation	2.0 %	1.7 %	1.7 %	1.2 %
Rates, Licenses, Levies & Insurance	2.6 %	2.1 %	2.3 %	2.0 %
Repairs & Maintenance	4.6 %	3.9 %	3.8 %	3.4 %
Vehicle Expenses (including fuel & oil)	1.9 %	2.0 %	1.6 %	1.8 %
Management & Staff Expenses	20.0 %	19.0 %	16.0 %	15.7 %
- Wages, Salaries & Employment Exp.	12.9 %	13.1 %	10.9 %	9.6 %
- Imputed Labour & Management	7.1 %	5.9 %	5.1 %	6.1 %
Depreciation	4.0 %	4.8 %	3.7 %	4.2 %
<b>Gross Expenses</b>	<b>88.7 %</b>	<b>83.5 %</b>	<b>77.8 %</b>	<b>73.2 %</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	77.5 %	72.9 %	69.1 %	62.9 %
Core Cost Structure	55.7 %	54.5 %	47.8 %	46.5 %
<b>OPERATING PROFIT/(LOSS)</b>	<b>11.3 %</b>	<b>16.5 %</b>	<b>22.2 %</b>	<b>26.8 %</b>



**Balance Sheet Summary (Market Values) - Dairy**  
**Gippsland Vic Dairy 2018 Benchmarks**  
**Gippsland Vic Dairy 2018 Owner**



	2017/18 Gippsland Average	2017/18 Tasmania Average	2017/18 Gippsland Top 10%	2017/18 Tasmania Top 10%
<b>ASSETS AT START OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Land & Buildings	3,201,425	4,594,398	2,715,396	3,874,887
Livestock	637,919	830,789	719,682	938,141
Vehicles, Plant & Machinery	172,084	193,463	184,930	188,112
Dairy Company Shares	20,847	13,297	24,196	11,917
Other Assets	668,679	763,190	545,101	814,028
<b>TOTAL ASSETS AT START OF YEAR</b>	<b>4,700,954</b>	<b>6,395,137</b>	<b>4,189,305</b>	<b>5,827,085</b>
Total Assets per Hectare	29,578	23,684	30,517	26,249
Land, Bldgs & Dairy Co. Shares per Hectare	20,274	17,064	19,956	17,509
Total Assets per Cow	11,694	11,239	9,107	9,777
<b>ASSETS AT END OF YEAR</b>				
Land & Buildings	3,288,824	4,720,285	2,789,526	3,981,059
Livestock	731,344	978,037	830,228	1,081,865
Vehicles, Plant & Machinery	166,029	190,196	176,399	182,204
Dairy Company Shares	7,296	4,654	8,469	4,171
Other Assets	686,424	781,409	558,586	835,135
<b>TOTAL ASSETS AT END OF YEAR</b>	<b>4,879,917</b>	<b>6,674,581</b>	<b>4,363,207</b>	<b>6,084,433</b>
Total Assets per Hectare	30,712	24,719	31,780	27,408
Land, Bldgs & Dairy Co. Shares per Hectare	20,744	17,499	20,379	17,952
Total Assets per Cow	12,139	11,730	9,485	10,209
<b>LIABILITIES AT START OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Current Liabilities less Current Assets	164,166	130,309	140,291	148,365
Long Term Liabilities	1,662,498	1,899,834	1,578,530	1,769,732
<b>Total Liabilities at Start of Year</b>	<b>1,826,664</b>	<b>2,030,143</b>	<b>1,718,821</b>	<b>1,918,097</b>
Total Liabilities per Cow	4,544	3,568	3,737	3,218
<b>LIABILITIES AT END OF YEAR</b>				
Current Liabilities less Current Assets	158,078	131,822	140,363	149,438
Long Term Liabilities	1,671,251	1,976,186	1,499,050	1,727,313
<b>Total Liabilities at End of Year</b>	<b>1,829,329</b>	<b>2,108,008</b>	<b>1,639,413</b>	<b>1,876,751</b>
Total Liabilities per Cow	4,551	3,705	3,564	3,149
<b>EQUITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Equity at Start of Year	2,874,290	4,364,994	2,470,485	3,908,988
<b>Equity at End of Year</b>	<b>3,050,588</b>	<b>4,566,573</b>	<b>2,723,794</b>	<b>4,207,682</b>
Equity % at Start of Year	61.1 %	68.3 %	59.0 %	67.1 %
<b>Equity % at End of Year</b>	<b>62.5 %</b>	<b>68.4 %</b>	<b>62.4 %</b>	<b>69.2 %</b>
<b>FINANCING COSTS</b>				
Bank Charges & Loan Fees	5,496	4,401	5,333	2,165
Interest	110,034	122,309	98,848	108,765
Lease Fees & Rentals	45,217	22,344	42,204	25,936
<b>TOTAL FINANCING COSTS</b>	<b>160,748</b>	<b>149,054</b>	<b>146,384</b>	<b>136,866</b>
<b>Financing Costs as % Gross Revenue</b>	<b>13.8 %</b>	<b>9.9 %</b>	<b>9.9 %</b>	<b>7.7 %</b>
Financing Costs per Cow	400	262	318	230
<b>Interest Cover</b>	<b>1.0</b>	<b>1.7</b>	<b>2.3</b>	<b>3.6</b>

