

		OVERALL FARM BUSINESS ASSESSMENT				
		Poor or Very Risky	Lower Quartile or High Risk	Median Quartile or Average Risk	Upper Quartile or Low Risk	Excellent or Very Low Risk
Key Performance Indicators (KPIs)	<b>Ratio</b>	<b>Definition</b>				
	PROFIT					
	RISK					
	SOLVENCY					
Key Profit Drivers (KPDs)	MEAT PRODUCTION	Meat Production per Hectare				
		- Stocking Rate (DSE/ha)				
		- Meat Production per DSE				
	MEAT VALUE	\$ per Kilogram				
	PASTURE HARVESTED	tDM per Hectare				
	FEEDS / SUPPLEMENTS	Cost per DSE				
	LABOUR EFFICIENCY	Management & Staff Costs per DSE				
		DSE per Full Time Staff Equivalent				
	CORE per DSE COST	Excludes per Ha Exp + Feeds + Mgmt/Staff Exp				
	CORE per Hectare COST per tDM	Excludes per DSE Exp + Feeds + Mgmt/Staff Exp				

**Core per DSE Cost** = (Animal Health + Breeding + Electricity + 50% Nitrogen Fertiliser + Freight + Other Expenses + 50% Repairs & Maintenance + 50% Vehicle Expenses + 50% Depreciation) / Total DSE's

**Core per Hectare Cost per tDM Pasture Harvested** = (Administration + 50% Nitrogen Fertiliser + Phosphate & All Other Fertiliser + Irrigation + Pasture Maintenance & Renovation + 50% Repairs & Maintenance + Standing Charges + 50% Vehicle Expenses + Weed & Pest + 50% Depreciation) / Effective Area / tDM Pasture Harvested per Hectare

	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>PHYSICAL PARAMETERS</b>			
<b>Total DSE</b>	<b>12,904</b>	<b>9,128</b>	<b>12,045</b>
Effective Hectares	742.9	667.2	802.3
<b>Stocking Rate (DSE per Hectare)</b>	<b>17.4</b>	<b>13.7</b>	<b>15.0</b>
Calving Percentage	87.6 %	83.1 %	77.1 %
Average Beef Value per kg (Liveweight)	\$ 1.71	\$ 1.72	\$ 1.74
<b>Average Liveweight of Beef Sold</b>	<b>465.2</b>	<b>434.0</b>	<b>461.6</b>
<b>Beef Produced per DSE (kgs)</b>	<b>16.19</b>	<b>16.77</b>	<b>16.34</b>
<b>Total Liveweight Beef Sold / DSE</b>	<b>19.8</b>	<b>19.2</b>	<b>18.4</b>
<b>Average Value of Beef Sold per DSE</b>	<b>\$ 34</b>	<b>\$ 33</b>	<b>\$ 32</b>
Total Weight of Beef Sold per Hectare	344.2	263.4	276.1
<b>Total Liveweight of Beef Produced/Ha</b>	<b>281.2</b>	<b>229.5</b>	<b>245.3</b>
Liveweight of Beef Produced/Ha/100mm rainfall	33.7	34.0	35.3
<b>Pasture Dry Matter Harvested (tDM/Ha)</b>	<b>4.23</b>	<b>3.20</b>	<b>3.66</b>
<b>KEY PERFORMANCE INDICATORS</b>			
<b>Operating Profit per Hectare</b>	<b>\$ 15</b>	<b>\$ 26</b>	<b>\$ 154</b>
Operating Profit per DSE	\$ 0.88	\$ 1.87	\$ 10.26
Total Assets per Ha at Start of Year (Average Values)	\$ 7,090	\$ 6,637	\$ 6,481
<b>EQUITY % at Average Values</b>	<b>90.5 %</b>	<b>92.9 %</b>	<b>97.8 %</b>
<b>RETURN ON CAPITAL (ROC) at Average Values</b>	<b>0.2 %</b>	<b>0.3 %</b>	<b>1.9 %</b>
<b>Return on Assets (ROA) at Average Values</b>	<b>0.1 %</b>	<b>0.2 %</b>	<b>2.0 %</b>
ROA including Capital Gain at Average Values	-0.5 %	0.8 %	2.2 %
<b>RETURN ON EQUITY (ROE) at Average Values</b>	<b>-0.5 %</b>	<b>-0.4 %</b>	<b>1.9 %</b>
ROE including Capital Gain at Average Values	-1.2 %	0.3 %	2.1 %
<b>OPERATING PROFIT MARGIN</b>	<b>3.1 %</b>	<b>6.5 %</b>	<b>31.9 %</b>
<b>Cost of Production per Liveweight kg Meat</b>	<b>\$ 1.71</b>	<b>\$ 1.62</b>	<b>\$ 1.34</b>
Total Operating Expenses as % Gross Revenue	71.9 %	68.1 %	42.7 %
Financing Costs as % Gross Revenue	11.2 %	13.0 %	3.4 %
<b>Core per DSE Cost</b>	<b>\$ 5.98</b>	<b>\$ 5.86</b>	<b>\$ 4.68</b>
Core per Ha Cost	\$ 228	\$ 160	\$ 135
<b>Core per Hectare Cost per tDM Pasture Harvest</b>	<b>\$ 54</b>	<b>\$ 50</b>	<b>\$ 37</b>
Management + Staff Costs per DSE	\$ 8.14	\$ 8.01	\$ 7.04
<b>DSE per Full Time Staff Equivalent</b>	<b>7,118</b>	<b>5,359</b>	<b>5,701</b>
Feeds/Supplements per DSE	\$ 0.50	\$ 1.57	\$ 1.24
<b>Pasture Cost (Per tDM)</b>	<b>\$ 157</b>	<b>\$ 160</b>	<b>\$ 128</b>

	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>PHYSICAL PARAMETERS</b>			
<b>Total DSE</b>	<b>12,904</b>	<b>9,128</b>	<b>12,045</b>
Effective Hectares	742.9	667.2	802.3
<b>Stocking Rate (DSE per Hectare)</b>	<b>17.4</b>	<b>13.7</b>	<b>15.0</b>
Calving Percentage	87.6 %	83.1 %	77.1 %
Death / Loss Percentage	1.1 %	1.0 %	1.3 %
Average Beef Value per kg (Liveweight)	\$ 1.71	\$ 1.72	\$ 1.74
<b>Average Liveweight of Beef Sold</b>	<b>465.2</b>	<b>434.0</b>	<b>461.6</b>
Total Carcass Weight of Beef Sold (excl. grazing)	254,230.7	174,601.0	220,269.0
Total Carcass Weight of Beef Sold (incl. grazing)	255,690.1	175,712.5	221,498.4
<b>Total Liveweight Beef Sold / DSE</b>	<b>19.8</b>	<b>19.2</b>	<b>18.4</b>
Average Value of Beef Sold	\$ 794	\$ 747	\$ 805
<b>Average Value of Beef Sold per DSE</b>	<b>\$ 34</b>	<b>\$ 33</b>	<b>\$ 32</b>
<b>Total Weight of Beef Sold per Hectare</b>	<b>344.2</b>	<b>263.4</b>	<b>276.1</b>
<b>Total Value of Beef Sold per Hectare</b>	<b>\$ 588</b>	<b>\$ 454</b>	<b>\$ 486</b>
<b>PASTURE &amp; SUPPLEMENTS</b>			
<b>Pasture Dry Matter Harvested (tDM/Ha)</b>	<b>4.23</b>	<b>3.20</b>	<b>3.66</b>
<b>Pasture as % of Total Consumed</b>	<b>99.9 %</b>	<b>99.2 %</b>	<b>99.7 %</b>
Total Feed/Supplement Costs per DSE	\$ 0.50	\$ 1.57	\$ 1.24
<b>Average Cost of All Consumed Feed (/tDM)</b>	<b>\$ 157</b>	<b>\$ 161</b>	<b>\$ 128</b>
<b>Pasture Cost (Per tDM)</b>	<b>\$ 157</b>	<b>\$ 160</b>	<b>\$ 128</b>
- Direct Pasture Cost (Per tDM)	\$ 30	\$ 26	\$ 19
- Variable Pasture Cost (Per tDM)	\$ 22	\$ 22	\$ 17
- Capital Pasture Cost Per tDM	\$ 105	\$ 111	\$ 92
Average Cost of All Supplements (/tDM Consumed)	\$ 98	\$ 334	\$ 124
Pasture Dry Matter Harvested / Megalitre (tDM)	2.0	0.9	0.5
Megalitres Used per Hectare	2.4	5.3	10.8
<b>MANAGEMENT &amp; STAFF</b>			
Total Equivalent Full Time Staff	1.8	1.7	2.1
<b>DSE per Full Time Staff Equivalent</b>	<b>7,118</b>	<b>5,359</b>	<b>5,701</b>
Management + Staff Costs per DSE	\$ 8.14	\$ 8.01	\$ 7.04
Revenue per Full Time Staff Equivalent	\$ 203,623	\$ 155,649	\$ 183,623
Revenue per \$1 of Employment Expense	\$ 3.51	\$ 3.62	\$ 4.57
Total Hours Worked per Week	90.6	85.2	105.6
Total Imputed Labour & Management	\$ 85,428	\$ 61,738	\$ 80,546

**Operating Profit - Beef**  
**Red Sky Beef Demo Farm**  
**Australia Beef Demo Farm**



	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Beef Livestock Sales	434,074	300,541	384,083
- Less Livestock Purchases	(105,571)	(68,154)	(17,009)
Other Revenue	30,876	18,697	19,609
<b>Total Operating Revenue</b>	<b>359,378</b>	<b>251,084</b>	<b>386,682</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	12,288	10,017	9,899
Animal Health	9,011	7,504	9,194
Breeding	54	1,380	72
Electricity	2,554	2,234	2,173
Feeds / Supplements (Total)	6,838	14,408	14,824
- Grazing / Support Area	0	1,551	4,901
- Cropping (green feed)	0	169	0
- Hay & Pasture Silage	6,189	7,724	9,108
- Other Feeds / Supplements	650	4,964	815
Fertiliser (Total)	90,255	50,122	51,039
- Nitrogen	13,482	7,549	7,940
- Phosphate & All Other Fertiliser	76,773	42,572	43,099
Freight	10,899	7,974	8,020
Irrigation	4,760	1,523	0
Pasture Maintenance & Renovation	8,407	4,799	2,177
Rates, Licenses, Levies & Insurance	27,126	21,429	22,796
Repairs & Maintenance	50,059	30,265	23,217
Vehicle Expenses (including fuel & oil)	23,412	17,536	17,762
- Maintenance & Other Expenses	4,437	4,782	3,567
- Fuel & Oil	18,975	12,753	14,194
Wages, Salaries & Employment Exp.	19,628	11,409	4,283
<b>Total Operating Expenses</b>	<b>265,291</b>	<b>180,601</b>	<b>165,456</b>
<b>OPERATING SURPLUS</b>	<b>94,087</b>	<b>70,482</b>	<b>221,226</b>
<b>ADJUSTMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
+ Change in Livestock Numbers	3,845	8,846	(3,523)
+ Change in Feeds/Supplements on Hand	372	206	362
- Imputed Labour & Management	85,428	61,738	80,546
- Depreciation	41,530	25,780	31,477
+ Other Revenue Adjustments	5,924	5,188	4,782
- Other Expenses Adjustments	(34,054)	(19,890)	(12,762)
<b>Total Adjustments</b>	<b>(82,762)</b>	<b>(53,387)</b>	<b>(97,640)</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>11,326</b>	<b>17,095</b>	<b>123,587</b>



**Operating Profit Per Hectare - Beef**  
**Red Sky Beef Demo Farm**  
**Australia Beef Demo Farm**



	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Livestock Revenue	447	362	453
Other Revenue	50	36	30
<b>Gross Revenue</b>	<b>497</b>	<b>397</b>	<b>484</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	15	14	12
Animal Health	12	11	11
Breeding	0	2	0
Electricity	3	3	2
Feeds / Supplements (Total)	9	21	19
- Grazing / Support Area	0	2	7
- Cropping (green feed)	0	0	0
- Hay & Pasture Silage	8	11	12
- Other Feeds / Supplements	1	7	0
Fertiliser (Total)	102	64	56
- Nitrogen	17	11	10
- Phosphate & All Other Fertiliser	85	53	46
Freight	15	12	10
Irrigation	6	2	0
Pasture Maintenance & Renovation	11	7	3
Rates, Licenses, Levies & Insurance	37	32	28
Repairs & Maintenance	43	29	22
Vehicle Expenses (including fuel & oil)	32	25	22
- Maintenance & Other Expenses	6	6	4
- Fuel & Oil	26	19	18
Management & Staff Expenses	141	110	106
- Wages, Salaries & Employment Exp.	26	17	5
- Imputed Labour & Management	115	93	100
Depreciation	56	39	39
<b>Gross Expenses</b>	<b>482</b>	<b>372</b>	<b>329</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	311	241	190
Core per Hectare Cost	228	160	135
<b>OPERATING PROFIT/(LOSS)</b>	<b>15</b>	<b>26</b>	<b>154</b>



**Operating Profit Per DSE - Beef**  
**Red Sky Beef Demo Farm**  
**Australia Beef Demo Farm**



	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Livestock Revenue	25.76	26.43	30.18
Other Revenue	2.85	2.62	2.02
<b>Gross Revenue</b>	<b>28.61</b>	<b>29.04</b>	<b>32.21</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	0.87	1.03	0.78
Animal Health	0.70	0.82	0.76
Breeding	0.00	0.15	0.01
Electricity	0.20	0.23	0.14
Feeds / Supplements (Total)	0.50	1.57	1.24
- Grazing / Support Area	0.00	0.18	0.45
- Cropping (green feed)	0.00	0.02	0.00
- Hay & Pasture Silage	0.45	0.84	0.77
- Other Feeds / Supplements	0.05	0.53	0.03
Fertiliser (Total)	5.86	4.67	3.70
- Nitrogen	0.99	0.80	0.66
- Phosphate & All Other Fertiliser	4.87	3.87	3.04
Freight	0.84	0.87	0.67
Irrigation	0.37	0.17	0.00
Pasture Maintenance & Renovation	0.65	0.53	0.18
Rates, Licenses, Levies & Insurance	2.10	2.35	1.89
Repairs & Maintenance	2.45	2.11	1.45
Vehicle Expenses (including fuel & oil)	1.81	1.83	1.47
- Maintenance & Other Expenses	0.34	0.44	0.30
- Fuel & Oil	1.47	1.40	1.18
Management & Staff Expenses	8.14	8.01	7.04
- Wages, Salaries & Employment Exp.	1.52	1.25	0.36
- Imputed Labour & Management	6.62	6.76	6.69
Depreciation	3.22	2.82	2.61
<b>Gross Expenses</b>	<b>27.73</b>	<b>27.17</b>	<b>21.95</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	17.89	17.58	12.65
Core per DSE Cost	5.98	5.86	4.68
<b>OPERATING PROFIT/(LOSS)</b>	<b>0.88</b>	<b>1.87</b>	<b>10.26</b>



**Operating Profit Per Kg Meat - Beef**  
**Red Sky Beef Demo Farm**  
**Australia Beef Demo Farm**



	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Livestock Revenue	1.30	1.37	1.64
Other Revenue	0.14	0.14	0.11
<b>Gross Revenue</b>	<b>1.44</b>	<b>1.51</b>	<b>1.75</b>
<b>EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Administration (incl. professional fees)	0.04	0.05	0.04
Animal Health	0.04	0.04	0.04
Breeding	0.00	0.01	0.00
Electricity	0.01	0.01	0.01
Feeds / Supplements (Total)	0.03	0.08	0.07
- Grazing / Support Area	0.00	0.01	0.02
- Cropping (green feed)	0.00	0.00	0.00
- Hay & Pasture Silage	0.02	0.04	0.04
- Other Feeds / Supplements	0.00	0.03	0.00
Fertiliser (Total)	0.30	0.24	0.20
- Nitrogen	0.05	0.04	0.04
- Phosphate & All Other Fertiliser	0.25	0.20	0.17
Freight	0.04	0.05	0.04
Irrigation	0.02	0.01	0.00
Pasture Maintenance & Renovation	0.03	0.03	0.01
Rates, Licenses, Levies & Insurance	0.11	0.12	0.10
Repairs & Maintenance	0.12	0.11	0.08
Vehicle Expenses (including fuel & oil)	0.09	0.10	0.08
- Maintenance & Other Expenses	0.02	0.02	0.02
- Fuel & Oil	0.07	0.07	0.06
Management & Staff Expenses	0.41	0.42	0.38
- Wages, Salaries & Employment Exp.	0.08	0.06	0.02
- Imputed Labour & Management	0.33	0.35	0.36
Depreciation	0.16	0.15	0.14
<b>Gross Expenses</b>	<b>1.40</b>	<b>1.41</b>	<b>1.19</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	0.90	0.91	0.69
Core per Hectare Cost	1.31	1.29	1.11
<b>OPERATING PROFIT/(LOSS)</b>	<b>0.04</b>	<b>0.10</b>	<b>0.56</b>



**Operating Profit as Percent of Revenue - Beef**  
**Red Sky Beef Demo Farm**  
**Australia Beef Demo Farm**



	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>REVENUE</b>			
Livestock Revenue	90.0 %	91.0 %	93.7 %
Other Revenue	10.0 %	9.0 %	6.3 %
<b>Gross Revenue</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
<b>EXPENSES</b>			
Administration (incl. professional fees)	3.1 %	3.6 %	2.4 %
Animal Health	2.4 %	2.8 %	2.4 %
Breeding	0.0 %	0.5 %	0.0 %
Electricity	0.7 %	0.8 %	0.4 %
Feeds / Supplements (Total)	1.8 %	5.4 %	3.9 %
- Grazing / Support Area	0.0 %	0.6 %	1.4 %
- Cropping (green feed)	0.0 %	0.1 %	0.0 %
- Hay & Pasture Silage	1.6 %	2.9 %	2.4 %
- Other Feeds / Supplements	0.2 %	1.8 %	0.1 %
Fertiliser (Total)	20.5 %	16.1 %	11.5 %
- Nitrogen	3.5 %	2.8 %	2.0 %
- Phosphate & All Other Fertiliser	17.0 %	13.3 %	9.4 %
Freight	3.0 %	3.0 %	2.1 %
Irrigation	1.3 %	0.6 %	0.0 %
Pasture Maintenance & Renovation	2.3 %	1.8 %	0.6 %
Rates, Licenses, Levies & Insurance	7.3 %	8.1 %	5.9 %
Repairs & Maintenance	8.6 %	7.3 %	4.5 %
Vehicle Expenses (including fuel & oil)	6.3 %	6.3 %	4.6 %
- Maintenance & Other Expenses	1.2 %	1.5 %	0.9 %
- Fuel & Oil	5.1 %	4.8 %	3.7 %
Management & Staff Expenses	28.5 %	27.6 %	21.9 %
- Wages, Salaries & Employment Exp.	5.3 %	4.3 %	1.1 %
- Imputed Labour & Management	23.1 %	23.3 %	20.8 %
Depreciation	11.3 %	9.7 %	8.1 %
<b>Gross Expenses</b>	<b>96.9 %</b>	<b>93.5 %</b>	<b>68.2 %</b>
Gross Exp excl. Imputed Labour/Mgmt & Dep'n	62.5 %	60.5 %	39.3 %
<b>OPERATING PROFIT/(LOSS)</b>	<b>3.1 %</b>	<b>6.5 %</b>	<b>31.9 %</b>





**Balance Sheet Summary (Market Values) - Beef**  
**Red Sky Beef Demo Farm**  
**Australia Beef Demo Farm**



	2012/13 Demo Farm	2012/13 WA Beef Average	2012/13 WA Beef Top Quartile
<b>ASSETS AT START OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Land & Buildings	6,374,260	4,739,850	5,957,810
Livestock	720,515	533,362	712,450
Vehicles, Plant & Machinery	311,927	195,613	166,962
Other Assets	0	198	0
<b>TOTAL ASSETS AT START OF YEAR</b>	<b>7,406,702</b>	<b>5,469,023</b>	<b>6,837,221</b>
Total Assets per Hectare	7,402	7,121	7,545
Land & Buildings per Hectare	6,370	6,171	6,574
<b>ASSETS AT END OF YEAR</b>			
Land & Buildings	6,374,260	4,555,500	5,023,040
Livestock	716,761	533,968	692,625
Vehicles, Plant & Machinery	291,740	205,139	205,092
Other Assets	0	198	0
<b>TOTAL ASSETS AT END OF YEAR</b>	<b>7,382,761</b>	<b>5,294,805</b>	<b>5,920,758</b>
Total Assets per Hectare	7,378	6,872	6,533
Land & Buildings per Hectare	6,370	5,913	5,543
<b>LIABILITIES AT START OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Current Liabilities less Current Assets	62,710	43,176	25,879
Long Term Liabilities	588,519	304,377	64,914
<b>Total Liabilities at Start of Year</b>	<b>651,229</b>	<b>347,553</b>	<b>90,793</b>
<b>LIABILITIES AT END OF YEAR</b>			
Current Liabilities less Current Assets	62,710	35,318	(4,801)
Long Term Liabilities	606,448	329,402	137,611
<b>Total Liabilities at End of Year</b>	<b>669,159</b>	<b>364,720</b>	<b>132,810</b>
<b>EQUITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Equity at Start of Year	6,755,473	5,121,470	6,746,428
<b>Equity at End of Year</b>	<b>6,713,602</b>	<b>4,930,086</b>	<b>5,787,948</b>
Equity % at Start of Year	91.2 %	93.6 %	98.7 %
<b>Equity % at End of Year</b>	<b>90.9 %</b>	<b>93.1 %</b>	<b>97.8 %</b>
<b>FINANCING COSTS</b>			
Bank Charges & Loan Fees	624	1,026	673
Interest	38,635	27,644	7,520
Lease Fees & Rentals	2,206	5,727	4,784
<b>TOTAL FINANCING COSTS</b>	<b>41,466</b>	<b>34,397</b>	<b>12,977</b>
<b>Financing Costs as % Gross Revenue</b>	<b>11.2 %</b>	<b>13.0 %</b>	<b>3.3 %</b>
Financing Costs per Hectare	56	52	16
Financing Costs per DSE	3	4	1

