

**Lincoln University Dairy Farm**

**Budget vs Actual 2006 -07**

Milksolids	year ending 30 June	Budget		Actual		Difference	
		\$	4.05	1,850/ha	298,775		274,965
				2006/07	2006/07		
				c/kgMS	c/kgMS		
<b>Income</b>		\$					
Milk Income	94%	1,210,039	4.05	4.404	1,211,003	964	
Stock Sales	6%	71,281	0.24	0.34	92,472	21,191	
Other Income	1%	8,840	0.03	0.03	8840	0	
<b>Total Income</b>	<b>100%</b>	<b>1,290,160</b>	<b>4.32</b>	<b>4.77</b>	<b>1,312,315</b>	<b>22,155</b>	
<b>Stock Purchases</b>		<b>17,500</b>			<b>-</b>	<b>-17,500</b>	
<b>Income Less Stock Purchases</b>		<b>1,272,660</b>			<b>1,312,315</b>	<b>39,655</b>	

Expenses		\$	\$/cow	2006/07		\$	% change in expense
				c/kgMS	c/kgMS		
Administration		27,700	41	0.09	0.09	-24,093	3,607 -15%
Animal Health		34,660	51	0.12	0.14	38,652	-3,992 10%
Breeding Expenses		28,480	42	0.10	0.13	35,933	-7,453 21%
Electricity		13,464	20	0.05	0.07	17,980	-4,516 25%
Employment		194,731	286	0.65	0.68	186,791	7,940 -4%
Feed & Grazing, & Runoff		213,804	314	0.72	0.84	230,726	-16,922 7%
Fertiliser & Lime		68,905	101	0.23	0.25	68,096	809 -1%
Freight & Cartage		6,500	10	0.02	0.01	3,056	3,444 -113%
Irrigation Costs		64,013	94	0.21	0.19	51,246	12,767 -25%
Rates & Insurance		13,914	20	0.05	0.05	13,914	-1 0%
Regrassing		7,258	11	0.02	0.05	14,689	-7,431 51%
Maintenance and Repairs		43,550	64	0.15	0.16	43,288	262 -1%
Runoff Net Cost (reported in "Feed" above)		18,265	27	0.06	0.09	24,929	-6,664 27%
Shed Expenses		11,100	16	0.04	0.03	7,666	3,434 -45%
Vehicle Expenses		22,200	33	0.07	0.12	33,506	-11,306 34%
Weed & Pest		1,938	3	0.01	0.00	919	1,019 -111%
						0	
<b>Farm Working Expenses</b>		<b>752,217</b>	<b>1043</b>	<b>2.52</b>	<b>2.80</b>	<b>770,554</b>	<b>-18,337 2.4%</b>

Loan Interest -  
Overdraft int -  
Depreciation est 94,666

<b>Income Result before tax &amp; Capital</b>	<b>425,777</b> (ie = EBIT)	<b>447,095</b>	<b>21,318</b>
	<b>2,636/ha</b>	<b>2,768/ha</b>	<b>132/ha</b>

**Capital Changes**

Shares paid in July following each season	54,448	-
Capital Improvements & Purchases	125,294	106,530
Principal	-	-
Vehicles	-	-
<b>Total Capital changes</b>	<b>179,742</b>	<b>106,530</b>

**End of year Result including dep.** **246,035** **340,565**

**End of year result (Cash)** **520,443** **541,761**  
*after capital & depreciation added back*

**Total MS** **298,775** **274,965** **Last season 286,115**  
**S quo \$/kgms** **\$ 4.05**

Capital	Jun-07	change (\$)	% change	% of total gain	Jun-06
Land	4,201,019	66,619	1.6%	80%	4,134,400
<i>\$34,000/ha for 1250/ha plus additional shares (84240 kgMS) for production over 1250/ha</i>					
Fonterra Shares own	\$6.79 1,867,012	-55681	-2.9%	-67%	1,922,693
Cows	708,500	42,900	6.4%	52%	665,600
R2	180,000	33,400	-15.7%	-40%	213,400
R1	119,700	12,300	-9.3%	-15%	132,000
Plant/Mach	125,000	-	0.0%	0%	125,000
Fonterra Shares sold	74,928	74,928		90%	
Total debt Inc. Current A/c on June 1	-	-			
<b>Total Capital</b>	<b>7,276,159</b>	<b>83,066</b>	<b>1.2%</b>		<b>7,193,093</b>
<i>change in capital for the 12 months</i>	<b>83,066</b>	<i>increase in capital</i>			

Analysis	Budget	Actual @			
	2006/07	4.05	Actual 2006/07	Actual 2005/06	Actual 2004/05
Return on Assets B4 Tax & Int	5.9%	5.3%	6.2%	5.5%	6.9%
Expenses%GFI	59%	62%	59%	62%	58%
EBIT/ha	\$2,636	\$2,366	\$2,768	\$2,357	\$2,768
cost per kg MS	\$2.52	\$2.80	\$2.80	\$2.68	\$2.64