

## Macalister Demonstration Farm Update 472 (Week ending 27<sup>th</sup> April, 2018)

### How is the MDF tracking to budget at the end of the March quarter?

Category	End Q3	Full year
Herd costs	\$90,663	\$109,164
Shed costs	\$24,115	\$29,778
Feed costs	\$237,846	\$336,475
Overhead costs	\$62,183	\$83,515
Paid labour costs	\$139,534	\$172,896
Capital costs		\$1,750
Finance costs	\$42,000	\$50,968
Total income	\$613,160	\$800,553
Total farm income less expenses	\$16,822	\$16,007

Milk production for the 9 months, has been 120,012kgMS at a price received of \$4.97/kg so far. This equates to 387kgMS/cow. With around 90 days of the lactation to run, that puts us on track for the 504kgMS/cow for the full season or 151,800kgMS total.

To be a little more specific, the areas of expenditure where there is a large variation (up and down) include the following:

- AB and herd testing is \$11,000 above budget, due to the use of AI in the heifers again this season;
- Veterinary expenses are close to the full year budget at the end of the third quarter;
- Contract rearing of heifers is running slightly under budget;
- Dairy power and dairy supplies are running on track to slightly above budget;
- Grain use is ahead of budget due to more cows being fed than anticipated, with the price exactly on budget;
- Irrigation power is running ahead of budget with the extensive irrigation early in the season;
- Silage harvest is half of that budgeted due to a small yield, but additional silage has been purchased to make up for the shortfall;
- Fuel is running close to the annual budget due to higher prices;
- Repairs and maintenance on plant and equipment is well up on budget;
- Wages are running slightly up on budget;
- Milk income to date is ahead of budget due to a slightly higher price than expected at opening when the budget was generated, but this is expected to increase further with the Saputo purchase proceeding.
- Net stock sales (sales less purchases) are well under budget, due to the 'swapping' of empty cows for the purchase of in-calf heifers at the start of the season. There will be sales at the end of the season, expected to increase stock income further on where it currently sits.

All in all, things are tracking along quite well at the end of the third quarter. We expect a strong finish to the irrigation season but will be hoping for widespread rain within the next few weeks to boost growth after the irrigation season but also for our agistment for the dry cows that helps set this farm up so well each year.

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