

Evaluation of Impact of Meeting Goals...



19-Feb-10

For Herd **DNND01**
Comparing current pe

WHAT IF - uses the herd's costs to predict the financial impact if certain physical goals are reached

urchased

Crops	Current	Predicted	Diff	Example Only	Current	Predicted	Diff
Total Forage Cost	\$76,793	\$78,856	\$2,063	# Forage Acres Fed	290	298	8
Total Cost of Grain Fed	\$61,373	\$65,923	\$4,550	# Grain Acres Fed	140	150	10
Total Crop Sales	\$20,519	\$9,788	(\$10,731)	# Crop Acres to sell	35	17	-18

Adjustment in cost to grow cash crop is (\$8,024) Diff. in crop cost because of change of crops = (\$1,411)

Livestock

Milk Cows

Milk Cow Pur. Feed Cost	\$62,852	\$67,782	
Crop Cost attributed to Milk Cows	\$106,430	\$113,664	
Total Milk Cow Feed Cost	\$169,282	\$181,446	\$12,164
Total Milk Cow Cost	\$317,833	\$325,698	\$7,866
% of Milk Rev	57.4%	56.5%	
Total Milk Sold - HL	8,105	8,443	
KG Milk Sold per cow	8,696	8,696	
Annual Cost /HL	\$39.21	\$38.58	(\$0.64)
Total Fat Sold - kg	31,611	32,928	
Annual Cost /kg Fat	\$10.05	\$9.89	(\$0.16)

Replacements

Replacement Feed Cost	\$15,498	\$15,660	
Crop Cost attributed to Repl'ts	\$30,786	\$30,165	
Total Replacement Cost	\$74,976	\$74,446	(\$530)
# Replacements	85	86	
Annual Cost /Replacement	\$882	\$871	(\$11)

Summary of Proposed Changes

	Current	Goal	Net \$ Impact
# Milking Cows	96	100	\$13,790
1st Lact Prodn	80%	80%	\$0
kg Milk /Cow (305D)	9,545	9,545	\$0
kg Fat Sold /Cow /Yr	329	329	\$0
Protein:Fat Ratio	0.84	0.90	\$7,156
# Cows >4.0 LS	25	12	\$1,091
Avg Pregnancy Rate	13.0	13.0	\$0
Age at 1st Calving	25.5	24.0	\$2,834
Replacements / Cow	0.89	0.89	\$0
Change-Cost / Heifer		100%	\$0
Change-Cow Var. Cost		95%	\$8,622
Change-Crop Var. Cost		100%	\$0
Change - Milk Price		100%	\$0
Change - Interest Rate		125%	(\$13,375)

The new ratio exceeded the SNF limit of 2.35 - Some of the Protein produced was not paid for.

Labor (based on 2 persons working in 'Dairy')

# Kg Fat Sold /Person	15,806	16,464	659
Milk Revenue /Person	\$276,844	\$296,325	\$19,481

Overall

Livestock+Milk Revenue	\$582,542	\$621,504	\$38,962
Lvstk+Milk Revenue /HL	\$71.87	\$73.61	
Lvstk+Milk Revenue /kg Fat	\$18.43	\$18.87	
Total Livestock Cost	\$392,809	\$400,145	\$7,336
**Total Livestock Cost /HL	\$48.46	\$47.40	
**Total L'vstk Cost /kg Fat	\$12.43	\$12.15	
**(before Int, Princ, Dep and Mangt Drawings)			
* Return Over Cost	\$189,733	\$221,359	\$31,625
* Return Over Cost /HL	\$23.41	\$26.22	\$2.81
* Ret'n Over Cost /kg Fat	\$6.00	\$6.72	\$0.72
*(available for Int, Princ, Dep and Mangt Drawings)			

Total Farm Revenue	\$630,113	\$658,343	\$28,230
Total Revenue /HL	\$77.74	\$77.98	
Total Revenue /kg Fat	\$19.93	\$19.99	
**Total Farm Cost	\$456,640	\$469,327	\$12,687
**Total Cost /HL	\$56.34	\$55.59	
**Total Cost /kg Fat	\$14.45	\$14.25	
**(before Int, Princ and Mangt Drawings - incl Dep.)			
* Return Over Cost	\$173,473	\$189,017	\$15,544
*Return Over Cost /HL	\$21.40	\$22.39	\$0.98
*Ret'n Over Cost /kg Fat	\$5.49	\$5.74	\$0.25
*(available for Int, Princ and Mangt Drawings)			

Cash available - P + I Pymts \$195,223 \$210,767

Note: Est. Depreciation (\$31750) and Inventory change (\$14400) make part of of this total. Interest + Principle Pymts (projected to increase from \$112250 to \$124507) need to be paid from this amount.

Debt Service /kg Fat \$3.55 \$3.78 \$0.23
Net /kg Fat (for Mang't + Profit) \$1.94 \$1.96 \$0.02
Total = \$61,223 \$64,509

Projection based on proposed changes, est. revenue + expenses from the additional prod'n AND quota purchase of 3.6 kg at \$25000 @ 6% for 10 yrs to cover additional prod'n.



Profit Profiler Report - 4 - What if Goals are Met?

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