



**BEEF CATTLE GROSS MARGIN BUDGET**

Farm enterprise Budget Series: June 2009

**Enterprise:** North Coast weaners 1 (unimproved country)- stores

**Enterprise Unit:** 100 cows

<b>INCOME:</b>			<b>Standard Budget</b>	<b>Your Budget</b>
32	7 month - steer weaners @	\$304 /hd	\$9,728	
13	7 month - heifer weaners @	\$241 /hd	\$3,127	
0.6	CFA Bull @	\$778 /hd	\$467	
11	CFA cows @	\$432 /hd	\$4,752	
3	Other culls @	\$432 /hd	\$1,296	
<b>A. Total Income:</b>			<b>\$19,369</b>	
<b>VARIABLE COSTS:</b>				
Replacements	1 Bull @	\$3,500 /hd	\$3,500	
Livestock and vet costs: see section titled beef health costs for details.			\$1,639	
Ear tags @	\$2.00		\$36	
Fodder crops			\$0	
Hay & Grain			\$0	
Droughts can increase feed costs. For example costs see main menu.			\$0	
Pasture maintenance (254 Ha unimproved)			\$0	
Livestock selling cost (see assumptions on next page)			\$1,754	
<b>B. Total Variable Costs:</b>			<b>\$6,929</b>	
<b>GROSS MARGIN (A-B)</b>			<b>\$12,440</b>	
<b>GROSS MARGIN/COW</b>			<b>\$124.40</b>	
<b>GROSS MARGIN/DSE*</b>			<b>\$12.27</b>	
<b>GROSS MARGIN/HA</b>			<b>\$48.98</b>	

**Change in gross margin (\$/cow) for change in price &/or the weight of sale stock**

(Note: Table assumes that the price and weight of other stock changes in the same proportion as steers. As an example if steer sale price falls to 180c/kg and steer weight to 140 kg, gross margin would fall \$92 per cow. This assumes that price and weight of all other sale stock falls by the same percentage.

Liveweight (kgs) of Stock sold	Steer wt.	Steer sale price cents/kg live				
		170	180	190	200	210
-40 kgs	120	62	70	77	85	93
-20 kgs	140	83	92	101	110	118
0	160	105	115	124	134	144
+20 kgs	180	126	137	148	159	170
+40 kgs	200	147	159	171	184	196

GM \$ per Cow

An increase of 5% in weaning percentage increases gross margin per cow by \$12.11

**Assumptions North Coast weaners 1 (unimproved country)- stores**

Enterprise unit is 100 cows weighing on average 350 kg  
 Weaning rate: 64%

**Sales**

Steers sold at 7 months	160 kg	@190c/kg	live weight
Heifers sold at 7 months	130 kg	@185c/kg	live weight
19 heifers retained for replacement.			
Cull cows cast for age at 10 years	180 kg	@240c/kg	dressed weight
0% of empty cows culled at weaning	"	"	"
3% cows culled for other reasons	"	"	"
Bulls run at 3% & sold after 5 years use	324 kg	@240c/kg	dressed weight

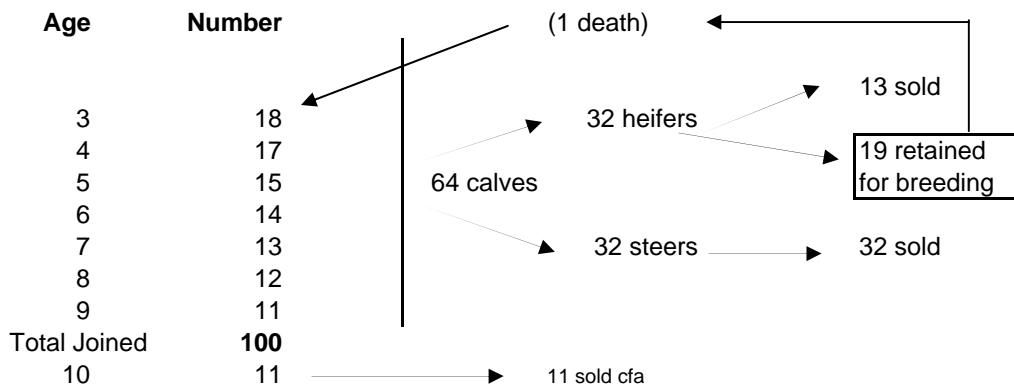
Selling costs include: Commission 4.0% yard dues \$3.28 MLA levy \$5/hd, average freight cost to saleyards \$6.00, tail tags \$0.11 c ea., NLIS tags @ \$2.90 for all sale cattle.

Cows: age at first calf : 36 months

Mortality rate of adult stock: 4%

The average feed requirement of a cow + followers is rated at 10.14 dse's\*. This is an average figure and will vary during the year. Note that replacement heifers are assumed joined in the second year and this adds to the dse rating of this enterprise.

**Age structure**



**Marketing Information:**

Mixed sex weaners sold in Autumn, normally on a \$ per head basis. Cents/kg liveweight used as an indicator). Stores are purchased by grass fatteners for further finishing.

**Production Information:**

Calving dates and age/weight at sale time will vary according to local climatic conditions, pasture species and degree of timber. Note in this enterprise that there is no pregnancy testing assumed. Weaner weights from native pastures only. Expected weights from Mid-North Coast or from the Hunter may be up to 30kg higher.