



NSW DEPARTMENT OF PRIMARY INDUSTRIES

MERINO EWES (19 micron) - Merino Rams

Farm Enterprise Budget Series - November 2008

Flock size: 1000 ewes
 Ewe body weigh 50 kgs
 DSE rating: 1.9 dse's / ewe

					Standard Budget (\$)	Your Budget (\$)
INCOME						
Wool	number	class	kg /hd	\$/kg		
Shear	1177	ewes	5.50	\$7.00	\$45,301.13	
	20	rams	7.00	\$6.79	\$950.60	
	402	ewe lambs	3.40	\$6.22	\$8,501.50	
Crutch	1796	mixed ages	0.20	\$2.97	\$1,067.32	
Sheep Sales	number	class	\$ /hd			
	177	CFA ewes	\$39.30	(20.5 kg cwt)	\$6,956.10	
	4	CFA rams	\$60.92		\$243.68	
	410	weth weaners	\$32.00	(6 months)	\$13,120.00	
	177	ewe hoggets	\$60.00	(18 months)	\$10,620.00	
Fodder	tonnes	type	value per tonne			
Hay	0 t	lucerne hay @	\$200 /t		\$0.00	
Fodder crop grain	0 t	oats @	\$150 /t		\$0.00	
A. Total Income:					\$86,760.33	
VARIABLE COSTS						
Replacements	number	class	cost (\$)	reps		
	4	rams	\$900.00		\$3,600.00	
Wool Harvesting & Selling Costs						
Shearing	1579	ewes/hoggets	\$5.74	1	\$9,065.12	
	20	rams	\$8.61	1	\$172.27	
Crutching	1776	ewes/hoggets	\$0.85	1	\$1,515.16	
	20	rams	\$1.71	1	\$34.13	
Wool tax			2.00%		\$1,116.41	
Commission, warehouse, testing charges			\$42.99/ bale		\$1,977.38	
Wool - cartage	46	bales	\$17.43		\$801.78	
- packs	46	packs	\$11.14		\$512.44	
Sheep health						
Drenching following WormKill						
Broadspectrum	1394	adults/hoggets	\$0.32	3	\$1,337.91	
	850	lambs	\$0.18	4	\$612.00	
Narrowspectrum	1394	adults/hoggets	\$0.38	1	\$529.59	
	850	lambs	\$0.21	1	\$178.50	
Dipping	1599	adults/hoggets	\$0.56	1	\$895.25	
Jetting	1394	adults/hoggets	\$1.65	1	\$2,299.53	
	410	ewe weaners	\$1.38	1	\$565.80	
Vaccination- 6 in 1	1189	adults/hoggets	\$0.22	1	\$261.50	
	850	lambs	\$0.22	1	\$187.00	
Mules + Mark	850	lambs	\$3.75	1	\$3,187.50	
Scanning	1177	ewes	\$0.90	1	\$1,058.99	
Livestock Selling Costs						
Livestock cartage	768	sale sheep	\$2.00		\$1,536.00	
Commission on sheep sales			5.00%		\$1,546.99	
Levies (Yard dues, MLA Transaction levy and RLPB rates)					\$1,138.17	
Fodder						
Supplementary feed - 3.5 kgs grain/hd/week @ \$180 /t						
	1168	ewes	\$0.63 /week	6 weeks	\$4,414.99	
Grazing crops	0 ha	@	\$360 /ha		\$0.00	
Supplementary fodc	0 t	@	\$350 /t		\$0.00	
Pasture maintenanc	190 ha	@	\$58 /ha		\$10,925.00	
B. Total Variable Costs:					\$49,469.40	
					incl. fodder costs	excl. fodder costs
GROSS MARGIN (A-B)					\$37,291	\$53,769
GROSS MARGIN /EWE					\$37.29	\$53.77
GROSS MARGIN /DSE					\$19.63	\$28.30
GROSS MARGIN /HA					\$196.27	\$283.00

This budget should be used as a GUIDE ONLY and should be changed by the grower to take account of movements in commodity and input prices, changes in seasonal conditions and individual farm characteristics. Estimated prices are GST exclusive.

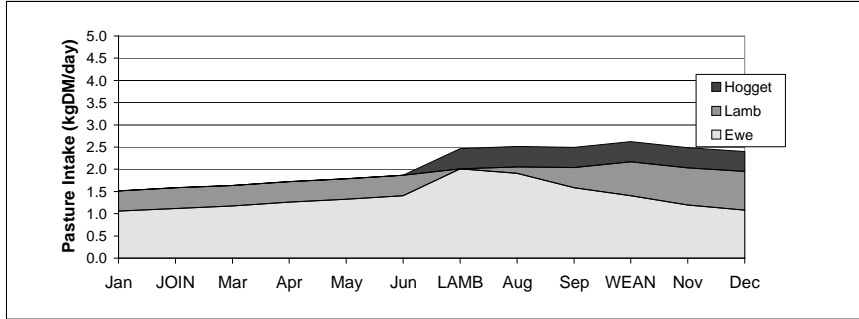
ASSUMPTIONS

1. Flock Parameters

Flock mortality	4%	Ram %	2%
Productive life	5 years	Marking %	85%
Ewe body weight	50 kg	Weaning %	82%
DSE rating /ewe	1.90	Weaning age	3 months
Stocking rate/ha	10 dse's		

2. Feed Requirements per breeding ewe

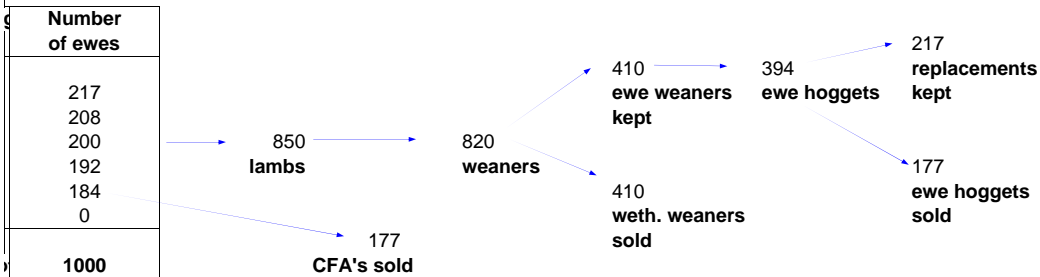
Intakes are estimates based on a pasture that would meet the requirements of all stock at all times. If pasture is above or below this amount, intakes will be more or less (respectively) and livestock performance will



Note: Pasture cost calculated at 90kg of single super applied every year - \$550/ton and \$8/ha application cost. The cost of the grazing crop includes contract harvesting.

3. Flock Structure

Sheep numbers are modified to reflect mortality throughout the year.



4. Wool Prices

Micron Merino Ewe	AWEX Type	Clean price	Yield	Greasy price	Specifications (all 35n/ktex)	Proportion of Clip
19	MF4B.	\$11.40	66%	\$7.56	1%VMB, 90mm	75%
18	MP5B.	\$10.38	58%	\$5.99	4.8%VMB, 80mm	20%
19	MZ2B.	\$5.25	52%	\$2.74	2.9%VMB.	5%
				\$7.00		used in budget

5. Sensitivity Table

Effect of ewe wool price and cut on gross margin per DSE - cuts and prices for rams, ewe hoggets and adult crutchings have not been varied (incl. fodder costs).

Wool Cut Kg/Hd	Ewe Greasy Wool Price \$/Kg greasy				
	\$5.60	\$6.30	\$7.00	\$7.70	\$8.40
4.40 kg	\$20.15	\$22.02	\$23.89	\$25.76	\$27.63
4.95 kg	\$21.87	\$23.97	\$26.08	\$28.18	\$30.28
5.50 kg	\$23.63	\$25.96	\$28.30	\$30.64	\$32.97
6.05 kg	\$25.34	\$27.92	\$30.49	\$33.06	\$35.63
6.60 kg	\$27.06	\$29.87	\$32.67	\$35.48	\$38.28

Note: both ewe wool cut and greasy wool price have been varied by +/- 10% and +/- 20%. Pasture costs have been included.