



NSW DEPARTMENT OF PRIMARY INDUSTRIES

MERINO EWES (21 micron) - Merino Rams, wether lambs sold as trade lambs Farm Enterprise Budget Series - November 2008

Flock size: 1000 ewes
Ewe body weight: 55 kgs
DSE rating: 2.4 dse's / ewe

					Standard Budget (\$)	Your Budget (\$)
INCOME						
Wool	number	class	kg /hd	\$/kg		
Shear	1177	ewes	6.00	\$5.22	\$36,852.76	
	20	rams	8.00	\$5.22	\$835.20	
	426	ewe lambs	3.80	\$5.07	\$8,207.32	
	426	wether lambs	3.80	\$5.07	\$8,207.32	
Crutch	2049	mixed ages	0.25	\$2.97	\$1,522.13	
Sheep Sales	number	class		\$ /hd		
	177	CFA ewes		\$46.34 (22.6 kg cwt)	\$8,201.30	
	4	CFA rams		\$60.92	\$243.68	
	426	weth lambs		\$62.00 (20.0 kg cwt)	\$26,412.00	
	201	ewe hoggets		\$65.00 (18 months)	\$13,065.00	
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:					\$103,546.70	
VARIABLE COSTS						
Replacements	number	class		cost (\$)	reps	
	4	rams		\$900.00		\$3,600.00
Wool Harvesting & Selling Costs						
Shearing	2029	ewes/hoggets		\$5.74	1	\$11,649.16
	20	rams		\$8.61	1	\$172.27
Crutching	2029	ewes/hoggets		\$0.85	1	\$1,731.05
	20	rams		\$1.71	1	\$34.13
Wool tax				2.00%		\$1,112.49
Commission, warehouse, testing charges				\$42.99/ bale		\$2,235.30
Wool - cartage	52	bales		\$17.43		\$906.36
- packs	52	packs		\$11.14		\$579.28
Sheep Health	number	class				
Drenching following DrenchPlan						
Broadspectrum	1197	adults/hoggets		\$0.35	2	\$837.66
	870	lambs		\$0.18	3	\$469.80
Dipping	2049	adults/hoggets		\$0.56	1	\$1,147.25
Jetting	1623	adults/hoggets		\$1.65	1	\$2,677.38
	870	weaners		\$1.38	1	\$1,200.60
Vaccination- 6 in 1	1197	adults/hoggets		\$0.22	1	\$263.26
	900	lambs		\$0.22	1	\$198.00
Mark	450	wether lambs		\$1.35	1	\$607.50
Mules + Mark	450	lambs		\$3.75	1	\$1,687.50
Scanning	1177	ewes		\$0.90	1	\$1,058.99
Livestock Selling Costs						
Livestock cartage	808	sale sheep		\$2.00		\$1,616.00
Commission on sheep sales				5.00%		\$2,396.10
Levies (Yard dues, MLA Transaction levy and RLPB rates)						\$1,624.46
Fodder						
Supplementary feed - 3.5 kgs grain/hd/week @ \$180 /t						
	1168	ewes		\$0.63 /week	10 weeks	\$7,358.32
Grazing crops	0 ha	@		\$360 /ha		\$0.00
Supplementary fodder	0 t	@		\$350 /t		\$0.00
Pasture maintenance	240 ha	@		\$58 /ha		\$13,800.00
B. Total Variable Costs:					\$58,962.85	
					incl. fodder costs	excl. fodder costs
GROSS MARGIN (A-B)					\$44,584	\$65,742
GROSS MARGIN /EWE					\$44.58	\$65.74
GROSS MARGIN /DSE					\$18.58	\$27.39
GROSS MARGIN /HA					\$185.77	\$273.93

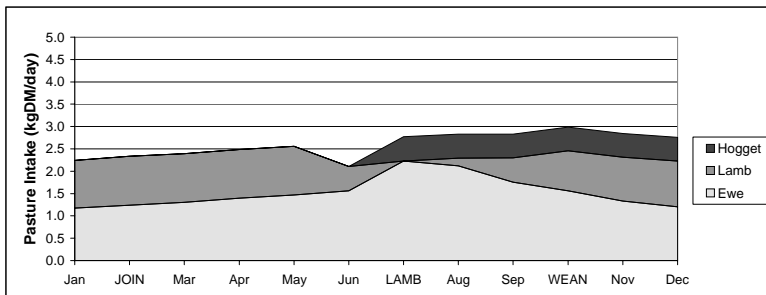
ASSUMPTIONS

1. Flock Parameters

Flock mortality	4%	Ram %	2%
Productive life	5 years	Marking %	90%
Ewe body weight	55 kg	Weaning %	87%
DSE rating /ewe	2.40	Weaning age	3 months
Stocking rate/ha	10 dse's		

2. Feed Requirements per breeding ewe

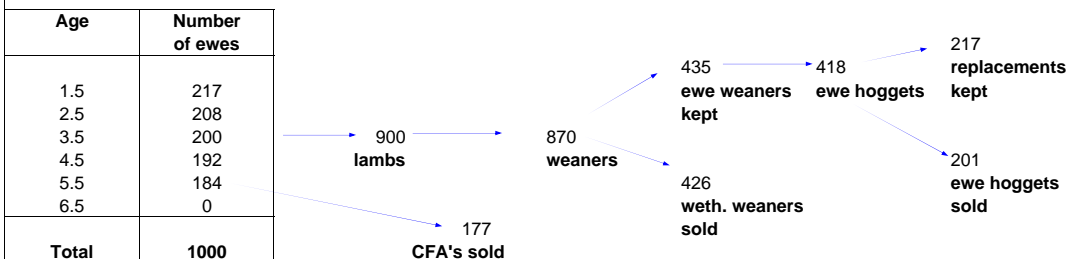
Intakes are estimates based on a pasture that would meet the requirements of all stock at all times. If pasture is above or below this amount, intakes will be more or less (respectively) and livestock performance will vary accordingly. Feed requirements are expressed as kilograms dry matter intake per ewe per day. The intake of all lambs and hoggets are divided by the number of ewes and allocated to the breeding ewes.



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

Merino Ewe	Micron	AWEX Type	Clean price	Yield	Greasy price	Specifications (all 35n/ktex)	Proportion of Clip
- Fleece GTM	21	MF5B.	\$8.90	65%	\$5.77	1%VMB, 90mm	75%
- Skirtings/bellies	20	MP5B.	\$7.10	55%	\$3.89	4.8%VMB, 80mm	20%
- Cardings	21	MZ2B.	\$4.67	52%	\$2.43	2.9%VMB.	5%
					\$5.22		used in budget

5. Sensitivity Table

Effect of weaning % and wether lamb price on gross margin per DSE (incl. fodder costs).

Wether lambs \$/Hd	Weaning %				
	70%	78%	87%	96%	104%
\$49.60	\$22.14	\$24.20	\$26.25	\$28.28	\$30.34
\$55.80	\$22.98	\$25.14	\$27.29	\$29.43	\$31.60
\$62.00	\$23.81	\$26.08	\$28.34	\$30.58	\$32.85
\$68.20	\$24.65	\$27.03	\$29.38	\$31.73	\$34.11
\$74.40	\$25.49	\$27.97	\$30.43	\$32.89	\$35.37

Notes: both the lamb price and weaning percentage have been varied by +/- 10% and +/- 20%
- marking percentage is held at 3% above the weaning percentage in all cases.