



NSW DEPARTMENT OF PRIMARY INDUSTRIES

MERINO EWES (23 micron) - Merino Rams

Farm Enterprise Budget Series - November 2008

Flock size: 1000 ewes
 Ewe body weight: 60 kgs
 DSE rating: 2.3 dse's / ewe

					Standard Budget (\$)	Your Budget (\$)
INCOME						
Wool	number	class	kg /hd	\$/kg		
Shear	1177	ewes	6.00	\$4.88	\$34,452.39	
	20	rams	8.00	\$4.88	\$780.80	
	426	ewe lambs	4.20	\$4.67	\$8,355.56	
Crutch	1832	mixed ages	0.30	\$2.97	\$1,633.06	
Sheep Sales	number	class	\$ /hd			
	177	CFA ewes	\$53.78	(24.6 kg cwt)	\$9,519.06	
	4	CFA rams	\$60.92		\$243.68	
	435	weth weaners	\$32.00	(6 months)	\$13,920.00	
	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:					\$81,969.56	
VARIABLE COSTS:						
Replacements	number	class	cost (\$)	reps		
	4	rams	\$900.00		\$3,600.00	
Wool Harvesting & Selling Costs						
Shearing	1603	ewes/hoggets	\$5.74	1	\$9,202.94	
	20	rams	\$8.61	1	\$172.27	
Crutching	1812	ewes/hoggets	\$0.85	1	\$1,545.87	
	20	rams	\$1.71	1	\$34.13	
Wool tax			2.00%		\$904.44	
Commission, warehouse, testing charges			\$42.99/ bale		\$2,278.28	
Wool - cartage	53	bales	\$17.43		\$923.79	
- packs	53	packs	\$11.14		\$590.42	
Sheep Health	number	class				
Drenching following WestWorm						
Broadspectrum	1406	adults/hoggets	\$0.38	1	\$534.14	
	900	lambs	\$0.18	1	\$162.00	
Narrowspectrum	1406	adults/hoggets	\$0.45	1	\$632.53	
	900	lambs	\$0.21	1	\$189.00	
Dipping	1623	adults/hoggets	\$0.56	1	\$908.69	
Jetting	1406	adults/hoggets	\$1.65	1	\$2,319.29	
	435	ewe weaners	\$1.38	1	\$600.30	
Vaccination- 6 in 1	1188	adults/hoggets	\$0.22	1	\$261.28	
	900	lambs	\$0.22	1	\$198.00	
Mules + Mark	900	lambs	\$3.75	1	\$3,375.00	
Scanning	1177	ewes	\$0.90	1	\$1,058.99	
Livestock Selling Costs						
Livestock cartage	817	sale sheep	\$2.00		\$1,634.00	
Commission on sheep sales			5.00%		\$1,837.39	
Levies (Yard dues, MLA Transaction levy and RLPB rates)					\$1,295.58	
Fodder						
Supplementary feed - no allowance made						
Grazing crops	0 ha	@	\$360 /ha		\$0.00	
Supplementary fodder	0 t	@	\$350 /t		\$0.00	
Pasture maintenance	0 ha	@	\$58 /ha		\$0.00	
B. Total Variable Costs:					\$34,258.33	
					incl. fodder costs	excl. fodder costs
GROSS MARGIN (A-B)				\$47,711	\$47,711	
GROSS MARGIN /EWE				\$47.71	\$47.71	
GROSS MARGIN /DSE				\$20.74	\$20.74	
GROSS MARGIN /HA				\$124.46	\$124.46	

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.

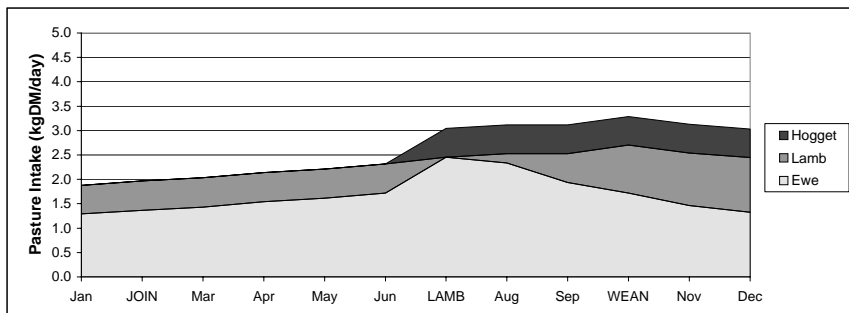
ASSUMPTIONS

1. Flock Parameters

Flock mortality	4%	Ram %	2%
Productive life	5 years	Marking %	90%
Ewe body weight	60 kg	Weaning %	87%
DSE rating /ewe	2.30	Weaning age	3 months
Stocking rate/ha	6 dse's		

2. Feed Requirements per breeding ewe

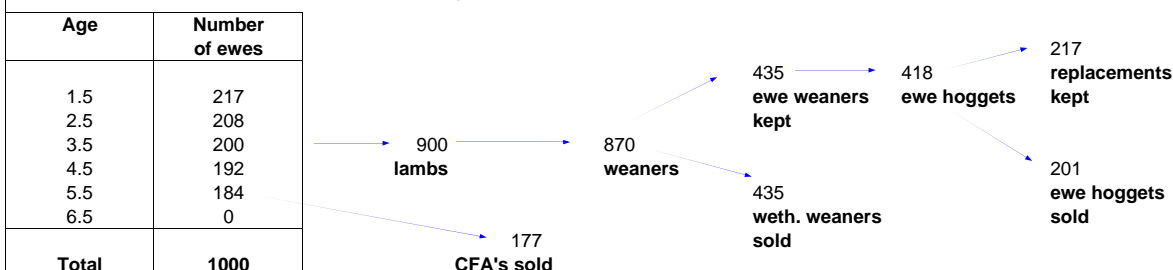
Intakes are estimates based on a pasture that would meet the requirements of all stock at all times. If pasture is above or below this amount, intakes will be more or less (respectively) and livestock performance will vary accordingly. Feed requirements are expressed as kilograms dry matter intake per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



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	23	MF5B.	\$8.39	64%	\$5.40	1%VMB, 90mm	75%
- Skirtings/bellies	22	MP5B.	\$6.58	53%	\$3.50	4.8%VMB, 80mm	20%
- Cardings	23	MZ2B.	\$4.72	52%	\$2.44	2.9%VMB.	5%
\$4.88						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				
	\$3.90	\$4.39	\$4.88	\$5.37	\$5.86
4.80 kg	\$15.71	\$16.88	\$18.06	\$19.23	\$20.41
5.40 kg	\$16.76	\$18.08	\$19.40	\$20.72	\$22.04
6.00 kg	\$17.81	\$19.28	\$20.74	\$22.21	\$23.68
6.60 kg	\$18.86	\$20.47	\$22.09	\$23.70	\$25.32
7.20 kg	\$19.91	\$21.67	\$23.43	\$25.19	\$26.95

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