

SURFACE IRRIGATED COTTON (Roundup Ready Flex®)

Farm Enterprise Budget Series - Northern Zone

Summer 2009-2010

1. GROSS MARGIN BUDGET:

INCOME:

Lint -	7.00	bales/ha at	\$400.00	/bale (at gin).....
Seed -	2.52	tonnes/ha at	\$275.00	/tonne (at gin).....

A. TOTAL INCOME \$/ha:

Sample Budget \$/ha	Your Budget \$/ha
\$2,800.00	
\$693.00	
\$3,493.00	

VARIABLE COSTS:

see following page(s) for details

Cultivation.....	\$154.84	
Sowing.....	\$89.94	
Crop insurance.....	\$55.00	
Fertilizer & application.....	\$243.46	
Herbicide & application.....	\$218.37	
Insecticide & application.....	\$473.96	
Irrigation.....	\$229.39	
Contract harvesting.....	\$309.71	
Cartage to gin.....	\$82.35	
Ginning charges.....	\$385.00	
Licence fees.....	\$75.00	
CA and Research Levy.....	\$31.50	
Other.....	\$60.00	
B. TOTAL VARIABLE COSTS \$/ha:	\$2,408.52	

C. GROSS MARGIN (A-B) \$/ha:

\$1,084	
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D. GROSS MARGIN (A-B) \$/MI:

\$155	
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SENSITIVITY TABLES

2. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER HECTARE:

Lint Yield bales/ha	Seed Yield t/ha	\$340 /bale \$235/t	\$370 /bale \$255/t	\$400 /bale \$275/t	\$430 /bale \$285/t	\$460 /bale \$295/t	Lint price Seed price Gross Margin (\$/ha)
4.00	1.44	-\$486	-\$337	-\$188	-\$54	\$81	
6.00	2.16	\$214	\$437	\$660	\$862	\$1,063	
7.00	2.52	\$564	\$824	\$1,084	\$1,320	\$1,555	
8.00	2.88	\$913	\$1,211	\$1,509	\$1,777	\$2,046	
10.00	3.60	\$1,613	\$1,985	\$2,357	\$2,693	\$3,029	
12.00	4.32	\$2,313	\$2,759	\$3,206	\$3,609	\$4,012	
14.00	5.04	\$3,012	\$3,533	\$4,054	\$4,524	\$4,995	

3. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER MEGALITRE:

Lint Yield bales/ha	Seed Yield t/ha	\$340 /bale \$235 /bale	\$370 /bale \$255 /bale	\$400 /bale \$275 /bale	\$430 /bale \$285 /bale	\$460 /bale \$295 /bale
4.00	1.44	-\$69	-\$48	-\$27	-\$8	\$12
6.00	2.16	\$31	\$62	\$94	\$123	\$152
7.00	2.52	\$81	\$118	\$155	\$189	\$222
8.00	2.88	\$130	\$173	\$216	\$254	\$292
10.00	3.60	\$230	\$284	\$337	\$385	\$433
12.00	4.32	\$330	\$394	\$458	\$516	\$573
14.00	5.04	\$430	\$505	\$579	\$646	\$714

SURFACE IRRIGATED COTTON (Roundup Ready Flex®)

Farm Enterprise Budget Series - Northern Zone

(diesel pump from river-regulated)

Summer 2009-2010

CALENDAR OF OPERATIONS:			Machinery			Inputs			Total
Operation	Month	Cost		Total \$/ha	Rate/ha	Band Width	Cost		Total \$/ha
		hrs /ha	\$/hour				\$	\$/ha	
Stalk pull and mulch	May	contract							75.00
Middlebusting	Jul	0.23	51.81	11.92		100%			11.92
Fertiliser - anhydrous ammonia	Jul	with above		140KgN	171 Kg	100%	0.87	148.54	148.54
Herbicide - glyphosate (450 g/L)	Jul	0.03	47.06	1.41	1.0 L	100%	5.21	5.21	6.62
Wetter - non-ionic surfactant	Jul	with above			0.2 L	100%	6.86	1.37	1.37
Fertiliser - MAP plus potassium blend	Aug	0.15	52.81	7.92	100 Kg	100%	0.87	87.00	94.92
Herbicide - trifluralin (480 g/L)	Aug	0.03	47.06	1.41	3.2 L	100%	8.16	26.11	27.52
Plus incorporation	Aug	0.15	52.81	7.92		100%			7.92
Pre irrigate	Sep				1.4 MI	100%	32.77	45.88	45.88
Planting - precision planter	Oct	0.14	55.30	7.74		100%			7.74
Planting- seed Roundup Ready®	Oct	with above			12 kg	100%	6.85	82.20	82.20
Insecticide - imidacloprid	Oct	with above			seed treatment				
Roundup Ready® Roundup	Nov	0.03	47.06	1.41	1.2 kg	100%	15.64	18.77	20.18
Irrigate	Nov				1.0 MI	100%	32.77	32.77	32.77
Insecticide - endosulfan (350g/L) (mirids)	Nov	0.03	47.06	1.41	2.1 L	40%	4.75	3.99	5.40
Herbicide - shielded sprayer	Dec	0.09	55.81	5.02					5.02
Herbicide - glyphosate (450 g/L)	Dec	with above			2.0 L	40%	5.21	4.17	4.17
Insecticide - emamectin (17 g/L)	Dec	0.03	47.06	1.41	0.7 L	30%	88.44	18.57	19.98
Insecticide - BT	Dec	with above			1.5 L	30%	10.90	4.91	4.91
Roundup Ready® Roundup	Dec	0.03	47.06	1.41	1.2 kg	100%	15.64	18.77	20.18
Irrigate	Dec				1.0 MI	100%	32.77	32.77	32.77
Insecticide - spinosad 480g/L	Jan	aerial spray		17.00	0.2 L	100%	617.74	123.55	140.55
Irrigate	Jan				1.2 MI	100%	32.77	39.32	39.32
Roundup Ready® Roundup (shielded sprayer)	Jan	0.09	55.81	5.02	1.0 kg	60%	15.64	9.38	14.41
Cultivation - chipping casual labour	Jan	contract		60		100%			60.00
Insecticide - indoxacarb (200g/L)	Jan	aerial spray		17.00	0.85 L	100%	37.16	31.59	48.59
Insecticide - spinosad 480g/L	Jan	aerial spray		17.00	0.2 L	100%	617.74	123.55	140.55
Irrigate	Jan				1.2 MI	100%	32.77	39.32	39.32
Crop insurance	Jan	Premium depends on various factors						55.00	55.00
Roundup Ready Flex® Licence fee *	Jan							75.00	75.00
Insecticide - indoxacarb (200g/L)	Feb	aerial spray		17.00	0.85 L	100%	37.16	31.59	48.59
Insecticide - beta-cyfluthrin (25 g/L)	Feb	0.03	47.06	1.41	0.8 L	100%	7.35	5.88	7.29
Insecticide - amitraz (200 g/L)	Feb	with above			2.0 L	100%	6.44	12.88	12.88
Irrigate	Feb				1.2 MI	100%	32.77	39.32	39.32
Insecticide - chlorpyrifos (300 g/L)	Mar	aerial spray		17.00	3.0 L	100%	9.41	28.23	45.23
Defoliant - thidiazuron + diuron (120 + 60 g/L)	Apr	aerial spray		17.00	0.25 L	100%	189.00	47.25	64.25
Defoliant - crop oil	Apr	with above			2.0 L	100%	4.09	8.18	8.18
Defoliant - ethepon (720 g/L)	Apr	with above			1.3 L	100%	8.93	11.61	11.61
Defoliant - ethepon (720 g/L)	Apr	aerial spray		17.00	2.0 L	100%	8.93	17.86	34.86
Contract picking & module building	May	contract		\$285/ha					285.00
Contract Module lifting	May	contract		\$60.00	/module @ 17 bales per module				24.71
Contract cartage to gin	May	contract		\$200.00	/module @ 50km from gin				82.35
Ginning charges	May	contract		\$55.00	/bale				385.00
Consultant	May	contract							60.00
Levies	May	contract		\$4.50	/bale				31.50
TOTAL COSTS:									2,409

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

NOTES: ® = registered Trade Mark

INSECTS: The selection of insecticides is highly dependent on the insect spectrum, growers should be aware this is a generic selection of products. growers should be mindful of IPM strategies when making product selections. Always refer to the Insecticide Resistance Management Strategy for Cotton when selecting insecticide products.

For more detailed information, see the I&I NSW "Cotton Pest Management Guide 2009-2010".

HERBICIDES:- fallow herbicides have been substituted for cultivation during the winter to avoid compaction and conserve moisture. To reduce the likelihood of herbicide resistance, rotate herbicide groups and weed management techniques.

Use of a particular formulation name does NOT imply recommendation of that formulation by Industry & Investment NSW. Always read chemical labels and follow directions, as it is your legal responsibility to do so.

MANAGEMENT:- this budget is typical of "back to back" cotton assuming the cotton crop is in a 2 year cotton - 1 year wheat rotation.

DEFOLIANT: Good condition are required to get the best performance. The choice of defoliant and rate used depends on the moisture status of the plant and seasonal conditions.

LABOUR REQUIREMENTS: - labour is not costed in this budget. If labour costs \$20.00 /hr, total labour cost would be \$23.50/ha, reducing the gross margin to \$1,061 /ha.

This does not include labour required to irrigate since this is more likely to be an overhead cost.

MACHINERY ASSUMPTIONS: Tractor: 170 KW PTO (230 HP) and 200 KW engine (265 HP)

Machinery costs refer to variable costs of: fuel, oil, filters, tyres, batteries and repairs.

You may need to add overhead costs as well, please refer to the Tractor and Implement Costs Guide

IRRIGATION: # Estimated water usage charge of \$22.66 per ML assumed, your charges may be different. Water pumping costs: calculated using a flood/furrow system with diesel powered pumping from surface supply.

Water requirements 7.00 ML is sufficient to adequately irrigate cotton 4 out of 5 years. This assumes no useful rainfall during the growing season.