

**EXAMPLE GROSS MARGIN BUDGET FOR FALLOW DEER****NB THIS BUDGET IS A GUIDE ONLY AS VALUES  
AND PRICES VARY ENORMOUSLY**

September 2004

**Stock Assumptions**

500 Breeding Does  
 85 % Weaning Rate  
 3 % Mortality Rate  
 Bucks run at 3% of doe number  
 Bucks retained for 5 years  
 Does first mated at 16 months  
 Does mated annually  
 Does retained for 10 years

**Herd Structure**

Age (yrs)	No.	DSE	Total DSEs	
1 yr	63	0.75	47	(Replacement does retained)
2 yr	61	1.5	91	
3 yr	59	1.5	88	
4 yr	57	1.5	86	
5 yr	56	1.5	83	
6 yr	54	1.5	81	
7 yr	52	1.5	78	
8 yr	51	1.5	76	
9 yr	49	1.5	74	(Culled for slaughter)
Total Does	<u>501</u>		704	Deaths = 15
Breeding Bucks	15	1.5	23	
Total	<u>516</u>		<u>727</u>	

**Capital Costs:****A. Land and Plant**

Land	91 ha @	\$2,000 /ha	\$181,750.00
Improvements - Fences			\$25,738.00
(N.B. Boundary Fencing @ \$4.50 /metre for 90.875 ha square paddock = \$17,159 )			
- Yards			\$10,000.00
Trailer & Deer Crate			\$3,000.00
			<u>\$220,488.00</u>

**B. Livestock**

500 Breeding Does at	\$90.00	\$45,000.00
15 Bucks at	\$150.00	\$2,250.00
		<u>\$47,250.00</u>

TOTAL CAPITAL

\$267,738.00

## Enterprise Fixed Costs

300 hrs Labour @	\$15.00 /hr	\$4,500.00	
Repairs and maintenance		\$1,200.00	
Rates and Insurance		\$3,000.00	
Depreciation		\$1,000.00	
Interest on stock value			
\$47,250.00 @	6.00%	\$2,835.00	
			<u>\$12,535.00</u>
		TOTAL	<u>\$280,273.00</u>

## GROSS MARGIN BUDGET

### INCOME

143 Does @	\$80.00 /head live sale	\$11,440.00	
49 Does +	206 bucks (venison)		
Mean Carcase Wt.	28 kg at	\$2.50 /kg	\$17,850.00
Velvet:	15 bucks at	0.5 kg @	\$30.00 /kg
			\$225.00
By-products:	255 deer at	\$0.00 /hd	\$0.00
		A. Total Income	<u>\$29,515.00</u>

### VARIABLE COSTS

Fodder Purchases at	\$10.00 per Doe	\$5,000.00	
Drenching at	\$0.00 per Doe	\$0.00	
Vaccination at	\$0.15 per Head	\$77.40	
Vet. Costs		\$100.00	
Velveting Costs	@ \$15.00 /buck	\$225.00	
Slaughter Levy	@ \$0.105 /kg	\$749.70	
Selling Costs	@ \$4.00 /head	\$572.00	
Pasture costs	@ \$30.00 /ha	\$2,726.25	
Replacement Bucks	@ \$150.00 /head	\$450.00	
		B. Total Variable Costs	<u>\$9,900.35</u>

* Gross Margin (A-B)	\$19,614.65
Gross Margin/Doe	\$39.23
Gross Margin/DSE	\$26.98
Return on L'Stock Capital	14.98%
Return on Capital	2.64%

The effect of changing prices or level of production on the Gross Margin per Doe is as follows:

	<u>Rise or Fall</u>	<u>Rise or Fall of Gross Margin/doe</u>
Venison Price	\$0.20 /kg	\$2.86
Doe Selling Price	\$20.00 /head	\$5.72
Venison Yield per Carcase		
@ \$3.50 /kg	5.00 /kg	\$23.21
Replacement Bucks	\$20.00 /head	\$0.12
Weaning %	10.00%	\$3.08