

Dan and Kate King West Coast
2024-25 Mid season update February 9th, 2025
Season numbers at a glance

KPI's	Budget	Updated forecast Budget/Actuals
Milk Production (kgMS/ha)	982	943
Milk Production (kgMS/cow)	481	462
Net Dairy Cash Income (\$/kgMS)	\$9.23	\$10.03
Total Farm Working Expenses (\$/kgMS)	\$4.06	\$4.30
Cash Operating Surplus/Deficit (\$/kgMS)	\$5.17	\$5.73
Gross Farm Revenue (\$/kgMS)	\$9.30	\$10.06
Operating Expenses (\$/kgMS)	\$5.83	\$6.14
Operating Profit (\$/ha)	\$3,415	\$3,700

* These KPI's are based on cash book budget/actuals to the 31/01/2025 and estimated non-cash adjustments. The final financial performance based on financial statements may differ

Comments

Key Points

- The season has been one of contrasts with a dry winter, wet spring and dry summer.
- Production is down on last year 5.8% and budget by 3.9%.
- The combined deferred and advance milk price is up \$0.58/kgMS to \$9.63, which helps to offset drop in the milksolids forecast.
- Total farm working expenses are likely to be similar to the earlier budget but with lower milksolids will work at \$0.24/kg MS or 6% higher than budgeted.
- Irrigation days are already at 32 which is well up on the average of 21 days.

Season to date 9-02-2025

Production to the end of January is 49,941 kg MS which is 2.5% down on last season, and budget. The number of cows milked at the peak was 151 which is similar to last season and budget.

The planned start of calving was 3 days later than last season so August production was behind last year – this has also contributed to the lower milksolids.

Rainfall for the 7 months from 1st June 2023 is 1,343 mm, (45% higher than last season's 929 mm). June and July were relatively dry but from then on it was persistently wet which has made farming challenging.

With the better winter the herd body condition score at calving was very good – 5+, which did help through the following wet months.

The herd peaked in late September at 2.3 kgMS/cow/day which was a month earlier than the previous year and indicative of how flat the milk production curve was through September and October.

To mitigate the impact of poor pasture utilisation because of the wet soil conditions in late September/early October, the herd was being fed daily, 3-4 kgMD PKE in troughs and 1.5-2.5 kg MD of baleage in paddock along with about 12-13 kg DM of pasture. For comparison at peak in October last season the herd was producing 2.4 kgMS/c/day, from 20 kg DM/c/day (18 kgDM pasture and 2 kg DM PKE).

Supplements fed to date are 128 t DM which is up about 6 t DM on last season. This equates to about 847 kg DM/cow or 1.7 T DM/ha. The amount fed is similar to the previous season but this season there were fewer young stock on farm so supplement fed per stock unit is up.

Late November-early December, swedes have been planted on 3.8 ha, (two paddocks), of the effluent area for next winter.

Last winter's swede crop was cultivated and drilled with Japanese millet in late November, and additional 1.8 ha was also planted for a total of 5.8 ha. The crop is planted on the effluent area to take advantage of the irrigation.

Grazing started January 13th, a bit later than ideal due to time off farm, so 3.9 ha was made into cereal baleage. The crop will be grazed on a 3 week rotation to maintain quality and should provide 4-5 grazing's up to the middle of April, when it will be planted in short rotation ryegrass.

Supplements made to date are 180 bales of baleage from 21.8 ha, 134 is pasture baleage and 46 are millet.

It has been dry though January and early February and the irrigator has been running for 32 days. The average for the farm is 21 days and last season it was only run for 9 days

Nitrogen applications were delayed until October as pasture cover was high through June and July and soil condition too wet until October. Nitrogen applied to date is 59 kg N/ha, slightly less than last year. Another one to two applications will go on in the autumn if needed so the total for the year will likely be slightly under the budget of 110 kgN/ha.

All spring fertiliser is on. Fertiliser applications have been tailored to each paddock with phosphate only being applied to paddocks with OlsenP levels at optimum or below.

Current situation

There are currently 147 cows milking, still all on twice a day, (2 more than the same time last year). Per cow production is 1.6 kgMS/cow/day which is 4% behind last season. The herd is currently being fed about 17.5 kg DM/c/day made up of 8 kg DM of pasture and 4.5 kg DM/c/d of PKE and 3.5 kgDM/c/d of millet.

Milking frequency will change to 3 milkings in two days on February 10th.

With the dry conditions and less pasture available daily milk production is 2% behind last season based on the most recent 10 day comparison.

Cow condition is about 4.0 BCS which much lower than last year and a reflection of the tough spring.

Pasture cover is 1,830 kg DM/ha (excluding crop areas). This below target and well down on the same time last year. Pasture growth rates for the last week has been averaging about 15 kgDM/ha/day, (including the irrigated areas). At this level cover is dropping so supplementation with increase this week with baleage being fed as required.

The grazing rotation is 27 day, (18-20 days on irrigated pasture and 30-35 on the non irrigated).

The 32 weaners are grazed one day ahead of the milking herd and the 30 rising 2 year olds are following one day behind the cows to clean up some of the higher residuals. Both are being supplemented.

Looking forward

The plan is to continue with 3 in 2 milking frequency and feeding PKE and baleage as required, along with the millet, (till mid-April). If it remains dry more PKE could be purchased.

Once a day milking will be used later in the season.

The farm responds quickly to moisture so usually autumn pasture growths are reliable.

The plan is to still milk through to mid to late May with as long as pasture growth rates permit.

Calving and reproduction

- Caving rate this season was 69% after 3 weeks, 92 % after 6 weeks and 100% after 9 weeks. These numbers are ahead of the previous year, (63%, 90% and 99%).
- The calving rate for the first calvers was below industry targets, possibly due to heat detection issues last mating. They were tail painted, run with the herd and mated using AI for the 6 weeks. It was difficult to clearly tell which animals had been in heat.
- Submission rate for this seasons mating was 88% which is similar to last season. This is with no anoestrous treatment used.
- The estimated six week in calf rate is 72%, which is also similar to last season, (71%).
- 36 yearlings were run with the herd for 9 weeks during mating. They had 3 weeks of AB and 6 weeks in the herd with the bulls.
- 32 replacement heifer calves have been reared, similar to budget.

Other points of interest

- Total feed costs for cropping, supplements made, and hay/straw and PKE purchased will likely be similar to the original budget as extra spent on purchased feed costs are offset by having made less baleage on farm.
- Budgets have been revised based on 69,800 kg MS, with advance and deferred milk price received of \$9.63/kgMS and farm working expenses of \$4.30/kgMS.
- Close monitoring and adjustment of the budget means the farm working expenses are on track to be similar to the final costs for the business last season.

Annual Cash Budget and updated forecast February 2025

Name:	West Coast Owner System 4			Budget Period		1	/	4	/	2024	to	31	/	3	/	2024
Farm Details:																
Budget	72,700 kgMS	151 Cows	74.0 ha	481	kgMS/cow	982	kgMS/ha	2.04	cows/ha							
Farm Details:																
Budget/Actual	69,800 kgMS	151 cows	74.0 ha	462	kgMS/cow	943	kgMS/ha	2.04	cows/ha							
Variance (Actual less Budget)	-2,900 kgMS	cows	ha	-19	kgMS/cow	-39	kgMS/ha	cows/ha								
Income				Budget			Budget/Actual			Variance						
Net Milk Sales				\$657,661			\$672,300			\$14,639						
Net Dairy livestock sales (calves + culls + other - purchases)				\$13,100			\$27,700			\$14,600						
Other dairy cash income																
Net Dairy Cash Income				\$670,761			\$700,000			\$29,239						
Expenses				Budget			Budget/Actual			Variance						
Wages				\$22,630			\$19,400			-\$3,230						
Animal health				\$15,032			\$13,600			-\$1,432						
Breeding and herd improvement				\$10,270			\$10,500			\$230						
Farm dairy				\$4,100			\$3,000			-\$1,100						
Electricity (farm dairy, water supply)				\$13,425			\$14,400			\$975						
Supplements made (incl. Contractors)				\$11,000			\$6,300			-\$4,700						
Supplements purchased				\$74,638			\$79,200			\$4,562						
Calf rearing				\$2,400			\$1,600			-\$800						
Young and dry stock grazing																
Winter cow grazing																
Run-off lease																
Fertiliser (incl. N)				\$40,000			\$46,900			\$6,900						
Irrigation				\$4,000			\$6,700			\$2,700						
Regrassing and cropping				\$18,850			\$19,100			\$250						
Weed and pest				\$1,900			\$2,000			\$100						
Vehicles and fuel				\$24,000			\$25,100			\$1,100						
R&M (land, buildings, plant, machinery)				\$14,000			\$8,900			-\$5,100						
Freight and general farm expenses				\$6,182			\$3,900			-\$2,282						
Administration e.g. accountant, consultant, phone				\$8,000			\$12,900			\$4,900						
Insurance				\$13,500			\$13,500									
ACC				\$4,000			\$4,000									
Rates				\$7,200			\$9,000			\$1,800						
Other expenses																
Total Farm Working Expenses				\$295,127			\$300,000			\$4,873						
Cash Operating Surplus / Deficit				\$375,634			400,000			\$24,366						
Non Cash Adjustments				Budget			Actual			Variance						
Value of change in livestock numbers				\$5,602			2,300			-3,302						
Labour adjustment				\$91,500			91,500									
Less Feed inventory Adjustment																
Owned support block adjustment																
Depreciation				\$37,000			37,000									
Dairy Gross Farm Revenue				\$676,363			\$702,300			\$25,937						
Dairy Operating Expenses				\$423,627			\$428,500			\$4,873						
Dairy Operating Profit				\$252,736			\$273,800			\$21,064						
Dairy Operating Profit/ha				\$3,415			\$3,700			\$285						

Commentary re variance

	Actual to Budget Variance	
Milksolids	-2,900	Very wet late winter and spring affected production from late September and it has been very dry and hot through January and early February. Cows peaked in late September - about a month early and then dropped through October. Every month except 2 has been behind last season and budget, and daily milk is tracking behind last year still.
Cows	0	
Hectares	0	
Net Milk Income	14639	Milk price is up on budget but milk solids is behind so income is likely to be close to the September revised budget.
Net Dairy livestock sales (calves + culls + other - purchases)	14600	Prices received are much higher than budgeted. Bulls bought and sold for no difference in cost, (budget had about \$300-400 per bull net cost over 6 bulls).
Other dairy income	0	

Net Dairy Cash Income	29239
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Expenses

Wages	-3230	Had budgeted generously and not used all the hours budgeted. That said, time off farm has still been as planned.
Animal health	-1432	Been hard work keeping cows udders clean and healthy this spring and early summer so pleased that the budget is on track.
Breeding and herd improvement	230	
Farm dairy	-1100	
Electricity (farm dairy, water supply)	975	
Supplements made (incl. Contractors)	-4700	Made 134 bales of grass baleage and 46 bales of millet baleage - 180 total. This is well down the budget of 300-350 bales of baleage, as the very wet spring meant there just wasn't the pasture surplus this season.
Supplements purchased	4562	Purchased 138 large bales of hay as per budget (\$90/bale landed). PKE usage is on budget and price was contracted ex store. There has been some variation in freight costs however.
Calf rearing	-800	
Young and dry stock grazing	0	
Winter cow grazing	0	
Run-off lease	0	
Fertiliser (incl. N)	6900	Had forgotten to include bagging and pallet costs in the original budget plus product costs has increased.

Irrigation	2700	Have already had 32 irrigation days compared with 9 last season on 21 the season before. Have gone from too wet to too dry very quickly.
Regrassing and cropping	250	
Weed and pest	100	
Vehicles and fuel	1100	
R&M (land, buildings, plant, machinery)	-5100	Plant and equipment repairs and maintenance have been very low this season - under \$1,000 compared with last season and budget, (\$5,000).
Freight and general farm expenses	-2282	
Administration e.g. accountant, consultant, phone	4900	
Insurance	0	
ACC	0	
Rates	1800	
Other Expenses	0	

Total Farm Working Expenses	4873
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Non Cash adjustments

Value of change in livestock numbers	-3302	Will aim to take the same number of cows and in calf heifers, (156), into next winter as last winter. Original budget had a couple more cows in the closing stock.
Labour adjustment	0	
Less Feed inventory Adjustment	0	
Owned support block adjustment	0	
Depreciation	0	