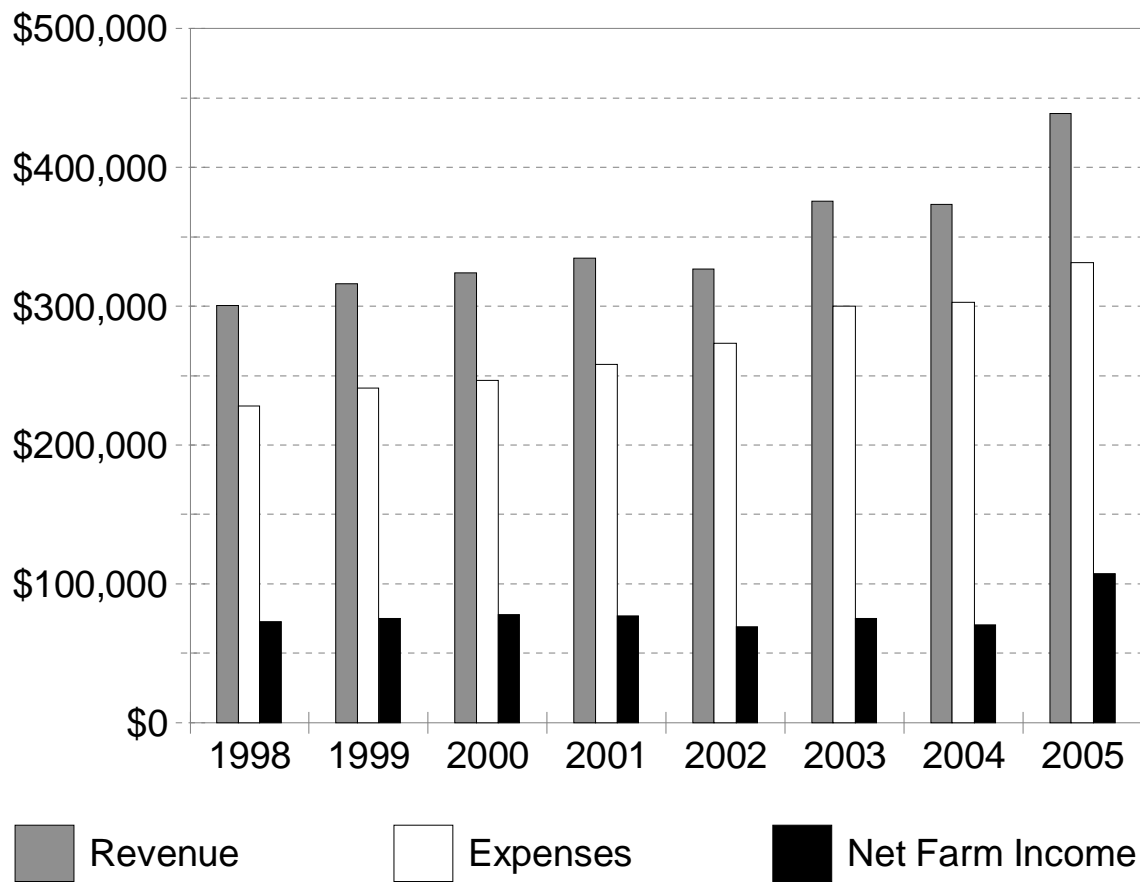


Ontario Dairy Summary 2005



INTRODUCTION

Purpose of the Program

The Ontario Farm Management Analysis Program (OFMAP) is a co-operative effort of farmers and staff of the Ontario Ministry of Agriculture, Food and Rural Affairs. Also the Ontario Dairy Farm Accounting Project administered by Dairy Farmers of Ontario contributed 75 dairy farms to the Provincial Dairy average.

The primary purpose of the Project is to provide management information to farmers. With financial and production reports, the farmer is better able to:

- * identify profitability, strengths and weaknesses, and efficiency of the farm business.
- * compare with budgeted plans for this year and with previous years results.
- * analyze trends over a period of years.
- * compare the farm business to group averages of similar farms.

The secondary purpose of the Program is to obtain, store and utilize data for the preparation of group reports on a county, regional or provincial basis.

Purpose of this Report

The purpose of this report is to present financial and physical information for dairy farms in Ontario. Farmers can compare the results of their business records with group averages. It should be noted, however, that averages presented in this report do not necessarily represent ideal levels of performance. They should be used to provide an indication of the performance of similar business operations. This comparison by operators of individual farm performance to group performance may suggest ways of increasing the profitability of their farms. Farmers who have participated in OFMAP will most easily be able to compare their costs and returns on a unit basis eg. hectolitre of milk, per cow.

The information is also used by many to budget changes in size of an enterprise or to add a new enterprise. This will help with the preparation of a business plan and a credit application.

Anyone wishing to participate in OFMAP is encouraged to contact the Ontario Ministry of Agriculture, Food and Rural Affairs at 1-877-424-1300 or ag.info@ontario.ca.

Basis of Classification

Farms were selected based on the size of the enterprise and the detail of information recorded in their records. The minimum size to be included in this report for each enterprise is shown below:

Dairy - Farms with more than 25 cows

*** Note Regarding the Summaries**

Data from individual farms are checked for accuracy. Farms are included in the averages if they meet the selection criteria. Because the records are provided by interested producers, a random sampling procedure has not been used.

GENERAL LAYOUT OF THE DAIRY REPORT

1. The section cover with graphical highlights of the trend reports.
2. The inside cover with the five-year trend report in a graphical and a tabular format.
3. The Farm Income Statement.
4. The Farm Balance Sheet and Measurements of Financial Strength.
5. The Farm Business Analysis Section including measure of performance, efficiency, cost control, profitability, debt servicing capacity and the main enterprise summary.
6. The Livestock Enterprise Reports with unit and general analysis.
7. Crop Enterprise Reports.
8. Crop Average and Yields, Feed Costs, Investment Summary.

FORMULAS USED TO CALCULATE RESOURCE PERFORMANCE

1. NET FARM INCOME = Total Farm Revenue-Total Farm Expenses. It is the Return to Unpaid Family Labour, Operators Labour and Management, and Equity Capital Invested.
2. OWNER'S EQUITY = Total Farm Assets - Total Liabilities
3. % EQUITY = $\left(\frac{\text{Equity}}{\text{Total Farm Assets}} \right) \times 100$
4. RETURN ON OWNER'S EQUITY AND UNPAID LABOUR = $\frac{(\text{Net Farm Income})}{\text{Owner's Equity}} \times 100$
5. RETURN ON OWNER'S ASSETS AND UNPAID LABOUR = $\frac{(\text{Net Farm Income} + \text{Interest Paid})}{\text{Total Farm Assets}} \times 100$
6. RETURN ON INVESTMENT (\$36,000/Person)
= $\frac{(\text{Net Farm Income} + \text{Int Pd} + \text{Wages \& Salaries} - (\$36,000 \times \text{Person Equiv}))}{\text{Total Farm Assets}} \times 100$
7. RETURN TO OWNER'S LABOUR (5% Investment Rate)
= Net Farm Income + Interest Paid - (.05 x Total Farm Assets)
8. VALUE OF FARM PRODUCTION = Total Farm Revenue - (Lvstk + Feed Purchased)
9. COST/\$1.00 (VFP) = $\frac{\text{Total Expenses-Depreciation-Feed Purchased-Livestock Purchased}}{\text{Value of Farm Production}}$
10. CAPITAL TURNOVER (VFP) = $\frac{\text{Total Farm Assets}}{\text{Value of Farm Production}} = \text{Years}$
11. COST CONTROL = $\frac{(\text{Net Farm Income})}{\text{Total Farm Revenue}} \times 100$
12. WORKING CAPITAL = Current Assets - Current Liabilities
13. CURRENT RATIO = $\left(\frac{\text{Current Assets}}{\text{Current Liabilities}} \right) : 1$
14. DEBT STRUCTURE = $\frac{(\text{Current Liabilities})}{\text{Total Liabilities}} \times 100$
15. DEBT TO ASSET RATIO = $\frac{(\text{Total Liabilities})}{\text{Total Farm Assets}} : 1$
16. DEBT TO EQUITY RATIO = $\frac{(\text{Total Liabilities})}{\text{Owners Equity}} : 1$

NOTES:

1. Additional information on the various performance criteria present may be found in the OMAFRA publication #379 - "Money Matters".
2. Re Formula 4 and 5:
Imputed value for operator person equivalents was not deducted. Hence, these formulas reflect a return to labour and/or investment, whereas in formula 6 an allowance for labour was made.
3. Re Formula 6: Return on Investment
The portion of this formula that reads "Wages and Salaries minus (\$36,000 x Person Equivalents)" is used to allow both sole proprietorships (where usually no operator wages are paid) and corporations (where operator labour may be included as wages paid) to be included. The \$36,000 is simply a standard figure. Other amounts could be substituted by the reader as desired.
4. Re Formula 7: Labour Income
In calculating labour income, a figure of 5% return on total assets was used which permits year-to-year comparisons of management information.
5. Debt Servicing Capacity
The calculation of the average amount available for debt servicing is provided for each commodity group. (Debt Servicing Capacity is more fully explained in "Money Matters".) In this calculation depreciation was used as a proxy for "Reserve for Asset Acquisition".

ASSUMPTIONS AND DEFINITIONS

Farm Selection

The low one third and the average and the high one-third of farms were selected on the basis of net farm income.

Calculation of Management Factors

Person Equivalents = an approximation of the number of full-time people actively participating in the operation of the farm.

Inventory Valuation and Transfer Value of Home-Grown Feed

The unit values shown below are suggested values for calculating beginning and ending inventories. Transfer values were used for estimating costs for home-grown feed.

SUGGESTED FEED INVENTORY AND TRANSFER VALUES 2005

CROP	Beginning		Transfer		Ending	
	\$ per tonne	\$ per bushel	\$ per tonne	\$ per bushel	\$ per tonne	\$ per bushel
Oats	140	2.16	130	2.00	120	1.85
Barley	110	2.39	115	2.50	120	2.61
Soybeans	229	6.24	235	6.40	240	6.53
Shelled Corn	92	2.33	101	2.57	110	2.79
Mixed Grains	110	2.00	110	2.00	110	2.00
Feed Wheat	140	3.81	142	3.86	144	3.92
Hay	100		105		110	
Straw	80		85		90	
Corn Silage	25		28		30	
Haylage	50		53		55	
Grainlage	25		28		30	
Pasture			60			
Rough Pasture			25			

SUMMARY OF ONTARIO DAIRY FARMS

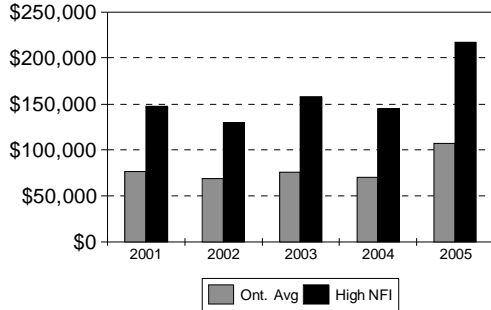
5 Year Summary

Years: **2001** **2002** **2003** **2004** **2005**

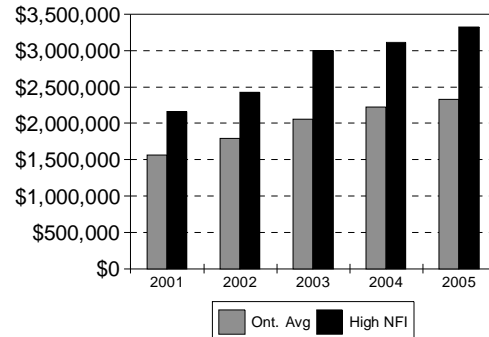
Farm Income Statement

Total Cash Revenue	\$324,366	\$326,509	\$367,149	\$367,301	\$431,713
Total Farm Revenue	334,669	342,501	375,683	373,184	438,700
Total Cash Expenses	\$224,495	\$236,647	\$262,655	\$271,523	\$283,938
Change in Current Payables	-382	1,704	-60	-7,546	1,461
Depreciation	34,325	35,449	38,634	38,804	45,897
Total Farm Expenses	258,013	273,423	300,212	302,781	331,367
NET FARM INCOME	\$76,656	\$69,078	\$75,471	\$70,403	\$107,333

Income



Equity



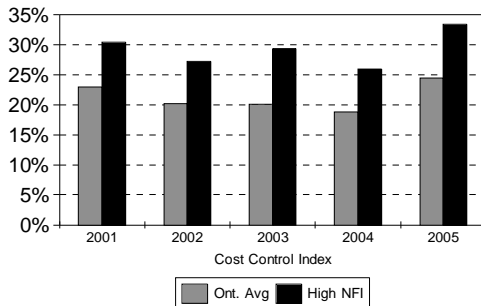
Farm Balance Sheet (Year End)

Total Assets	\$1,933,641	\$2,178,378	\$2,583,313	\$2,659,794	\$2,924,218
Total Liabilities	371,366	380,165	522,722	437,419	589,349
Equity in Farm Business	\$1,562,275	\$1,798,213	\$2,060,591	\$2,222,375	\$2,334,869
Percent Equity	80.8%	82.6%	79.8%	83.6%	79.9%
Net Capital Purchases (-Sales)	90,362	80,426	104,704	93,177	103,973
Net Withdrawals (-Contributions)	42,130	43,179	38,529	41,566	42,381

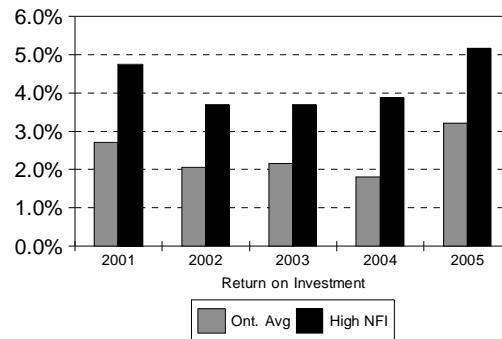
Farm Business Analysis Section

	2001	2002	2003	2004	2005
Return on Investment	2.7%	2.1%	2.2%	1.8%	3.2%
Capital Turnover VFP (years)	6.8	7.5	8.1	8.3	7.7
Cost Control Index	22.9%	20.2%	20.1%	18.9%	24.5%
Current Ratio :1	0.7	0.6	1.0	1.1	1.2
Working Capital	-\$27,720	-\$63,588	-\$1,801	\$7,041	\$14,618
Debt Servicing Capacity	\$50,016	\$36,963	\$58,887	\$48,543	\$76,496
Term & Operating Interest Paid	\$26,673	\$25,687	\$31,556	\$28,798	\$36,209

Cost Control



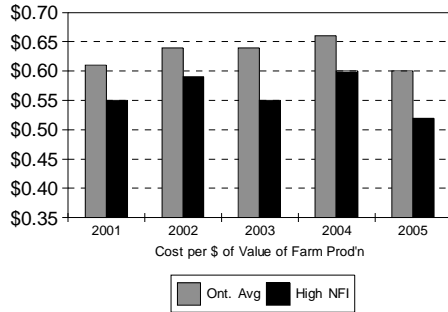
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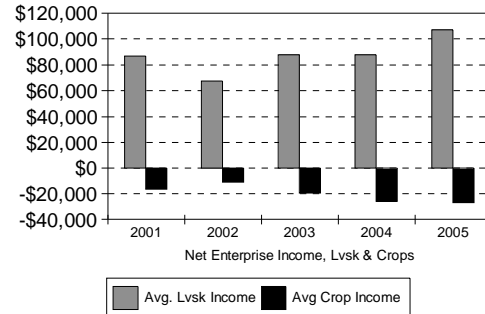
SUMMARY OF ONTARIO DAIRY FARMS 5 Year Summary

Value of Farm Production Analysis	2001	2002	2003	2004	2005
Cost per Dollar of VFP	\$0.61	\$0.64	\$0.64	\$0.66	\$0.60
Value of Farm Production	\$285,608	\$292,121	\$319,284	\$320,524	\$380,360
(Adj Op. Cost - Int.)/VFP	51.8%	55.4%	54.4%	56.9%	50.2%
Depreciation / VFP	12.0%	12.1%	12.1%	12.1%	12.1%
Interest / VFP	9.3%	8.8%	9.9%	9.0%	9.5%
Net Farm Income / VFP	26.8%	23.6%	23.6%	22.0%	28.2%

Cost Per Dollar



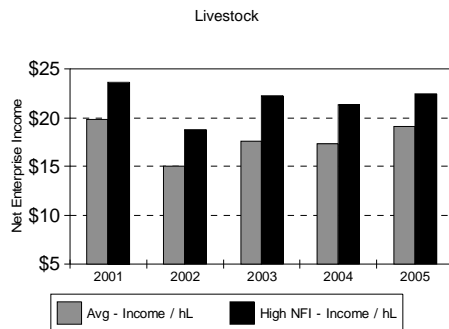
Livestock & Crop Income



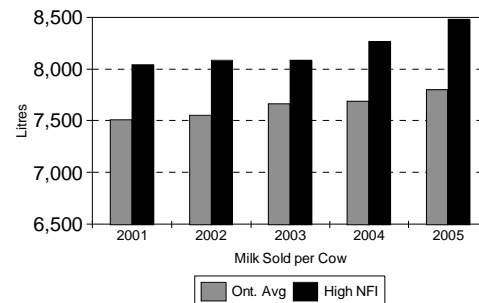
Crop Enterprise Report

Tillable Acres	316	316	341	348	394
Debt per Tillable Acre	\$1,176	\$1,199	\$1,532	\$1,258	\$1,497
Machinery & Equip Repair / Acre	\$33.93	\$34.02	\$34.66	\$35.05	\$33.92
Val Of Enterprise Production / Acre	\$240.66	\$271.72	\$269.48	\$253.65	\$264.38
Variable Expenses / Acre	178.10	190.31	200.82	209.82	204.24
Depreciation / Acre	66.87	68.36	68.73	68.57	71.92
Fixed Expenses / Acre	113.63	117.02	124.64	119.51	128.53
Net Enterprise Income / Acre	-51.07	-35.62	-55.97	-74.94	-68.39
Total Crop Enterprise Income	-\$16,138	-\$11,267	-\$19,114	-\$26,064	-\$26,925

Enterprise Income



Production



Livestock Enterprise Report

Value of Enterprise Prod'n / hL	\$68.21	\$66.02	\$67.16	\$66.74	\$70.52
Feed Cost / hL	22.10	23.69	23.35	23.22	23.46
Variable Expenses / hL	40.83	43.44	42.00	42.04	43.36
Depreciation / hL	2.99	3.06	3.02	2.94	3.13
Fixed Expenses / hL	7.55	7.55	7.57	7.37	8.05
Net Enterprise Income / hL	19.84	15.03	17.58	17.33	19.10
Total Livestock Enterprise Income	\$87,108	\$67,734	\$87,936	\$88,059	\$107,260
Average Number of Cows	58.5	59.7	65.3	66.1	72.0
Litres of Milk Sold	439,050	450,780	500,390	508,130	561,570
Milk Sold Per Cow	7,505	7,551	7,663	7,687	7,800
Avg Cows Per Person (Farm)	26.6	27.1	28.4	27.5	30.0
Value of Ent. Prod'n / Cow	\$5,120	\$4,985	\$5,146	\$5,130	\$5,500
Net Enterprise Income / Cow	\$1,489	\$1,135	\$1,347	\$1,332	\$1,490

SUMMARY OF ONTARIO DAIRY FARMS

FARM INCOME STATEMENT

REVENUE	Low 50 Farms	Avg 149 Farms	High 50 Farms
Product sales-milk,subsidy	292,564	385,159	553,688
Market & Feeder Livestock	3,146	3,027	2,319
Breeding stock	3,389	5,160	6,854
Cull stock	4,099	6,412	10,387
Other livestock	882	3,719	9,366
Crop sales	14,535	18,090	29,519
Custom work	1,147	2,381	4,783
Other Farm Revenue	4,820	7,765	13,197
TOTAL CASH REVENUE	\$324,582	\$431,713	\$630,113
Change in Accounts Receivable	194	1,909	3,067
Changes in Inventory	-7,810	5,078	18,453
TOTAL FARM REVENUE	\$316,966	\$438,700	\$651,633
EXPENSES			
VARIABLE EXPENSES			
Livestock - Purchased Livestock	3,686	4,980	5,397
Pur.Feed-Conc., Grain & Forage	38,988	53,360	78,625
Animal Health & Breeding	11,500	14,844	20,701
Other (Lvsk Stabztn, Barn Sppls)	10,470	12,822	18,909
Crop Inputs - Seed & Plants	7,867	7,675	9,869
Fertilizer & Lime	7,524	8,814	11,194
Pesticides & Other Chemicals	3,216	3,767	5,119
Containers And Twine	1,862	1,815	2,013
Other (Stabztn, Insurance Etc.)	757	1,249	2,172
Marketing & Transportation Costs	18,540	25,156	37,237
Custom Work, Equipment Rent	7,268	10,726	17,086
Hired Labour	36,062	36,341	50,018
Machinery & Equipment- Fuel & Oil	14,437	14,637	18,591
Machinery & Equipment- Repairs	15,807	17,862	23,131
Motor Vehicle Expenses	2,800	3,432	3,694
Building, Fence Repairs	7,754	8,850	12,549
Heating Fuel	676	1,368	2,008
Electricity & Telephone	11,174	12,053	14,508
Accounting, Office Expenses	3,705	4,706	7,297
Interest (Operating)	2,303	2,751	3,137
Other Cash Operating Expenses	4,828	5,788	8,322
Change in Payables	2,979	1,461	1,078
TOTAL VARIABLE EXPENSES	\$214,203	\$254,457	\$352,655
CONTRIBUTION MARGIN	\$102,763	\$184,243	\$298,978
FIXED EXPENSES			
Property Taxes, Fire & Liab. Ins	10,599	12,015	15,868
Lease & Rent Payments	5,991	4,576	4,766
Interest (Term)	26,742	33,458	45,255
Change in Interest Arrears	364	71	-152
Depreciation	44,530	45,897	55,262
TOTAL FIXED EXPENSES	88,226	96,017	120,999
TOTAL EXPENSES	302,429	350,474	473,654
- Less Personal Share of Expenses	-5,100	-19,107	-39,525
TOTAL FARM EXPENSES	\$297,329	\$331,367	\$434,129
NET FARM INCOME	\$19,637	\$107,333	\$217,504

* See "Notes Regarding the Summaries" in the Introduction of this summary report.

SUMMARY OF ONTARIO DAIRY FARMS

FARM BALANCE SHEET

(Assets at Estimated Value)

FARM ASSETS	Low 50 Farms	Avg 149 Farms	High 50 Farms
Current Assets:			
Cash (On Hand And In Bank)	11,844	1,516	-13,413
Accounts Receivable	22,489	29,161	43,943
Market & Feeder Livestock	3,628	3,654	1,549
Home-Grown Crops	46,195	61,007	92,187
Purchased Feed & Supplies	3,022	4,344	6,348
Other Current Assets	0	0	0
..Total Current Assets	\$87,178	\$99,682	\$130,614
Long Term Assets			
Breeding Livestock	109,667	118,658	152,463
Market Quota	1,222,697	1,605,752	2,277,459
Field Machinery	282,364	260,705	286,048
Barn Equipment	65,726	84,710	129,160
Farm Buildings	187,045	224,419	274,817
Land	385,749	497,755	802,309
Other Long Term Assets	12,876	32,537	49,044
..Total Long Term Assets	\$2,266,124	\$2,824,536	\$3,971,300
TOTAL FARM ASSETS	\$2,353,302	\$2,924,218	\$4,101,914
LIABILITIES			
Accounts Payable	19,705	18,526	26,653
Interest Arrears	364	156	100
Operating Credit	22,236	24,611	26,131
Current Portion Of Term Debt	35,200	41,771	39,247
..Total Current Liabilities	\$77,505	\$85,064	\$92,131
Term Debt	370,203	504,285	679,608
TOTAL FARMLIABILITIES	\$447,708	\$589,349	\$771,739
EQUITY IN FARM BUSINESS	\$1,905,594	\$2,334,869	\$3,330,175

MEASURES OF FINANCIAL STRENGTH

...from the balance sheet at year end

Percent Equity	80.98%	79.85%	81.19%
Working Capital	\$9,673	\$14,618	\$38,483
Current Ratio xx:1	1.12	1.17	1.42
Debt Structure	17.31%	14.43%	11.94%
Debt to Asset Ratio xx:1	0.19	0.20	0.19
Debt to Equity Ratio xx:1	0.23	0.25	0.23

SUMMARY OF ONTARIO DAIRY FARMS
FARM BUSINESS ANALYSIS SECTION

MEASURES OF PERFORMANCE EFFICIENCY	Low 50 Farms	Avg 149 Farms	High 50 Farms
Capital Turnover(years)	8.58	7.69	7.23
Value of Farm Production	\$274,292	\$380,360	\$567,611
Cost per dollar of VFP	\$0.77	\$0.60	\$0.52
Cost Control Index	6.2%	24.5%	33.4%

EXPENSES & NFI RELATIVE TO VFP

(Adj.Prod. Cst.- Int) / VFP	66.0%	50.2%	43.4%
Depreciation / VFP	16.2%	12.1%	9.7%
Interest / VFP	10.6%	9.5%	8.5%
Net Income / VFP	7.2%	28.2%	38.3%
Interest & Principal / V.F.P.	26.0%	25.7%	24.9%

MEASURES OF PROFITABILITY

Net Farm Income	\$19,637	\$107,333	\$217,504
Return on Total Assets	2.07%	4.91%	6.48%
Return to Equity	1.03%	4.60%	6.53%
Return on Investment (at \$36000 per person)	-0.07%	3.20%	5.16%
Return to Owners Labour (at 5.0% investment rate)	-\$68,983	-\$2,669	\$60,800

Person Equivalents for the Farm	2.4	2.4	2.9
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DEBT SERVICING CAPACITY ANALYSIS

Cash Revenue minus Cash Expenses	\$70,026	\$128,565	\$212,647
plus Interest Payment	29,045	36,209	48,392
plus Non-Farm Revenue	5,511	9,800	15,811
minus Owners Withdrawals & Income Tax	-27,047	-52,181	-84,056
Cash Avail. for Debt Serv. and Cap. Purc.	\$77,535	\$122,393	\$192,794
minus committed Interest & Principal *	-71,212	-97,740	-141,244
minus Reserve for Capital Purchases (Depreciation)	-44,530	-45,897	-55,262
Available After Reserve to Service Additional Debt	-\$38,207	-\$21,244	-\$3,712

PHYSICAL SUMMARY FOR THE DAIRY ENTERPRISE

Average Number of Cows	61.3	72.0	95.6
Total hectolitre Milk Sold	4,243	5,616	8,105
Milk Sold Per Cow (litres)	6,921	7,800	8,478
Milk Sold Per Person (Enterprise)	265,175	330,335	405,270
Milk Sold Per Person (Whole Farm)	176,783	224,628	279,497
Avg Cows/Person (Dairy Enterprise)	38.3	42.4	47.8
Average Somatic Cell Count	217,378	216,595	198,913
Calving Interval	13.64	13.62	13.62
Herd Turnover	28.2	31.9	34.1
Heifer Age at First Calving (Months)	26.34	25.92	26.05
Total Butterfat Sold (Kg)	16,790	22,080	31,611
Butterfat Sold per Cow (Kg)	282.5	303.4	325.7
Total Protein Sold (Kg)	13,853	18,460	26,501
Protein Sold per Cow (Kg)	232.8	253.2	272.4

SUMMARY OF ONTARIO DAIRY FARMS

DAIRY ENTERPRISE REPORT

(PER COW BASIS)

REVENUE	Low 50 Farms	Avg 149 Farms	High 50 Farms
Product Sales	\$4,772.58	\$5,349.43	\$5,791.72
Market Livestock	24.83	12.71	5.87
Feeder Livestock	18.48	14.81	8.09
Breeding Livestock	54.31	71.28	71.43
Cull Stock	66.69	89.01	108.65
Other Livestock Enterprise Sales	0.00	0.28	0.04
- Livestock Purchased	-60.13	-65.40	-53.71
+ Inventory Change	-24.26	1.76	5.02
+ Change in Receivables	3.16	26.17	32.08
VALUE OF ENTERPRISE PRODUCTION	\$4,855.66	\$5,500.04	\$5,969.18
VARIABLE EXPENSES			
Livestock Expenses:			
Purchased feed & grain	598.09	694.44	762.28
Purchased forages	20.78	9.40	5.63
Home-grown grains transferred	244.31	212.50	199.28
Home-grown forages transferred	994.46	913.40	859.86
Total Feed Cost	\$1,857.65	\$1,829.75	\$1,827.04
Animal Health & Breeding	187.60	206.15	216.52
Other (Stabilization, Supplies)	155.82	167.10	187.63
Marketing, Transportation	296.41	341.89	380.69
Custom Work, Equipment Rent	32.23	39.81	46.29
Hired Labour	387.44	323.53	324.99
Machinery & Equip.- Fuel & Oil	43.18	39.04	40.39
Machinery & Equipment- Repair	65.79	62.18	62.07
Motor Vehicle Expenses	18.91	18.82	14.52
Building, Fence Repairs	107.57	103.83	111.27
Heating Fuel	2.74	5.01	6.41
Electricity & Telephone	138.84	128.81	115.64
Accounting, Office Expenses	38.17	42.31	49.45
Interest - Operating	11.53	15.35	13.37
Other Cash Variable Expenses	49.09	38.00	23.79
Change in Payables	48.60	20.29	11.28
TOTAL VARIABLE EXPENSES	\$3,441.58	\$3,381.86	\$3,431.32
CONTRIBUTION MARGIN	\$1,414.08	\$2,118.18	\$2,537.87
FIXED EXPENSES			
Property Taxes, Fire & Liab. Ins	114.58	112.50	111.76
Lease & Rent Payments	14.50	11.57	7.70
Interest - Term	228.22	259.99	265.38
Depreciation	235.29	244.19	250.09
TOTAL FIXED EXPENSES	592.59	628.25	634.93
TOTAL ENTERPRISE EXPENSES	\$4,034.17	\$4,010.11	\$4,066.24
NET ENTERPRISE INCOME	\$821.49	\$1,489.93	\$1,902.94

SUMMARY OF ONTARIO DAIRY FARMS

DAIRY ENTERPRISE REPORT
(PER HECTOLITRE BASIS)

REVENUE	Low 50 Farms	Avg 149 Farms	High 50 Farms
Product Sales	\$68.95	\$68.59	\$68.31
Market Livestock	0.36	0.16	0.07
Feeder Livestock	0.27	0.19	0.10
Breeding Livestock	0.78	0.91	0.84
Cull Stock	0.96	1.14	1.28
Other Livestock Enterprise Sales	0.00	0.00	0.00
- Livestock Purchased	-0.87	-0.84	-0.63
+ Inventory Change	-0.35	0.02	0.06
+ Change in Receivables	0.05	0.34	0.38
VALUE OF ENTERPRISE PRODUCTION	\$70.15	\$70.52	\$70.40
VARIABLE EXPENSES			
Livestock Expenses:			
Purchased feed & grain	8.64	8.90	8.99
Purchased forages	0.30	0.12	0.07
Home-grown grains transferred	3.53	2.72	2.35
Home-grown forages transferred	14.37	11.71	10.14
Total Feed Cost	\$26.84	\$23.46	\$21.55
Animal Health & Breeding	2.71	2.64	2.55
Other (Stabilization, Supplies)	2.25	2.14	2.21
Marketing, Transportation	4.28	4.38	4.49
Custom Work, Equipment Rent	0.47	0.51	0.55
Hired Labour	5.60	4.15	3.83
Machinery & Equip.- Fuel & Oil	0.62	0.50	0.48
Machinery & Equipment- Repair	0.95	0.80	0.73
Motor Vehicle Expenses	0.27	0.24	0.17
Building, Fence Repairs	1.55	1.33	1.31
Heating Fuel	0.04	0.06	0.08
Electricity & Telephone	2.01	1.65	1.36
Accounting, Office Expenses	0.55	0.54	0.58
Interest - Operating	0.17	0.20	0.16
Other Cash Variable Expenses	0.71	0.49	0.28
Change in Payables	0.70	0.26	0.13
TOTAL VARIABLE EXPENSES	\$49.72	\$43.36	\$40.47
CONTRIBUTION MARGIN	\$20.43	\$27.16	\$29.93
FIXED EXPENSES			
Property Taxes, Fire & Liab. Ins	1.66	1.44	1.32
Lease & Rent Payments	0.21	0.15	0.09
Interest - Term	3.30	3.33	3.13
Depreciation	3.40	3.13	2.95
TOTAL FIXED EXPENSES	8.56	8.05	7.49
TOTAL ENTERPRISE EXPENSES	\$58.29	\$51.41	\$47.96
NET ENTERPRISE INCOME	\$11.87	\$19.10	\$22.44

SUMMARY OF ONTARIO DAIRY FARMS

DAIRY ENTERPRISE REPORT
(PER KILOGRAM BUTTERFAT BASIS)

REVENUE	Low 50 Farms	Avg 149 Farms	High 50 Farms
Product Sales	\$17.78	\$17.56	\$17.52
Market Livestock	0.09	0.04	0.02
Feeder Livestock	0.07	0.05	0.02
Breeding Livestock	0.20	0.23	0.22
Cull Stock	0.25	0.29	0.33
Other Livestock Enterprise Sales	0.00	0.00	0.00
- Livestock Purchased	-0.22	-0.21	-0.16
+ Inventory Change	-0.09	0.01	0.02
+ Change in Receivables	0.01	0.09	0.10
VALUE OF ENTERPRISE PRODUCTION	\$18.09	\$18.06	\$18.05
VARIABLE EXPENSES			
Livestock Expenses:			
Purchased feed & grain	2.23	2.28	2.31
Purchased forages	0.08	0.03	0.02
Home-grown grains transferred	0.91	0.70	0.60
Home-grown forages transferred	3.70	3.00	2.60
Total Feed Cost	\$6.92	\$6.01	\$5.53
Animal Health & Breeding	0.70	0.68	0.65
Other (Stabilization, Supplies)	0.58	0.55	0.57
Marketing, Transportation	1.10	1.12	1.15
Custom Work, Equipment Rent	0.12	0.13	0.14
Hired Labour	1.44	1.06	0.98
Machinery & Equip.- Fuel & Oil	0.16	0.13	0.12
Machinery & Equipment- Repair	0.25	0.20	0.19
Motor Vehicle Expenses	0.07	0.06	0.04
Building, Fence Repairs	0.40	0.34	0.34
Heating Fuel	0.01	0.02	0.02
Electricity & Telephone	0.52	0.42	0.35
Accounting, Office Expenses	0.14	0.14	0.15
Interest - Operating	0.04	0.05	0.04
Other Cash Variable Expenses	0.18	0.12	0.07
Change in Payables	0.18	0.07	0.03
TOTAL VARIABLE EXPENSES	\$12.82	\$11.10	\$10.38
CONTRIBUTION MARGIN	\$5.27	\$6.95	\$7.68
FIXED EXPENSES			
Property Taxes, Fire & Liab. Ins	0.43	0.37	0.34
Lease & Rent Payments	0.05	0.04	0.02
Interest - Term	0.85	0.85	0.80
Depreciation	0.88	0.80	0.76
TOTAL FIXED EXPENSES	2.21	2.06	1.92
TOTAL ENTERPRISE EXPENSES	\$15.03	\$13.16	\$12.30
NET ENTERPRISE INCOME	\$3.06	\$4.89	\$5.75

SUMMARY OF ONTARIO DAIRY FARMS

CROP ENTERPRISE REPORT

(PER TILLABLE ACRE BASIS)

REVENUE	Low 50 Farms	Avg 149 Farms	High 50 Farms
Wheat	\$10.16	\$8.38	\$11.33
Spring Grains	4.13	5.38	7.56
Grain Corn	2.97	4.29	6.41
Soybeans	3.91	8.08	14.24
Forage	3.89	6.25	8.53
Fruits	0.00	0.08	0.20
Vegetables	0.00	1.11	2.60
Homegrown Seed	0.00	0.00	0.00
Other Crop Sales & Custom Work	4.02	6.67	8.71
Crop Insurance	4.59	3.68	2.84
Crop Stabilization	3.57	2.57	2.66
Value grains fed to livestock	38.70	39.06	41.86
Value forages fed to livestock	160.43	168.96	181.46
+ Inventory change	-15.70	9.87	33.76
+ Change in receivables	0.00	0.00	0.00
VALUE OF ENTERPRISE PRODUCTION	\$220.67	\$264.38	\$322.16
EXPENSES			
VARIABLE EXPENSES			
Seed & Plants	20.07	19.49	21.69
Fertilizer & Lime	19.20	22.39	24.60
Pesticides & Other Chemicals	8.21	9.57	11.25
Containers And Twine	4.75	4.61	4.42
Other (Stabztn, Insurance Etc.)	1.93	3.17	4.77
Marketing & Transportation	0.94	1.22	1.46
Custom Work, Equipment Rent	13.50	19.94	27.82
Hired Labour	31.42	31.05	36.24
Machinery & Equip - Fuel & Oil	30.00	29.91	32.19
Machinery & Equipment- Repair	29.93	33.92	37.72
Motor Vehicle Expenses	4.09	4.88	4.84
Building, Fence Repairs	2.96	3.32	4.16
Heating Fuel	1.29	1.99	2.52
Electricity & Telephone	6.77	6.76	7.08
Accounting, Office Expenses	3.46	4.15	5.50
Interest (Operating)	4.07	4.11	3.90
Other Variable Cash Expenses	4.64	3.74	2.96
Change in Payables	0.00	0.00	0.00
TOTAL VARIABLE EXPENSES	\$187.23	\$204.24	\$233.11
CONTRIBUTION MARGIN	\$33.44	\$60.14	\$89.05
FIXED EXPENSES			
Property Taxes, Fire & Liab. Ins	9.12	9.83	11.22
Lease & Rent Payments	13.02	9.48	8.86
Interest (Term)	32.54	37.30	43.33
Depreciation	76.82	71.92	68.89
TOTAL FIXED EXPENSES	\$131.50	\$128.53	\$132.29
TOTAL EXPENSES	\$318.73	\$332.77	\$365.40
NET ENTERPRISE INCOME	-\$98.07	-\$68.39	-\$43.24

SUMMARY OF ONTARIO DAIRY FARMS

CROPS GROWN AND FED REPORT

CROP ACRES AND YIELDS

CROP	Low 50 Farms			Avg 149 Farms			High 50 Farms		
	Acres Grown	Total Yield	Yield per Acre	Acres Grown	Total Yield	Yield per Acre	Acres Grown	Total Yield	Yield per Acre
Wheat	20.1	21.4	1.1	13.0	15.2	1.2	11.1	14.8	1.3
Spring grains	89.2	105.6	1.2	81.9	104.8	1.3	82.8	116.0	1.4
Grain corn	11.8	37.4	3.2	15.6	56.8	3.6	25.3	100.2	4.0
Soybeans	7.2	7.3	1.0	15.0	15.0	1.0	30.3	34.5	1.1
Straw	xxx.x	45.0		xxx.x	36.0		xxx.x	38.4	
Other Crop	9.7	10.5	1.1	7.6	7.4	1.0	5.7	6.3	1.1
Other Crop	7.8	11.5	1.5	5.7	14.7	2.6	5.4	20.1	3.7
Corn silage	16.2	201.3	12.4	23.0	343.1	14.9	36.6	605.1	16.5
Hay	202.5	151.6	2.2	209.1	179.4	2.4	242.0	218.9	2.7
Haylage	xxx.x	570.0		xxx.x	645.9		xxx.x	853.3	
Tillable pasture	27.4			22.8			15.9		
Rough pasture	24.0			23.8			26.0		
Non Crop Land	121.0			100.5			80.6		
Total Acres	536.9			518.0			561.7		
Tillable Acres reported	391.9			393.7			455.1		
Calculated Tillable Acres	391.9			393.7			455.1		

TOTAL FEED FED AND FEED ALLOCATED TO THE LIVESTOCK ENTERPRISE

	Total Fed	Feed Cost	Cost per Cow	Total Fed	Feed Cost	Cost per Cow	Total Fed	Feed Cost	Cost per Cow
	Wheat	3	398	6	1	185	3	0	43
Spring grains	90	9,933	162	86	9,416	131	89	9,823	103
Grain corn	38	3,838	63	45	4,565	63	77	7,737	81
Soybeans	3	682	11	4	893	12	5	1,081	11
Straw	53	4,522	74	41	3,511	49	43	3,613	38
Other Crop	1	126	2	2	242	3	4	368	4
Other Crop	8	486	8	22	1,332	19	47	2,838	30
Corn silage	205	5,740	94	315	8,820	123	525	14,700	154
Hay	144	15,120	247	151	15,876	221	167	17,535	183
Haylage	632	33,480	546	653	34,614	481	792	41,971	439
Tillable pasture	20	1,200	20	18	1,092	15	15	906	9
Rough pasture	17	413	7	21	520	7	26	640	7
Total		75,937	1,239		81,065	1,126		101,253	1,059

CROP AND LIVESTOCK ENTERPRISE INVESTMENT

Allocated Investment From the Balance Sheet (Year End Values)	Crops per Acre	Lvsk per Cow	Crops per Acre	Lvsk per Cow	Crops per Acre	Lvsk per Cow
	Home Grown Crops & Supplies	118	2	155	2	203
Feeder & Market Livestock		59		51		16
Breeding Stock		1,789		1,648		1,595
Market quota	0	19,946	0	22,302	0	23,823
Machinery & Equipment	721	1,072	662	1,177	629	1,351
Land & Farm buildings	1,080	2,441	1,378	2,494	1,884	2,300
Enterprise Assets/Unit	1,918	25,676	2,196	28,078	2,715	29,546
Total Enterprise Assets	751717	1573947	864380	2021614	1235507	2824634
Debt per Acre & per Cow	1,142	7,304	1,497	8,185	1,696	8,073