

# Financial Farm Performance - Dairy

Jim & Jill Smith

J. & J. Smith Farming Ltd



	2000/01 Actual	2001/02 Actual	2002/03 Actual	2002/03 Red Sky Top 10% \$3.85MS	Sou West Top10% "Normal"
<b>BALANCE SHEET ASSESSMENT</b>					
Total Assets at End of Year at 4-Year Rolling Average Values	\$ 2,149,165	\$ 2,639,790	\$ 2,828,020	\$ 4,781,791	\$ 2,613,481
Total Liabilities at End of Year	\$ 662,867	\$ 774,034	\$ 924,034	\$ 2,641,078	\$ 1,270,000
<b>EQUITY at 4-Year Rolling Average Values</b>	<b>\$ 1,486,298</b>	<b>\$ 1,865,756</b>	<b>\$ 1,903,986</b>	<b>\$ 2,140,713</b>	<b>\$ 1,343,481</b>
<b>Change in Equity at 4-Year Rolling Average Values</b>	<b>\$ 13,050</b>	<b>\$ 94,558</b>	<b>\$ 38,230</b>	<b>\$ 175,817</b>	<b>\$ 49,560</b>
<b>EQUITY % at 4-Year Rolling Average Values</b>	<b>69.2 %</b>	<b>70.7 %</b>	<b>67.3 %</b>	<b>44.8 %</b>	<b>51.4 %</b>
Change in Equity at 4-Yr Av Values	0.9 %	5.3 %	2.0 %	8.9 %	3.8 %
<b>PROFIT &amp; LOSS FOR YEAR</b>					
<b>OPERATING PROFIT/(LOSS)</b>	<b>\$ 186,766</b>	<b>\$ 280,107</b>	<b>\$ 120,082</b>	<b>\$ 400,732</b>	<b>\$ 253,682</b>
<b>Operating Profit/(Loss) per Area</b>	<b>\$ 2,147</b>	<b>\$ 3,220</b>	<b>\$ 1,380</b>	<b>\$ 2,443</b>	<b>\$ 1,357</b>
<b>ROA at 4-Year Rolling Average Values</b>	<b>9.2 %</b>	<b>11.5 %</b>	<b>4.6 %</b>	<b>8.6 %</b>	<b>10.0 %</b>
Capital Efficiency (Asset Turnover Ratio) at 4-Year Rolling Average Values	22.6 %	22.3 %	17.5 %	22.4 %	28.6 %
ROA including Capital Gain at 4-Year Rolling Average Values	9.6 %	15.0 %	4.9 %	11.8 %	11.6 %
<b>PROFIT (LOSS) including Financing Costs</b>	<b>\$ 132,232</b>	<b>\$ 221,727</b>	<b>\$ 49,327</b>	<b>\$ 210,905</b>	<b>\$ 157,732</b>
<b>RETURN ON EQUITY (ROE) at 4-Year Rolling Average Values</b>	<b>9.0 %</b>	<b>11.9 %</b>	<b>2.7 %</b>	<b>9.9 %</b>	<b>12.0 %</b>
ROE including Capital Gain at 4-Year Rolling Average Values	9.7 %	16.4 %	3.1 %	16.6 %	15.0 %
<b>WORKING CAPITAL POSITION</b>					
Operating Surplus	\$ 233,185	\$ 320,169	\$ 187,422	\$ 440,267	\$ 342,832
<b>Change in Working Capital</b>	<b>\$ 131,892</b>	<b>\$ 37,631</b>	<b>\$ 58,950</b>	<b>\$ 161,029</b>	<b>\$ 157,460</b>
<b>RISK RATIOS</b>					
<b>Operating Profit Margin (Operating Profit as % Gross Revenue)</b>	<b>40.2 %</b>	<b>51.7 %</b>	<b>25.9 %</b>	<b>39.6 %</b>	<b>34.6 %</b>
Total Operating Expenses as % Gross Revenue	49.2 %	39.1 %	52.8 %	53.3 %	52.1 %
Financing Costs as % Gross Revenue	11.7 %	10.8 %	15.3 %	18.9 %	13.1 %
Comparative Cost of Production per kg Milksolids	\$ 2.79	\$ 2.30	\$ 2.59	\$ 2.09	\$ 2.34
Comparative Cost of Production per kg Milkfat	\$ 4.92	\$ 4.04	\$ 4.56	\$ 3.81	\$ 4.28