BANK OF NEW ZEALAND

MĀORI EXCELLENCE IN FARMING AWARD 2008

DAIRY

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He Mihi

Tihei mauriora

Tēnā tātau e tautoko nei i te whakataetae Ahuwhenua.

Me mihi hoki tātau ki a rātau kua mene ki te po. Kua tangihia rātau, kua mihihia ratau, kua korerohia ratau, kua poroporoakitia rātau, kua heke te hupe me te roimata.

Me ki, i runga i ērā kua ea te wahanga ki a rātau. Rātau, ki a rātau, a ko tātau kei muri e takatu nei.

E hika mā, tena tātau, e whakanuika nei i tēnei wā ki te whakanui ano i tenei whakatatetae whakahirahira. Ehara i te mea ka ngahoro ngā painga o tēnei whakataetae ki ērā e wikitoria ana. E hika kao, kotahi anake tērā, engari ki ahau ko te nuinga o ngā painga ka tau ki runga i ērā, i toa te whakauru mai ki tēnei whakataetae.

Nā reira me mihi ano ake au ki ērā o tātau i uru mai ki ngā whakataetae mai i ngā rohe. Ko nga hua kua ngahoro mai, ka ngahoro whanui ki te katoa o ngā kai mahi pāmu Māori kei Aotearoa nei.

Nā reira tena tātau.

Greetings to you all

I would like to extend a warm welcome to all those gathered in support of this auspicious farming competition. I also wish to acknowledge those who have gone before us.

The benefits of this competition do not only come to those who are judged the victors, victory is but one aspect. The benefits accrue to all who have entered.

I therefore pay tribute to all who have entered from our various regions. I am sure all Māori farmers in Aotearoa will feel the benefits that will eventuate from this event.

Again, welcome.

Hon Parekura Horomia
Minister of Māori Affairs

Tēnā tātou

E NGĀ MANA,

E NGĀ WAKA,

E RAU RANGATIRA MA

KA NUI TE MIHI KI A KOUTOU KATOA

TĒNĀ KOUTOU KATOA

(To the many prestigious, waka and esteemed guests, greetings to you all)

Our relationship with the land and our land-based primary industries remain at the heart of the New Zealand identity. As a nation reliant on international trade for our livelihood, the primary sector continues to be central to our prosperity.

Our vision for the primary sector is that it continues to be dynamic, scientifically sophisticated and prosperous, leading growth and innovation in the economy.

This competition contributes to this vision by celebrating excellence in Māori farming; and by highlighting successful approaches and best practice for the benefit of the whole Māori farming community – and ultimately the wider New Zealand community.

I encourage the Māori farming community to take part in this competition, which both celebrates your skills and talents and showcases innovation for the benefit of all Māori working in the sector.

Hon Jim Anderton
Minister of Agriculture

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FROM THE CHAIRMAN

Tena koutou katoa

It is with great pride that I introduce the Ahuwhenua Trophy - Bank of New Zealand Māori Excellence in Farming Award for 2008.

We are very pleased to introduce our second dairy competition and with it, a strong line-up of finalists. On behalf of the Executive I offer congratulations to you all.

The competition is open to Māori farming properties either owned individually, or managed by Māori Trusts and Incorporations in New Zealand and this year's strong line-up of contestants demonstrate a diversity of entrants that has been very pleasing.

The Ahuwhenua Trophy recognises excellence and achievement in the Māori farming sector - in particular, successful approaches to governance, financing, management, environmental sustainability and the recognition of tikanga Māori. Through the competition we acknowledge the contribution the Māori farming sector currently makes to the New Zealand economy.

We believe the sector is sustainable, successful and on the move. Māori dairy farmers are already making a significant contribution to the national economy and it is evident that there is capacity to make strong productivity gains on Māori land for the benefit of hapu, iwi and the country as a whole.

I want to acknowledge all those who have entered this year's competition as well as celebrating our three excellent finalists. I also want to acknowledge all previous competitors and finalists who have been role models in earlier times.

On behalf of the Executive, I extend thanks to all our sponsors. Your generosity and commitment have helped reinvigorate the competition. We look forward to sharing another successful Awards night dinner with you at the Energy Events Centre in Rotorua on June 6.

Naku noa, na

Kingi Smiler
Chairman - Ahuwhenua Trophy Executive Committee

HISTORY OF THE AHUWHENUA TROPHY

The idea of the competition, marked by the annual award of the Ahuwhenua Trophy to Māori farmers arose from the deep interest and affection for the Māori race of Lord Bledisloe who was Governor-General of New Zealand from 1930 to 1935.

The wise yet surprisingly conservative choice of a cup was made and named Ahuwhenua or, *Son of the Soil*. The then Minister of Māori Affairs, Sir Apirana Ngata was asked to propose a scheme and conditions to ensure that the trophy would not be won lightly. The result was a very fine cup and a scheme that has survived and overcome many difficulties.

The first competition was held in 1933 and the winner of the trophy was William Swinton from Ruakokore (Bay of Plenty). At least 81 farms were visited in the competition, from Horohoro Block near Rotorua to Maketu and down to Cape Runaway.

The competition was not held for two years and resumed in 1936 when the cup was won by Henry Dewes, a sheep farmer from Tikitiki.

In 1937, the cup was lost in a fire that destroyed the Waiapu store where it was on display. It was replaced the following year, only to be lost in 1943 on a rail trip from Rotorua to Wellington. The competition continued, despite the absence of the Trophy, and in 1946 it was discovered undamaged in a Frankton store. In 1947, it went north for the first time, when it was won by Wiremu Matenenaera of Hokianga.

Because of the difficulty and impracticality of comparing dairy farms with sheep farms, the entries were divided into two groups with separate awards. In 1954, Lord Bledisloe donated a companion cup for this occasion. The original competition continued up until the 1980s but interest started to wane and the last one was held in 1990.

In 2003, spurred on by Board members Gina Rudland and Wayne Walden, Meat New Zealand re-launched the competition - taking account of the changing face of Māori farming and the increasing importance of Māori incorporations and trusts in the sector. Meat New Zealand ran successful annual competitions between 2003 and 2005, when their successor organisation, Meat & Wool New Zealand took over the reins - reinvigorating the competition. In 2005, the Ahuwhenua Executive Committee decided on a new structure for the competition with sheep and beef and dairy competitions being run in alternate years. The first bi-annual Dairy competition was held in 2006.

THE AIMS OF THE COMPETITION

- To recognise excellence in farming
- To encourage participation in the competition and ensure its sustainability
- To use the competition to showcase achievements in the Māori farming sector, in particular successful approaches to governance, financing, management and the recognition of ngā tikanga Māori
- To use the competition to highlight excellence in the Māori farming sector to all New Zealanders
- To acknowledge the contribution the Māori farming sector currently makes to the New Zealand economy and highlight areas for future growth

BENEFITS OF THE COMPETITION

By entering the Awards competition, participants gain:

- Recognition for excellence in both dairy farming and the wider New Zealand farming industry
- Expert advice and guidance from judges to improve their farming operations
- Access to a network of progressive and likeminded individuals and organisations involved in dairy farming
- Exposure to practices and approaches of other Māori dairy farmers
- Significant enhancement to the productivity and profitability of their farming operations
- Recognition of the major role Māori farmers have in the New Zealand economy

COMPETITION PRIZES

The supreme winner of the Ahuwhenua Trophy Bank of New Zealand Māori Excellence in Farming Award 2008 will receive a replica of the trophy along with a framed photograph of the presentation, a prestigious medal based on a 1932 design and cash or farm-related items to the value of not less than $40,000. Other finalists will receive a medal and cash or farm-related items to the value of not less than $15,000.

CONDITIONS OF ENTRY

This competition is for Māori dairy farmers being individual farm owners, partnerships, trusts and incorporations who are farming properties owned and/or leased by Māori in New Zealand.

To be eligible these dairy operations will need to be accounted for as a stand-alone business separate from any other associated business enterprises such as separately managed farming businesses, e.g., a sheep and beef production enterprise owned by an entrant. Entries of more than one property owned by a trust or incorporation will be permitted provided the foregoing criteria are met; allowance for this will be taken into account by the judges.

JUDGING WILL BE BASED ON

THE EFFICIENCY WITH WHICH THE PROPERTY IS FARMED RELATIVE TO ITS POTENTIAL:

This will not be solely on financial measures such as profit per hectare or return on business capital. These measures will be taken as a guide but consideration will also be given to other factors such as:

- The physical resources available to the farmer (e.g., local climate, soil types, water, region of location, contour, etc.)
- Stage of development, financial structure
- Limits that may exist for trusts and incorporations raising outside capital

FINANCIAL RESULTS WHERE:

- Profit will be determined by the calculation of the economic surplus per hectare; that is the gross income, net of stock purchases (adjusted for changes in livestock numbers) less working expenses
- Interest, development, capital expenditure drawings, dividends and taxation are not included, and financial performance which will be determined from annual financial statements for the 3 years ending at the farm balance date in 2007

THE EFFECTIVENESS OF THE GOVERNANCE OF THE FARMING ENTERPRISE, INCLUDING:

- Planning
- Reinvestment in the business
- Adoption of innovative farming systems
- Pursuit of sustainable management approaches
- Up-skilling at management and worker level
- Keeping up to date with new farming methods and approaches to monitor performance
- The level of recognition given to cultural aspects of Māoridom (ngā tikanga Māori) relevant to a farm business enterprise, such as guardianship of the land

In considering the above the judges will give the following weightings:

Governance:	30%
Management:	70%

In recent times a number of new measures have been introduced to assess the performance of farming and entrants are encouraged to incorporate into their businesses. These include:

- "Triple Bottom Line Reporting" which focuses a business not just on the economic value added or lost but also on the environmental and social value they add or come into conflict with
- "Cost of Production Analysis" which involves calculating the cost of production per unit of output

FUTURE COMPETITIONS

The intent is for the dairy competition to be held on a bi-annual basis. The organisers reserve the right to alter the conditions of entry and judging arrangements for future competitions. Anyone interested in entering the 2010 dairy competition should contact by email: nathj@tpk.govt.nz

THE AHUWHENUA TROPHY BANK OF NEW ZEALAND MĀORI EXCELLENCE IN FARMING AWARD 2008 FINALISTS ARE:

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EXCELLENCE
IN FARMING AWARD 2008
DAIRY

PAREKARANGI TRUST

STATE HIGHWAY 30, ROTORUA

17 APRIL FIELD DAY

PAREKARANGI TRUST

TIMETABLE*

10.00	Whakatau (*The Host*)
	Response (*Paora Ammunson*)
10.20	Background to the Competition (*Chairman Executive Committee – Kingi Smiler*)
10.30	Introduce the programme and the remainder of the day *(Facilitator – Paul Bird)*
	Introduction to the finalist's farm including farm history, governance, and business structure
11.00	Farm tour – including discussion on financial, staff and environmental management
1.00	Summary from the host
1.15	Judge's comments and presentation of prizes
1.30	Lunch

**Note:* *times are approximate*

IMPORTANT NOTES FOR FIELD DAY ATTENDEES

The owners of the property wish to point out to all visitors to their property that a number of potential hazards exist in the course of travelling over the property either on foot or in vehicles, moving around the yards and facilities, and in handling stock.

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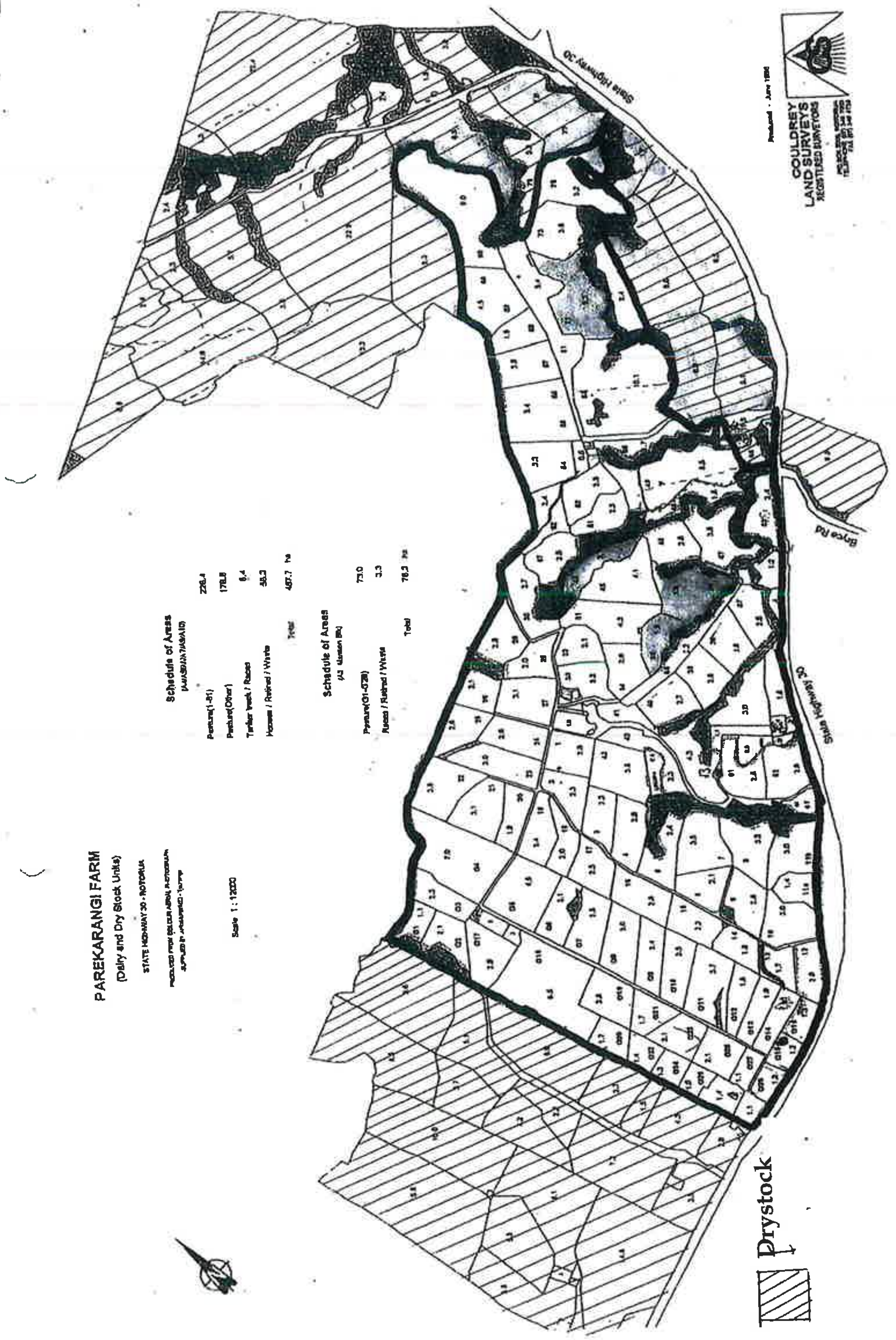
The owners will accept no responsibility for any accident or injury to any person or property that takes place while you are visiting.

FARM MAP


PAREKARANGI FARM
(Dairy and Dry Stock Units)
STATE HIGHWAY 30 - ROTORUA
Scale 1 : 12000
Schedule of Areas
Total
Schedule of Areas
Total
State Highway 30
Bryce Rd
State Highway 30
COULDREY
LAND SURVEYS
REGISTERED SURVEYORS
Drystock

WHAT IMPRESSED THE JUDGES

The standard of presentation and the form and quality of information provided was excellent and the judges congratulate all contributors to this.

Governance

- The judges were hugely impressed with the very close ties the Trust has with its shareholders; this is almost at personal relationship level, and includes the Chairman taking interested shareholders on to the property
- There is strong engagement of shareholders including tree planting/cemetery tidying days which bring stakeholders together
- Good to see specialised expertise brought in as required – e.g., the Child Youth Family Services (CYFS) project

Farm

- An attractive dairy property of good scale with adjoining support land under a very sound management regime.
- A comprehensive and well structured presentation on the farm, especially the analysis of pasture/feed management and profit

Financial

- Excellent overall financial management – planning, budgeting, monitoring and analysis

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PAREKARANGI
- nice Pa facing the sun

Parekarangi literally translates to "Nice Pa facing the sun". It is here that the Tuh Ngati Wahiao people hunted for food and grew crops such as kumara to provide tribe in Whakarewarewa. Parekarangi also provided shelter for its people dur Tarawera eruption in 1886.

The Trust, which has 173 shareholders, farms 665 hectares, including a 255 dairy u a 410-hectare dry stock unit -10 kilometers south of Rotorua on State Highway 30.

Parekarangi was administered as a Maori Incorporation between 1962-19 Parekarangi Trust was established in 1983 to *promote and facilitate use of the land i interest of the beneficiaries*. The inaugural and past Trustees of Parekarangi we Fenwick, Kapuaewaho Watikena, Rangi Heretini, Kena Ahipene, Te Ao Murra Hill and Emma Heretini.

The Trust prides itself in working well with its shareholders. The relations whanaunga at Whakarewarewa is still strong and the farm provides meat for other special occasions.

The Trust is currently negotiating to lease 10 hectares of its land to Child Y Family for a new 55-bed Youth Justice facility. It believes this is not only investment but also central to its kaupapa. Future plans are to provide strong s the new facility, eventually offering employment to some of the young peopl after their sentences.

After running a very successful dry stock farm, the Trust moved into dairy in 19 winters 804 cows and milks 780 in its 40-bale rotary milking shed. It is working target of 260,000 kgMS this year and hopes to expand its unit to 1050 cows future.

The Trust has undertaken a number of environmental initiatives on its land. were fenced off, and the land around them retired, a number of years ahead streams accord. In a joint venture with Scion, it has also set aside a hectare growing herbs and plants such as kawakawa for Maori medicine (rongoa).

DIRECTORY

Tribal Affiliation:	Tuhourangi Ngati Wahiao
Number of shareholders:	173
Trustees/Board:	
Inaugural Trustees:	Peter Fenwick Kapuaewaho Watikena Rangi Heretini
Other Trustees:	Kena Ahipene Te Ao Murray Percy Hill Emma Heretini
Current Trustees:	James Warbrick (Chairman) Wiari Rauhina Kepa Hiini
Nature of Business:	Māori Agribusiness
Physical Address:	Parekarangi Trust State Highway 30 Rotorua
Farm Staff:	Managers – Steve and Donna Watson Assistant Manager – Dwayne Tapson Dairy Assistants – Braydon Keliher, Phillip Tukiwaho and Nick Edmonds
Administration:	Ian Hulton – Secretary and Accountant John Dawson – Advisor to Trustees Mark Johnston – Business Manager

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FARM DESCRIPTION

KPIs 2005-2007	Season ending 2005	Season ending 2006	Season ending 2007
Effective dairy ha:	255	255	255
Support land ha:	420	420	420
Peak cow numbers milked:	756	717	742
Total kgs milk: solids supplied	217,148	224,107	236,753
Kgs milk solids per ha:	852	879	928
Kgs milk solids per cow:	287	313	319
Total kgs of dry matter purchased including winter grazing:	480,000	510,000	430,000
Contour of dairy unit:	Rolling		

VISION STATEMENT

The vision of the Trust is to manage its assets and liabilities for the benefit of all owners.

Parekarangi will continue to provide for the people without devaluing the asset base.

Parekarangi's management will implement growth strategies increasing and improving the asset base.

MISSION STATEMENT

The role of the Trustees of Parekarangi A4 and other blocks is to:

- Administer the affairs of the farm
- Be kaitiaki of the land
- Ensure the retention and improvement of the assets
- Manage the assets and liabilities

GOVERNANCE/MANAGEMENT/ ADMINISTRATION

The Parekarangi Trust was established as an Ahuwhenua Trust on 27 April 1983 to and facilitate use of the land in the best interests of its 173 beneficiaries.

Trustee meetings are held five times a year and this includes two farm inspecti AGM is held every 3 years.

There is a clear distinction between dairy and drystock. The business manager p draft annual budget which the trustees and management discuss/amend. The fir is approved by Trustees and it is monitored 2-3 monthly.

The financial performance is commensurate with the strategy and stage of develop

The objectives of the Trustees of Parekarangi A4 and other blocks are to:

- Implement a planning process that provides the Trust with a clear strategic fo
- Restructure the Trust's administration so that the accountability chain is clear be implemented
- Protect and sustain the economic base within the parameters set by the Truste
- Actively seek opportunities for expansion and growth
- Implement a communication plan that is culturally appropriate
- Provide a structure that will enhance and preserve the cultural and spirit the whenua, iwi and tikanga
- Provide direct benefits to owners through dividends and other distribution

OPERATIONAL SYSTEMS

Dairy Unit system policy: Minimise purchased feed by integrating drystock unit

Dairy Unit system analysis:

Feed supply	tons DM/ha
• Pasture growth	10.2
• Nitrogen	2.9
• Silage	0.3
• PK	0.5
• Grazing	0.9
• Total	14.8

At 80% utilisation
- Production 236,000 kgMS
- 750 cows peak milked
- 316 kgMS/cow

Conversion efficiencies
- 12.8 kgDM eaten/kgMS
- 78 kgMS/ton DM eaten
- 89 kgLWT/ton DM supplied

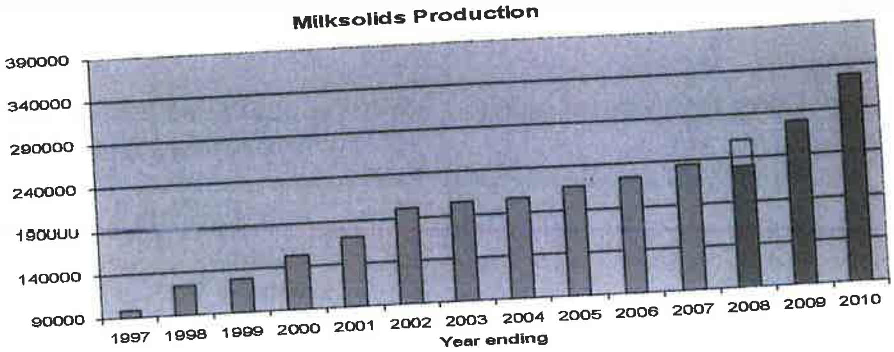
Highlighted issue with peak production
Goal to increase energy intake September-November
The Solution
- In shed feed system using PK
  - 125 ton last year
  - 400 ton this year contracted at $232/ton
- Grow more pasture
  - Increase N use 200-250 kgN/ha

Result – substantial increase in peak of 165 kgMS/day

Breeding Policy:

Historically high empty rates 15-20%
- Change to natural mating non-cyclers with high bull ratio (1 bull per 15 cows)
- Cycling cows AB – Kiwi cross
- Empty rate 2006/07 – 3.9%
- Empty rate 2007/08 – 4.3%
- Induction – 40 cows - 4.9%

Milk Production:



Calf Rearing: Rear up to 200 heifers + 100 W/F steers

Fertiliser policy:

Soil test every second year
- Soil test in July to limit temporal variation
- GPS transects to limit spatial variation
- Overseer nutrient budget for validation
- Last 2 years target increase in fertility – especially Mg pH

Fertiliser applied by contractor
- No nitrogen applied May – July
- Use elemental S + sulphate S
- Nutrient budget summary
  - N leaching loss 47 kgN/ha/yr (30-50)
  - N conversion efficiency 27% (25-40)
  - Av nitrate conc. in drainage 8 (5-10)

PROJECT SUPPORT & BUSINESS DEVELOPMENT

Specific growth and development activity includes:

- Purchased Manson block 75ha in 2006
- Expand dairy unit
- Developing farm – re-investing profits
- Platform extension 40 to 50 bail this winter
- Eliminating weeds
- Improving soil fertility
- Improving housing
- Operating performance is in line with the stage of development

FARM MAINTENANCE & DEVELOPMENT

Community

- Land Improvement Agreement with BOP regional council in 1991
- Result streams fenced and retired from grazing
- Current plantings traditional Māori rongoa with Scion

Other

- 2 pond effluent system
- Irrigate from second pond with stationery irrigator
- Primary pond cleaned annually
- Raised wall on primary pond 2 years ago
- Plan to extend irrigation area next year and use traveling irrigator

Social

- Meat packs supplied to kaumatua and tangi
- Cultural activities
- CYFS proposal – taking leadership within Māoridom to address youth issues
- Working with CYFS to be facilitators in teaching traditional Māori culture, history and arts with at risk youth
- Encourage youth into agriculture

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ANALYSIS

Parekarangi Trust Dairy Base Report - Dairy Season Ended: 2007

Financial Detail

	Total $		$ per kg MS	$ per ha	$ per cc
GROSS FARM REVENUE (GFR)	**Farm**	**% of GFR**	**Farm**	**Farm**	**Farm**
Net milk sales	1,043,827	93.8%	4.38	4,093	1,407
Net dairy livestock sales	52,884	4.7%	0.22	207	71
Value of change in dairy livestock	16,685	1.5%	0.07	65	22
Other dairy revenue	0	0.0%	0.00	0	0
Dairy gross farm revenue	1,113,396	100.0%	4.67	4,366	1,501
Non-dairy cash income	372,880	33.5%	1.56	1,462	503
Value of change in non-dairy livestock	51,353	4.6%	0.22	201	59
TOTAL GROSS FARM REVENUE	1,537,629	138.1%	6.45	6,030	2,072
OPERATING EXPENSES					
Labour expenses					
Wages	176,644	15.9%	0.74	693	238
Labour adjustment – unpaid	0	0.0%	0.00	0	0
Labour adjustment – management	0	0.0%	0.00	0	0
Total labour expenses	176,644	15.9%	0.74	693	238
Stock expenses					
Animal health	54,905	4.9%	0.23	215	74
Breeding and herd improvement	32,581	2.9%	0.14	128	44
Farm dairy	16,258	1.5%	0.07	65	22
Electricity (farm dairy, water supply)	21,502	1.9%	0.09	84	29
Total stock expenses	125,516	11.3%	0.53	492	169
Feed expenses					
Supplement expenses					
Net made, purchased, cropped	92,400	8.3%	0.39	362	125
Less feed inventory adjustment	0	0.0%	0.00	0	0
Calf feed	12,200	1.1%	0.05	48	16
Total supplement expenses	104,600	9.4%	0.44	410	141
Grazing and run off expenses					
Young and dry stock grazing	113,449	10.2%	0.48	445	153
Winter cow grazing	0	0.0%	0.00	0	0
Run-off lease	0	0.0%	0.00	0	0
Owned run-off adjustment	0	0.0%	0.00	0	0
Total grazing and run-off expenses	113,449	10.2%	0.48	445	153
Total feed expenses	218,049	19.6%	0.91	855	294

	Total $		$ per kg MS	$ per ha	$ per cow
Other working expenses					
Fertiliser	121,812	10.9%	0.51	478	164
Nitrogen	0	0.0%	0.00	0	0
Irrigation	0	0.0%	0.00	0	0
Regrassing	3,847	0.3%	0.02	15	5
Weed and pest	47,609	4.3%	0.20	187	64
Vehicles	17,400	1.6%	0.07	68	23
Fuel	6,152	0.6%	0.03	24	8
R & M – land and buildings	78,573	7.1%	0.33	308	106
R & M – plant and equipment	6,630	0.6%	0.03	26	9
Freight and general	9,852	0.9%	0.04	39	13
Total other working expenses	291,875	26.2%	1.22	1,145	393
Overheads					
Administration	42,105	3.8%	0.18	165	57
Insurance	6,086	0.5%	0.03	24	8
ACC	8,722	0.8%	0.04	34	12
Rates	22,458	2.0%	0.09	88	30
Depreciation	58,774	5.3%	0.25	230	79
Total overheads	138,145	12.4%	0.58	542	186
Total dairy operating expenses	950,229	85.3%	3.99	3,726	1,281
Non-dairy operating expenses	438,013				
TOTAL OPERATING EXPENSES	1,388,242	124.7%	5.82	5,444	1,871
OPERATING PROFIT					
DAIRY OPERATING PROFIT (EFS)	163,167	14.7%	0.68	640	220
Non-dairy operating profit	-13,780	-1.2%	-0.06	-54	-19
TOTAL OPERATING PROFIT	149,387	13.4%	0.63	586	201

NOTES:

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BANK OF NEW ZEALAND
MĀORI EXCELLENCE IN FARMING AWARD 2008
DAIRY

DEAN & KRISTEN NIKORA

CÉSPED LANDS LIMITED

161 ASHLEY CLINTON ROAD, TAKAPAU

23 APRIL FIELD DAY

THE AHUWHENUA TROPHY
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DEAN & KRISTEN NIKORA
CÉSPED LANDS LIMITED

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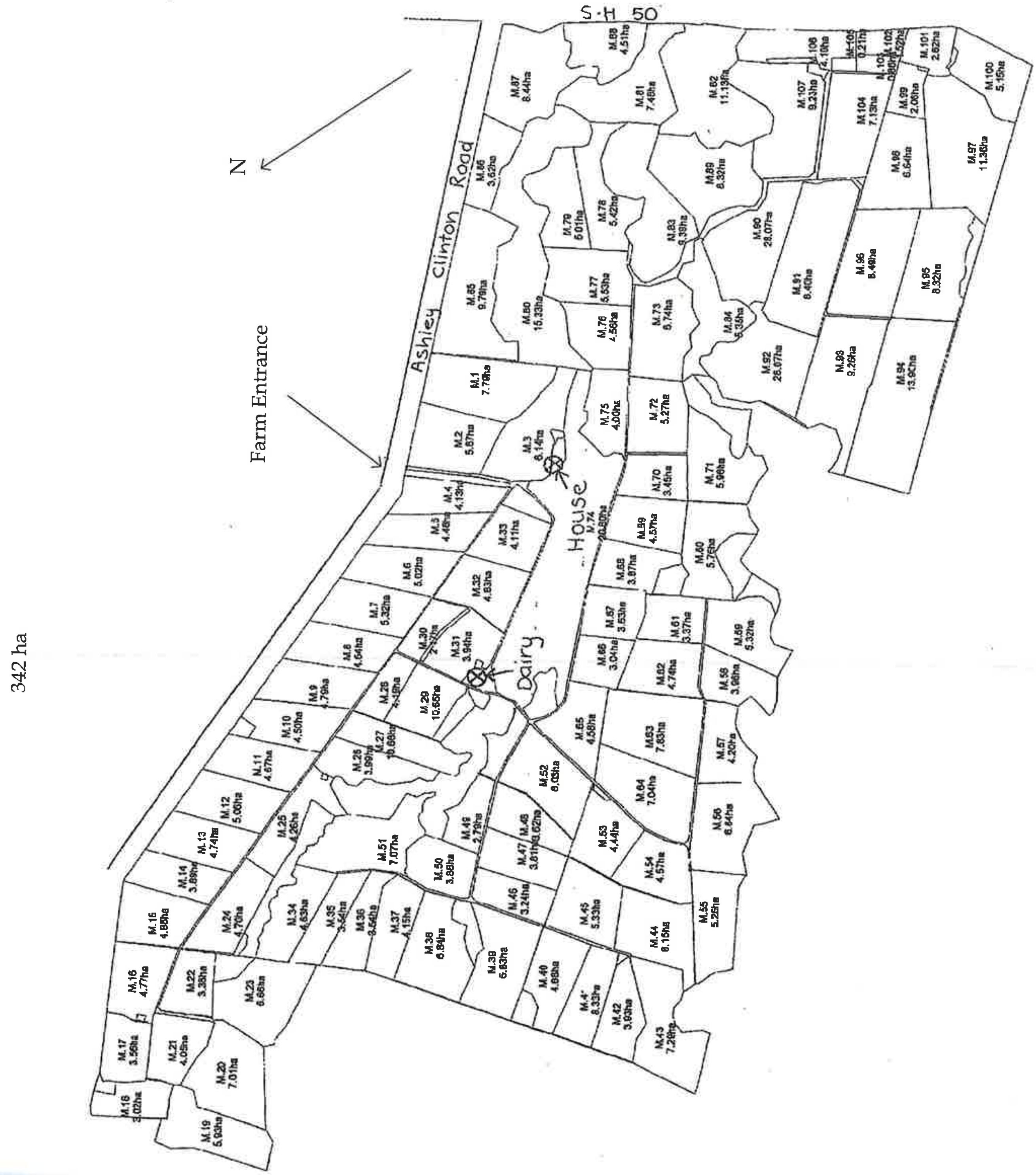
FARM MAP



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DAIRY

WHAT IMPRESSED THE JUDGES

The judges were impressed with Césped Lands Limited's commitment to being an exemplar of innovative farming/commercial practice for Māori (and other) private farm owners.

Governance

- A very impressive and strong focus on asset accumulation is in place which has seen commendable results in a relatively short span of time.
- While not a large scale iwi/hapu based trust or incorporation the judges saw evidence that the business and strategy aspire to being well grounded in cultural values generally promoted by Maori people e.g. a "whanau" type approach to looking after the staff and team, consciousness of future generations and the importance of pro-active environmental and fauna & flora protection programmes, the planned use of Māori names and language in the development of properties
- Although owners are not from the local iwi the judges note the commitment to working with local tangata whenua and making a contribution to the local Māori and wider community.

Farm

- Top end farm management in all respects - grazing management was simple, well calibrated and executed
- Very sound herd - quiet cows in good condition
- Innovative salary packages for staff with a relatively high 'at risk' portion
- Time & motion studies - efficiencies in milking shed

Environmental

- It was good to see most riparian areas fenced off and the aim to be fully compliant with the Clean Streams Accord by May 2008.
- Zero tillage is a sound policy in the cropping/regrassing programme since it reduces nitrogen leaching

Financial

- An aggressive approach to asset accumulation impressed the judges.
- The innovative approach being implemented to "equity" type partnerships with the management team/other business partners is impressive.

DEAN & KRISTEN NIKORA

CÉSPED LANDS LIMITED

Dean & Kristen Nikora – the smell of success

Back in 1989 Dean & Kristen Nikora left their town jobs at the Bank of New Zealand in Hamilton for career change dairy farming. Starting out, Dean worked as a general farm labourer with 280 cows on a farm near Te Awamutu. For the next four years the couple worked their way through the ranks until they had saved $100,000 to go sharemilking.

In 1995 they set themselves a goal to buy a 200-cow dairy farm by 2005. Five years ahead of target they invested their entire life savings to become minority partners in a 1500-cow farm in Hawkes Bay. They worked hard to grow the business, allowing for equity growth so they could buy their own farm. In 2000, two years ahead of business predictions, they sold out to buy Mangatewai – their very first farm. It was five times larger than anything they'd envisaged.

Dean (Maniapoto and Ngati Tama) and Kristen with links to Ngati Awa now farm 1,000 effective hectares spanning five blocks of freehold and leasehold land. Their property sits under the Ruahine Ranges – 20 minutes out of Waipukurau. The home farm, Mangatewai, is 342 hectares and the other four farms range from 100 to 240 effective hectares.

On a day-to-day basis Dean runs the company, Césped Lands Limited, with Kristen providing valuable office and administrative support as well as calf rearing expertise.

The company has three autonomous dairy units. Mangatewai and Pahihi both have farm managers and Ruatuki has an equity partner as a 50/50 sharemilker. The units work together under a collective business and administrative structure with two support farms – providing feed and grazing for the operation. It has enjoyed average annual equity growth of 60 per cent since the farm was established in 2003.

Dean and Kristen currently milk about 1,900 cows. They expect to increase their dairy interests to about 2,600 cows next year with a mix of organic growth and the purchase of a further property in partnership with their Pahihi farm managers.

Mangatewai milks about 1,000 cows. Pahihi and Ruatuki are both spring calving farms. The company expects to produce 660,00kgms this season and is targeting 900,000kgms next season.

DIRECTORY

Names: Dean & Kristen Nikora
Césped Lands Limited

Tribal Affiliations: Dean - Maniapoto & Ngati Tama
Kristen - links to Ngati Awa

Ownership: Private Ownership – Dean & Kristen Nikora

Trustees/Board: Dean & Kristen Nikora

Physical Address: 161 Ashley Clinton Road
RD 1
Takapau
Central Hawkes Bay

Staffing: 14 staff across the company

'Mangatewai'
- Farm Manager – Richard Greaves
- 4 other full-time, 3 part-time (seasonal)

'Pahihi'
- 3 full-time

'Pinecott'
- jointly run between the teams

'Dunlee'
- primarily run by 'Mangatewai' team

'Césped Agri'
- 1 full-time

Office of Césped Lands Limited
Dean & Kristen + 1 part-time staff member

Focus farm for Field Day: Mangatewai

FARM DESCRIPTION

KPIs 2005-2007	Season ending 2005	Season ending 2006	Season ending 2007
Effective dairy ha:	320	320	440
Support land ha:	100	100	100
Peak cow numbers milked:	920	930	1340
Total kgs milk solids supplied:	323,194	313,611	473,323
Kgs milk solids per ha:	1,007	980	1,075
Kgs milk solids per cow:	351	337	353
Total kgs of dry matter purchased including winter grazing:	524,000	726,000	1,823,000

Contour of dairy unit: Flat to rolling

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DAIRY

VISION STATEMENT

The vision for the company is: *"Every Day a Growing Day"*.

MISSION STATEMENT

The mission is to leverage core capabilities to allow for all stakeholders involved to be prospering and achieving their personal goals along side those of the company.

GOVERNANCE/MANAGEMENT/ADMINISTRATION

GOVERNANCE

- Dean & Kristen are the Directors of Césped Lands Limited
- Use people who provide professional service as quasi governors
- Formal reporting occurs on a monthly basis
- Set overall direction and policy
- Use a formal Delegation Manual

MANAGEMENT

Dean's role is to:-

- Lead the team
- Provide resources
- Assist managers achieve targets where necessary
- Propose and implement capital expenditure
- Propose and implement acquisition activity

Kristen's role is to:-

- Manage Accounts and Payroll
- Rear calves on 'Mangatewai'
- Manage calf sales across the company
- Undertake general office management/ administration

The Managers' role is to:-

- Help develop the annual management plan
- Execute the plan
- Advise of threats to targeted performance
- Manage all staff

ADMINISTRATION

- All administration is done on the farm

OPERATIONAL SYSTEMS

Accurate forecasting is critical to utilise profit effectively or mitigate losses early. Failure to forecast effectively means 'a wait and see approach' to profit or loss and will slow the ability to take opportunities in a timely manner.

Acquisition needs to be at a level where by any change in activity can be transferred to the balance sheet with confidence in a very short time frame.

Delivery requires people to have an understanding of what is required and the skills, tools and energy to meet expectations. Ability to deliver grows confidence to stretch ourselves to the next opportunity.

While equity growth is a major driver we have an ongoing focus on the environment and the community.

ECOLOGICAL

- Fencing water ways
- Step change in nutrient management
- Protection of wetlands
- Eradication of noxious weeds and pests to protect bush areas
- No tillage program
- Development of effective effluent disposal

WELFARE

- Shelter planting
- Sustainable approach to mating management
- Focus on prevention

COMMUNITY

- Contribute off farm at local, regional and national level
- Provide access to farm for community and industry groups to use
- Trustee of Māori land in King Country region

PROJECT SUPPORT & BUSINESS DEVELOPMENT

As we develop our business and continue to take on new investment projects it is crucial to have clear targets along the way. The following goals are an extract from the June 2006 business plan.

ONE YEAR TARGETS

1. Achieve budget
2. Full staff retention
3. Properties showing a high level of maintenance and aesthetics
4. Achieve 65% of staff bonus payments

THREE YEAR TARGETS

1. Farms performing consistently in top 10% in New Zealand
2. Asset Base and Equity Doubled
3. Farms achieving targets outlined within the Clean Streams Accord
4. A Césped Lands Limited Farm Manager having won an Excellence Award for Manager of the Year
5. Césped Lands Limited has won an Excellence Award

FIVE YEAR GOALS

1. The farms are enjoying the results of strategic annual planting of trees
2. Césped Lands Limited has a diversified portfolio of agricultural investments

FARM MAINTENANCE & DEVELOPMENT

The farm units are at various stages of development. The business philosophy is to invest in development as long as the return from that development expenditure is substantial i.e. 20% plus.

OPERATIONAL PLANNING

The business operates on a "keep things simple" philosophy. Guidelines for pasture management are specific; however it is up to the managers and herd mangers to implement in their own unique way.

- Season starts in March with a feed budget that runs through to pinch point on 1st October, this gives us our target 1st June feed requirements.
- Fortnightly farm walks start in April to determine our variance to plan. Decisions are made fortnightly to ensue we hit our feed targets; production is secondary (this year an exception with high payout and access to relatively cheap feed).
- Drying off is staggered according to production and body condition.
- All cows to be at less than ½ condition score off calving condition by the end of May and all feed targets to be met.
- During winter the aim is to keep about one third of cows on the dairy farm and all others are removed for grazing to either Dunlee or Pinecott.
- Feed allocation during winter is 10-12 kgdm/ cow depending on condition. This will largely consist of Kale, Rape, Grass silage and pasture. Pasture dusting of Causmag starts on June 10th.
- During winter the aim is to graze 1/80th of the farm/ day and at start of calving implement a strict grazing regime using a spring rotation planner.

- Springers are managed separately and fed extra magnesium in the water and have a daily allocation of straw and PKE.

- No inductions or CIDR's have been used since 2006.

- Tail painting pre mating is done to assess the likely submission rates.

- With the use of KAMARS we do 5 weeks A.B to Premier Sires, Jersey cows are mated to Friesian bulls and all other cows mated to jersey bulls.

- Bulls run with the herd for a further 5 weeks.

- Pasture allocation is on a basis that the paddock must be grazed to targeted residuals. If there is a deficit there is flexibility to speed up to a maximum of 20 days. Beyond that a decision is made if it requires inputs or to tough it out. If there is surplus paddocks are dropped out in front of the cows.

- A surplus is anticipated in early November and spraying out for turnip paddocks occurs then to add grazing pressure to the farm.

- Plant turnips with differing maturity dates so as to provide 60 days of crop. The effluent ground has a 3 year rotation of turnips to reduce nutrient requirements. This also allows ability to plant two rounds of turnips in paddocks and irrigate with effluent creating a further 20 days of crop.

- The plan is to be on a 30-day round by 10th December and a 40-day round by 1st January. 40-day round to be maintained through summer until feed budgeting starts again.

Once all regrassing is finished the following year's turnip paddocks are identified, spray then drill with Moata.

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MĀORI EXCELLENCE IN FARMING AWARD 2008

DAIRY

ANALYSIS

Dean & Kristen Nikora Césped Lands Limited – Dairy Base Report - Dairy Season Ended: 2007

Financial Detail

	Total $		$ per kg MS	$ per ha	$ per
	Farm	% of GFR	Farm	Farm	Farm
GROSS FARM REVENUE (GFR)					
Net milk sales	1,001,452	84.1%	3.80	3,663	1,34
Net dairy livestock sales	260,741	12.2%	0.55	530	19
Value of change in dairy livestock	79,004	3.7%	0.17	161	5
Other dairy revenue	1,385	0.1%	0.00	3	
Dairy gross farm revenue	2,142,582	100.0%	4.51	4,357	1,59
Non-dairy cash income	40,343	1.9%	0.09	82	[illegible]
Value of change in non-dairy livestock	0	0.0%	0.00	0	
TOTAL GROSS FARM REVENUE	2,812,925	101.9%	4.60	4,439	1,6
OPERATING EXPENSES					
Labour expenses					
Wages	302,281	14.1%	0.64	615	2
Labour adjustment – unpaid	9,578	0.4%	0.02	19	
Labour adjustment – management	53,125	2.5%	0.11	108	
Total labour expenses	364,984	17.0%	0.77	742	2
Stock expenses					
Animal health	74,548	3.5%	0.16	152	
Breeding and herd improvement	38,920	1.8%	0.08	79	
Farm dairy	31,606	1.5%	0.07	64	
Electricity (farm dairy, water supply)	23,807	1.1%	0.05	48	
Total stock expenses	168,881	7.9%	0.36	343	1
Feed expenses					
Supplement expenses					
Net made, purchased, cropped	350,194	16.3%	0.74	712	[illegible]
Less feed inventory adjustment	-110,000	-5.1%	0.23	-224	
Calf feed	14,450	0.7%	0.03	29	
Total supplement expenses	474,044	22.2%	1.00	965	[illegible]
Grazing and run off expenses					
Young and dry stock grazing	84,604	3.9%	0.18	172	
Winter cow grazing	0	0.0%	0.00	0	
Run-off lease	67,706	3.2%	0.14	138	
Owned run-off adjustment	9,111	0.4%	0.02	19	
Total grazing and run-off expenses	161,421	7.5%	0.34	328	
Total feed expenses	636,065	29.7%	1.34	1,293	

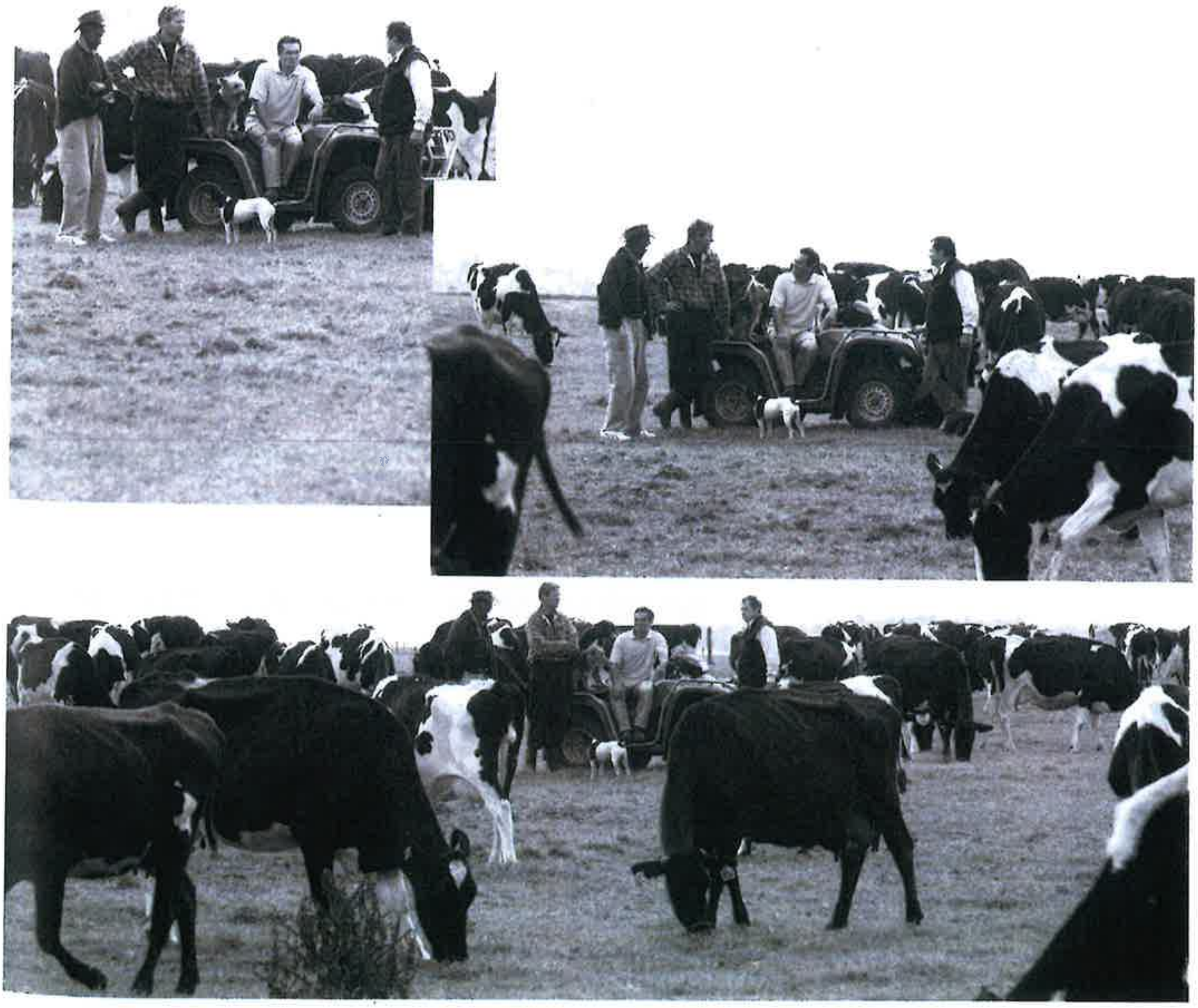
	Total $		$ per kg MS	$ per ha	$ per cow
Other working expenses					
Fertiliser	211,422	9.9%	0.45	430	158
Nitrogen	0	0.0%	0.00	0	0
Irrigation	42,474	2.0%	0.09	86	32
Regrassing	0	0.0%	0.00	0	0
Weed and pest	14,388	0.7%	0.03	29	11
Vehicles	70,655	3.3%	0.15	144	53
Fuel	0	0.0%	0.00	0	0
R & M – land and buildings	124,266	5.8%	0.26	253	93
R & M – plant and equipment	41,572	1.9%	0.09	85	31
Freight and general	21,983	1.0%	0.05	45	16
Total other working expenses	526,760	24.6%	1.11	1,071	393
Overheads					
Administration	31,326	1.5%	0.07	64	23
Insurance	17,403	0.8%	0.04	35	13
ACC	9,378	0.4%	0.02	19	7
Rates	22,251	1.0%	0.05	45	17
Depreciation	178,024	8.3%	0.38	362	133
Total overheads	258,382	12.1%	0.54	525	193
Total dairy operating expenses	1,955,073	91.2%	4.12	3,976	1,459
Non-dairy operating expenses	33,201				
TOTAL OPERATING EXPENSES	1,988,271	92.8%	4.19	4,043	1,484
OPERATING PROFIT					
DAIRY OPERATING PROFIT (EFS)	187,509	8.8%	0.40	381	140
Non-dairy operating profit	7,142	0.3%	0.02	15	5
TOTAL OPERATING PROFIT	194,651	9.1%	0.41	396	145

NOTES:

HAUHUNGAROA PARTNERSHIP

KARANGAHAPE ROAD, TAUPO

1 MAY 2008 FIELD DAY



HAUHUNGAROA PARTNERSHIP

TIMETABLE*

10.00	Whakatau (*The Host)*
	Response (*Paora Ammunson)*
10.20	Background to the Competition (*Chairman Executive Committee – Kingi Smiler*)
10.30	Introduce the programme and the remainder of the day *(Facilitator – Paul Bird)*
	Introduction to the finalist's farm including farm history, governance, and bus structure
11.00	Farm tour - including discussion on financial, staff and environmental manage
1.00	Summary from the host
1.15	Judge's comments and presentation of prizes
1.30	Lunch

**Note: times are approximate*

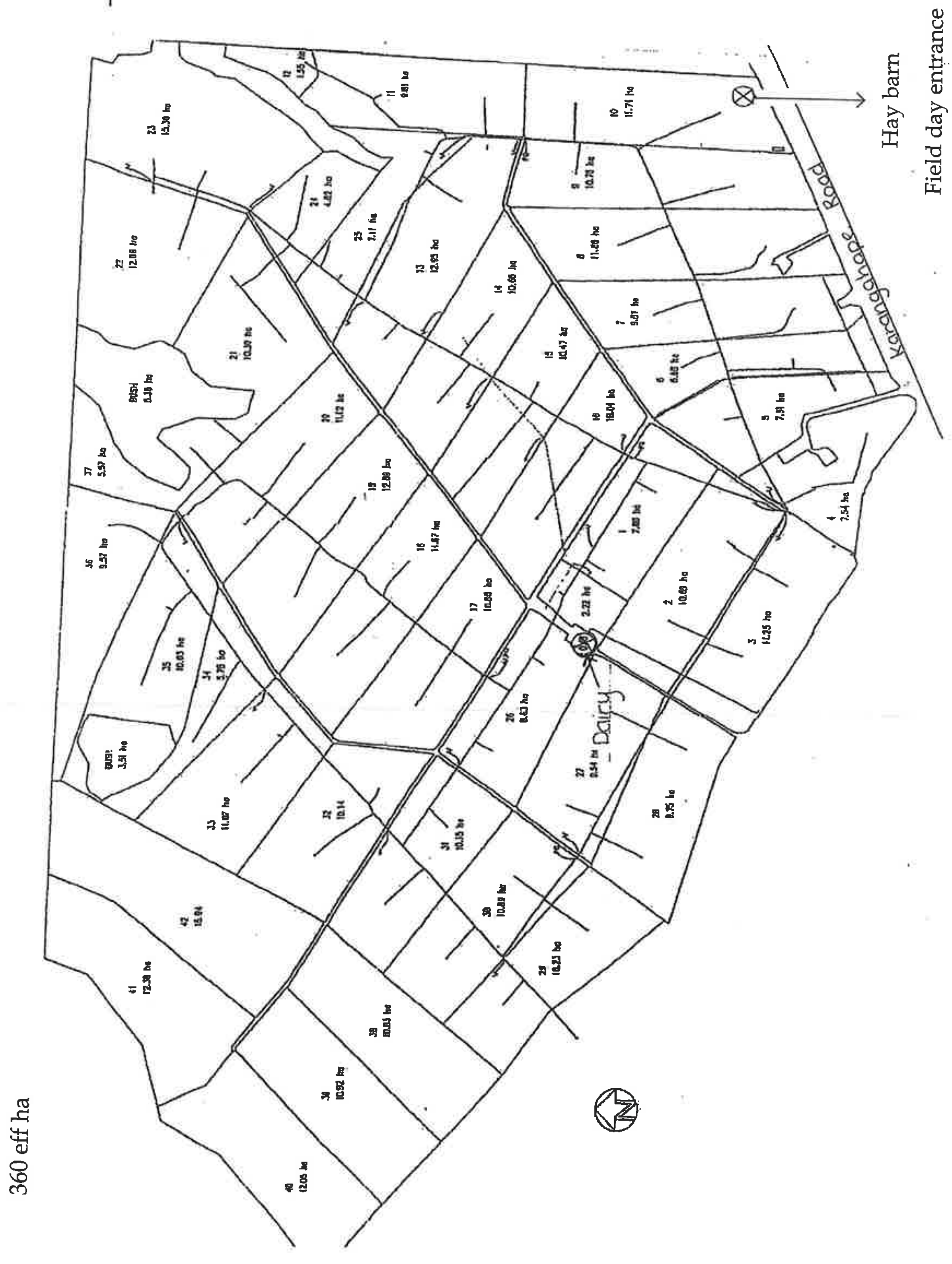
IMPORTANT NOTES FOR FIELD DAY ATTENDEES

The owners of the property wish to point out to all visitors to their property that a num potential hazards exist in the course of travelling over the property either on foot or in ve moving around the yards and facilities, and in handling stock.

While the owners have taken all reasonable care to make your visit to the property as safe as pc they clearly emphasise that you enter the property at your own risk.

The owners will accept no responsibility for any accident or injury to any person or proper takes place while you are visiting.

FARM MAP


Hay barn
Field day entrance
Karangahape Road
Dairy
360 eff ha

WHAT IMPRESSED THE JUDGES

The judges were impressed with the governance structure and overall processes which ha resulted in the quality of the operation as it now stands.

Governance

- A well balanced dividend/grant strategy has been developed for the shareholders
- The judges obtained a very clear view of the importance the land holds to owners. T approach to addressing environmental issues is most commendable
- It was impressive to see a board with such lateral and innovative thinking on a range issues, and in encouraging board members to network internationally
- It was good to see evidence of a cross section of ages and experience being encourag on the committee
- We suggest active use be made of the share register to identify talent

Management

- This is a very attractive farm developing and operating under the threat of a nutrient c
- A very comprehensive presentation overall on farm management, including t innovative way the business is looking to deal with special environmental issues
- Good investment decisions have been made to attract and retain good labour
- Good management decisions were made early this season in taking action once sumn feed shortage was identified through objective pasture management
- It was good to see a grazing planner in place
- Impressive thoroughly persistent attitude to solving animal health issues
- Innovative use of recorded Jersey bulls on heifers to accelerate gain in herd numbers
- The manager delegated well to staff in accordance with abilities and experience – addition he had the ability to deal with staff conflicts with maturity.
- Good to see hazardous chemicals locked away and Health and Safety issues mana satisfactorily

Financial

- Strong farming cash flow base as a platform for further development
- The judges could see excellent overall financial control evidenced in terms of plann budgeting, monitoring and analysis

HAUHUNGAROA PARTNERSHIP

Reclaiming ownership of their land after decades of struggle has been the big prize for the Hauhungaroa Partnership. The partnership brings together 3400 hectares of land from the Hauhungaroa blocks 1D2 and 1D3b at the western end of Lake Taupo. The iwi is Ngati Tuwharetoa and the Hapu Ngati Parekawa. There are 870 shareholders.

The land had an early history of dairy farming. The old people were milking cows in Te Aputu (1D2) and supplying milk to the dairy factory in Waihi back at the turn of the century.

The Department of Māori Affairs previously administered the land and the Incorporation took it back in 1987, inheriting a half-million dollars worth of debt in the transaction. Now, just over 20 years later the Partnership, and its farming operation is very much "in the black" and has substantial assets.

The Partnership farms sheep, beef, deer and has a dairy herd. It has investments in horticultural glasshouses, in a company dealing internationally in the growing and marketing of horticultural products, and in Gourmet Blueberries Ltd - based in Hawkes Bay.

Its 437-hectare Taupo-based dairy unit is the part of the operation that has been entered in the Ahuwhenua Trophy competition. The farm milks 930 cows and last year achieved 338kg of milk solids per cow. It has a 60 bale rotary milking shed - built in 1999.

The Partnership is engaged in a project with Hort Research and the Foundation for Research Science and Technology undertaking a two-hectare blueberry trial on its land.

Now in its third year, the $775,000 nitrate mitigation strategy has seen 16 different blueberry varieties tested and the Partnership is now targeting four varieties for commercial development. All going well, the operation will be confirmed for commercial production in 2009.

Because of its proximity to Lake Taupo the Partnership has adopted a very strong environmental strategy. All their streams and wetlands were fenced over 20 years ago and they have recently installed 60 lysimeters to monitor leachates on their dairy operation.

The Partnership has many environmental challenges ahead of it.

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DIRECTORY

Iwi:	Ngati Tuwharetoa
Hapu:	Ngati Parekaawa
Farm address:	Western Access Highway, Taupō, RD1 Turangi
Shareholders:	1D3B – 410 1D2 – 460
Committee of Management:	Howard Kahura (Chairman) Martha Brooking Sam Andrews Pompy Marshall Toha Gage Stormy Hohepa Tony Kahura
Farm Manager:	Kim Caldwell – Dairy Unit
Accountant:	David Cairncross Cairncross Woods & Co PO Box 13 Turangi
Bankers:	Bank of New Zealand PO Box 744 Taupo
Farm Consultant:	Rob Gollan PO Box 689 Wanganui
Auditors:	Silks Chartered Accountants PO Box 7144 Wanganui

FARM DESCRIPTION

KPIs 2005-2007	Season ending 2005	Season ending 2006	Season ending 2007
Effective dairy ha:	360	360	360
Support land ha:	60	60	60
Peak cows numbers milked:	920	800	820
Total kgs milk solids supplied:	231,059	270,324	255,318
Kgs milk solids per ha:	641	750	709
Kgs milk solids per cow	251	338	311
Total kgs of dry matter purchased including winter grazing:	477,000	510,000	413,000

Contour: Flat – 297, Rolling – 70, Non mowable – 30

MISSION STATEMENT

To be an ambitious, bold and sustainable business which enhances the economic returns to owners and protects the Whenua.

GOVERNANCE/MANAGEMENT/ ADMINISTRATION

Board composition and operational approach

- Eight person Board
- Chair has casting vote
- Meets monthly
- AGM held annually in November
- Rotation of two committee members each year

Succession at Board level

- Up and coming trustees are identified
- An area that is to be strengthened

Governance and management roles separation

- Sam Andrews is the committee's representative on the farms
- Sam is both a Board member and works in the business
- All other Board members operate at a governance level
- Expertise is contracted in as and when required

Owners

- Continue with annual payment of dividends and education grants
- Assist with continuing education where this is directly associated with the business activities
- Maintain regular visits to the farms and horticultural sites
- Recognise that the increasing number of shareholders will require an expanding commercial base

Committee of Management

- Continue with the governance structure based on Te Ture Whenua Māori Act 1993 and Māori Incorporations Constitution Regulations 1994.
- Continue to encourage Committee of Management training.
- Retain the monthly meeting of the Committee of Management
- Ensure that reporting is timely
- Continue with monthly monitoring of farm income and expenditure levels
- Provide clearly established goal and objectives and strategies for achieving them; that they are appropriate and understood by management

OPERATIONAL SYSTEMS

- A dry stock unit of 2963ha of which 2270 ha is effective
- A dairy unit of 437ha of which 360 ha is effective
- Shares an investments of $5.5m
- A major investment in horticulture
- A motivated and skilled labour force

PROJECT SUPPORT & BUSINESS DEVELOPMENT

The Future

- Farming faces the possibility of rising costs and potentially lower returns
- Regulations may restrict the farming of our properties
- By 2015 another 700 million people will be living on the planet
- World income is forecast to grow by 2.9% p.a.
- Our future customers will eat more meat, dairy, fruit and vegetables and processed food
- Our success will be determined by moving up the value chain by catering to the more sophisticated consumer

Strategies

- Continue to focus on a highly profitable and efficient farming business
- Develop KPIs for each farming year
- Undertake more sub-division and water retention at the dry stock unit
- Plan for increased milk production from the dairy unit
- Aim for increased synergies between the dry stock unit and the dairy unit
- Continue to monitor the changes envisaged for nitrate outputs from the farms
- Continue participation in the Awhina Group which, with size, can cut costs and increase returns
- Continue with the horticultural investments at Gourmet Mokai Ltd and take advantage of the international marketing opportunities available through others
- Take a long term view of investments
- Be aware of the international possibilities from investing capital, knowledge and technology in overseas farms
- Continue to diversify into fixed interest investments and share investments in long term shareholdings in successful companies
- Explore joint ventures with appropriate partners
- Remain alert to investment opportunities (which may include windpower and tourism)

Financial

- Aim for a high annual cash surplus
- Continue with aggressive debt repayment levels
- Aim to maintain the present relationship with our bankers, who are major partners in the business
- Aim for minimum taxation payments
- Maintain a well rewarded highly skilled labour resource

Horticulture future
- Continue with the 2 ha blueberry trial
- Assess the possibility of commercial horticulture production
- Attempt synergies with Gourmet Mokai Ltd and Gourmet Paprika Ltd

Social and cultural benefits
- Education and scholarships
- Sponsorship
- Dividends
- Marae grants
- Kaumatua grants

Environment and conservation
- Nga whenua rahui
- Riparian planting
- EW and lake issues
- Lands of cultural significance

FARM MAINTENANCE & DEVELOPMENT

These activities are reflected in the section above.

OPERATIONAL PLANNING

Dry Off to Calving (June 1st to August 7th)

- Cows fed average of 10 kg /Grass DM/day (lighter mob 11kg; bigger mob 9kg)
- Post drying off cows , check for mastitis weekly
- Breaks not shifted until frost is thawed
- All lighter cows are drenched at drying off
- Magnesium applied to breaks 2 weeks before calving
- Mineral mix and magnesium put in Dosatron 2 weeks before calving
- 20 Ha locked up for colostrums mob
- 10 ha locked up for Induction mob
- Expected winter growth rates are 0 to 9kg/ha/day
- Historically there is no supplement available in winter
- 500 cows are wintered off for 6 weeks
- Lysimeters are emptied every 100 to 150mls of rainfall

Calving (August 7th to September 30th)

- Springer mobs are checked 2 times daily and once at night
- Heifers calve in own mob
- Early cows are checked for high SCC before milk goes into vat (treated if above 200 SCC)
- Pasture levels monitored weekly
- Ensure calves receive 2 litres colostrums first feed
- Calves introduced to water and calf pellets from day 1
- Calves stay in calf shed 10-14 days then onto grass
- Rear all terminal calves except Jersey breeds
- Heifers female calves are reared for replacements
- Lysimeters are emptied and recorded every 100 to 150 mls of rainfall

Spring/Summer (October 15th to February 28th)

- Silage locked up when feed levels allow
- Turnips planted October 15th to Nov 7th for early January feeding (40 ha)
- Feeding rotation out to 40 days by end of January with the use of turnips
- Mating starts October 30th. Bulls in after 5 weeks.
- Index Jersey bulls used as sires for heifers to retain replacement calves
- Fresian bulls used as terminal sires for heifer calf replacements and rearing bull calves

- Dosatron turned off by mid to late December
- Strategic topping done when necessary
- Budget for one dry month from October through to the end of December

Autumn (1st March to 31st May)

- Light cows are dried off as feeding levels drop
- Winter feeding area locked up on March 1st
- New grasses planted by early March (40 ha)

Summary

A weekly planner is on the office wall in the cowshed for all staff to see and use. It indicates paddocks and feeding areas for both cows and drystock. Additional information such as calf drenching, mating dates, and other day to day plans are also noted. Not only is the planner available for the benefit of the staff it is also kept for historical reference.

ANALYSIS

Hauhungaroa Partnership: Dairy Base Report - Dairy Season Ended: 2007
Financial Detail

	Total $		$ per kg MS	$ per ha	$ per cow
GROSS FARM REVENUE (GFR)	**Farm**	**% of GFR**	**Farm**	**Farm**	**Farm**
Net milk sales	1,131,026	84.8%	4.33	3,531	1,379
Net dairy livestock sales	65,865	4.9%	0.25	206	80
Value of change in dairy livestock	125,132	9.4%	0.48	391	153
Other dairy revenue	12,019	0.9%	0.05	38	15
Dairy gross farm revenue	1,334,042	100.0%	5.11	4,165	1,627
Non-dairy cash income	0	0.0%	0.00	0	0
Value of change in non-dairy livestock	0	0.0%	0.00	0	0
TOTAL GROSS FARM REVENUE	1,334,042	100.05	5.11	4,165	1,627
OPERATING EXPENSES					
Labour expenses					
Wages	204,935	15.4%	0.78	640	250
Labour adjustment – unpaid	0	0.0%	0.00	0	0
Labour adjustment – management	0	0.0%	0.00	0	0
Total labour expenses	204,935	15.4%	0.78	640	250
Stock expenses					
Animal health	49,786	3.7%	0.19	155	61
Breeding and herd improvement	31,648	2.4%	0.12	99	39
Farm dairy	12,106	0.9%	0.05	38	15
Electricity (farm dairy, water supply)	14,698	1.1%	0.06	46	18
Total stock expenses	108,238	8.1%	0.41	338	132
Feed expenses					
Supplement expenses					
Net made, purchased, cropped	33,113	2.5%	0.13	103	40
Less feed inventory adjustment	0	0.0%	0.00	0	0
Calf feed	0	0.0%	0.00	0	0
Total supplement expenses	33,113	2.5%	0.13	103	40
Grazing and run off expenses					
Young and dry stock grazing	0	0.0%	0.00	0	0
Winter cow grazing	0	0.0%	0.00	0	0
Run-off lease	0	0.0%	0.00	0	0
Owned run-off adjustment	69,791	5.2%	0.27	218	85
Total grazing and run-off expenses	69,791	5.2%	0.27	218	85
Total feed expenses	102,904	7.7%	0.39	321	125

Other working expenses	Total $		$ per kg MS	$ per ha	$ per cow
Fertiliser	258,173	19.4%	0.99	806	315
Nitrogen	0	0.0%	0.00	0	0
Irrigation	0	0.0%	0.00	0	0
Regrassing	16,701	1.3%	0.06	52	20
Weed and pest	12,362	0.9%	0.05	39	15
Vehicles	34,322	2.6%	0.13	107	42
Fuel	16,284	1.2%	0.06	51	20
R & M – land and buildings	48,386	3.6%	0.19	151	59
R & M – plant and equipment	19,982	1.5%	0.08	62	24
Freight and general	31,915	2.4%	0.12	100	39
Total other working expenses	438,125	32.8%	1.68	1,368	534
Overheads					
Administration	39,707	3.0%	0.15	124	48
Insurance	5,000	0.4%	0.02	16	6
ACC	0	0.0%	0.00	0	0
Rates	12,000	0.9%	0.05	37	15
Depreciation	41,069	3.1%	0.16	128	50
Total overheads	97,776	7.3%	0.37	305	119
Total dairy operating expenses	951,978	71.4%	3.64	2,972	1,161
Non-dairy operating expenses	0				
TOTAL OPERATING EXPENSES	951,978	71.4%	3.64	2,972	1,161
OPERATING PROFIT					
DAIRY OPERATING PROFIT (EFS)	382,064	28.6%	1.46	1,193	466
Non-dairy operating profit	0	0.0%	0.00	0	0
TOTAL OPERATING PROFIT	382,064	28.6%	1.46	1,193	466

NOTES

Tickets now available for The Māori Excellence in Farming Awards Dinner

Friday 6 » June 2008

Energy Events Centre

GOVERNMENT GARDENS, QUEENS DRIVE, ROTORUA

Ticket price $120 • Formal dress • Powhiri starts 5 pm • Cash bar will be operating

RSVP to Joan Nathu, 04 819 9205 email nathj@tpk.govt.nz

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Fonterra is a proud sponsor of the Ahuwhenua Trophy for excellence in Māori dairy farming. We are the world's largest dairy exporter, owned by New Zealand dairy farmers who share in our success and the strength of the co-operative. Fonterra is built on generations of knowledge, expertise and passion. Milk is in our blood.

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