FARM FOCUS

TARANAKI YOUNG FARMERS

Answers

1 Stock reconciliation (6 points available)

WHAT IS THE ...

1.	Total opening number of stock?	588	(1 point)
2.	Total number of births for the year?	471	(1 point)
3.	Total number of animals purchased?	4	(1 point)
4.	Total number of animals sold?	448	(1 point)
5.	Total deaths on farm for the year?	9	(1 point)
6.	Total closing number of stock?	606	(1 point)

TOTAL ____________

2 Understanding cashflow (8 points available)

1. What was the opening bank balance for the business?
   A: $-112,548 (or ($112,548) do not accept $112,548 (1 point)

2. What was the total annual spend on wages?
   A: $88,530 (1 point)

3. Which month has the highest total income?
   A: February (1 point)

4. How much was spent on vehicle expenses in January?
   A: $3,316 (also accept -$3,316) (1 point)

5. How much does the farmer pay to lease the farm annually?
   A: $240,000 (1 point)

6. What is the total operating surplus for the year for this business?
   A: -$57,348 (1 point)
   (must say negative or be in brackets – do not accept $57,348)

7. What is the total annual farm expenditure as a % of the total annual income?
   A: $55.7% (accept 56%, or 55.73%, or 55.728%) (1 point)

8. What is the peak overdraft position for the year?
   A: $426,179 (also accept ($426,179) or -$426,179) (1 point)

TOTAL ____________

3 Report comprehension (6 points available)

1. How much has the milk production income increased from the 2023/24 to the 2024/25 year?
   A: $344,231 (0.5 point)

2. Has the income generated from dairy livestock sales increased or decreased from the 2023/24 to the 2024/25 year?
   A: Decreased (0.5 point)

3. How much did the farmer spend purchasing dairy livestock in the 2024/25 year?
   A: $0 (0.5 point)

4. Is there an increase or decrease in the cost of animal health in 2024/25 compared to 2023/24 financial year?
   A: Increase (0.5 point)

5. What is the dollar value of that increase/decrease?
   A: $3,821 (accept ($3,821)) (0.5 point)

6. Is there an increase or decrease in total farm expenditure in the 2024/25 year compared to the 2023/2024 financial year?
   A: Decrease (0.5 point)

7. What is the % variance in total farm expenditure?
   A: 99% (0.5 point)

8. Which farm expenditure category had the largest percentage variance between the two years?
   A: Dairy shed (0.5 point)

9. Which farm expenditure category had the largest dollar variance between the two years?
   A: Repairs & Maintenance (accept R&M) (0.5 point)

10. How much less did the farmer pay in interest in the 2024/25 year compared to the previous year?
    A: $28,284 (0.5 point)

11. How much did the farmer pay in principal loan repayments in the 2024/25 year?
    A: $250,000 (accept ($250,000) or -$250,000) (0.5 point)

12. Is this more or less than they paid in principal loan repayments in the 2023/24 year?
    A: More (0.5 point)

TOTAL ______________