

# HortWatch

*"Taking the guesswork out of growing"*

## **Grower Analysis**

**prepared for**

## **Sample Grower**

**for**

**Financial Year Ending**

**2003**

### **Comparison Group**

Region **Hawkes Bay**

Grower Type **Pipfruit**

Financial Year **2003**



	<i>\$ Actual</i>	<i>\$ per ha</i>	<i>\$ per kg</i>	<i>% of COR</i>
Export Advance Income	\$787,954	\$44,796	\$0.832	100.0%
Export Deferred Income	\$0	\$0	\$0.000	0.0%
Other Pipfruit Income (nett)	\$0	\$0	\$0.000	0.0%
Pipfruit Income	\$787,954	\$44,796	\$0.832	100.0%
Summerfruit Income	\$0	\$0	\$0.000	0.0%
Kiwifruit Income	\$0	\$0	\$0.000	0.0%
Avocado Income	\$0	\$0	\$0.000	0.0%
Viticulture Income	\$0	\$0	\$0.000	0.0%
Other Orchard Income (nett)	\$0	\$0	\$0.000	0.0%
<b>Cash Orchard Revenue (COR):</b>	<b>\$787,954</b>	<b>\$44,796</b>	<b>\$0.832</b>	<b>100.0%</b>
<b>Total Wages:</b>	<b>\$139,754</b>	<b>\$7,945</b>	<b>\$0.148</b>	<b>17.7%</b>
<b>Total Post Harvest Costs:</b>	<b>\$315,945</b>	<b>\$17,962</b>	<b>\$0.333</b>	<b>40.1%</b>
<b>Total Operating:</b>	<b>\$70,090</b>	<b>\$3,985</b>	<b>\$0.074</b>	<b>8.9%</b>
<b>Total Admin:</b>	<b>\$39,692</b>	<b>\$2,257</b>	<b>\$0.042</b>	<b>5.0%</b>
<b>CASH ORCHARD EXPENDITURE</b>	<b>\$565,481</b>	<b>\$32,148</b>	<b>\$0.597</b>	<b>71.8%</b>
<b>CASH ORCHARD SURPLUS (COS):</b>	<b>\$222,473</b>	<b>\$12,648</b>	<b>\$0.235</b>	<b>28.2%</b>
Mortgage Interest	\$0	\$0	\$0.000	0.0%
Overdraft Interest	\$94	\$5	\$0.000	0.0%
Lease Costs	\$21,000	\$1,194	\$0.022	2.7%
<b>Total Interest:</b>	<b>\$21,094</b>	<b>\$1,199</b>	<b>\$0.022</b>	<b>2.7%</b>
<b>Cash Orchard Surplus after interest (COSai)</b>	<b>\$201,379</b>	<b>\$11,448</b>	<b>\$0.213</b>	<b>25.6%</b>
Depreciation	\$11,500	\$654	\$0.012	1.5%
<b>Net Trading Profit:</b>	<b>\$189,879</b>	<b>\$10,795</b>	<b>\$0.200</b>	<b>24.1%</b>
Drawings	\$50,000	\$2,843	\$0.053	6.3%
Tax	\$72,000	\$4,093	\$0.076	9.1%
Principal Repayments	\$0	\$0	\$0.000	0.0%
Development	\$0	\$0	\$0.000	0.0%
Capital Purchases	\$20,000	\$1,137	\$0.021	2.5%
<b>Total Other:</b>	<b>\$142,000</b>	<b>\$8,073</b>	<b>\$0.150</b>	<b>18.0%</b>
New Borrowing	\$0	\$0	\$0.000	0.0%
Off Farm Wages	\$53,000	\$3,013	\$0.056	6.7%
Off Farm Investment Income	\$10,000	\$569	\$0.011	1.3%
<b>Total Other Income:</b>	<b>\$63,000</b>	<b>\$3,582</b>	<b>\$0.066</b>	<b>8.0%</b>
<b>NET CASH POSITION:</b>	<b>\$122,379</b>	<b>\$6,957</b>	<b>\$0.129</b>	<b>15.5%</b>

	<i>\$ Actual</i>	<i>\$ per ha</i>	<i>\$ per kg</i>	<i>% of COR</i>
<b>Expenditure Detail</b>				
<b>Wages</b>				
Pruning	\$15,700	\$893	\$0.017	2.0%
Thinning	\$27,050	\$1,538	\$0.029	3.4%
Harvesting	\$80,004	\$4,548	\$0.084	10.2%
Other Wages	\$15,000	\$853	\$0.016	1.9%
Worker Insurance	\$2,000	\$114	\$0.002	0.3%
<b>Total Wages:</b>	<b>\$139,754</b>	<b>\$7,945</b>	<b>\$0.148</b>	<b>17.7%</b>
<b>Post Harvest Costs</b>				
Packing	\$106,098	\$6,032	\$0.112	13.5%
Packaging	\$122,282	\$6,952	\$0.129	15.5%
Coolstorage	\$68,985	\$3,922	\$0.073	8.8%
Freight	\$12,106	\$688	\$0.013	1.5%
Marketing Charges	\$6,474	\$368	\$0.007	0.8%
<b>Total Post Harvest Costs:</b>	<b>\$315,945</b>	<b>\$17,962</b>	<b>\$0.333</b>	<b>40.1%</b>
<b>Operating Costs</b>				
Spray and Chemicals	\$45,000	\$2,558	\$0.047	5.7%
Pollination	\$1,600	\$91	\$0.002	0.2%
Fertiliser	\$1,440	\$82	\$0.002	0.2%
Electricity	\$2,000	\$114	\$0.002	0.3%
Sundry Expenses	\$1,150	\$65	\$0.001	0.1%
Vehicles	\$9,700	\$551	\$0.010	1.2%
Repairs and Maintenance	\$9,200	\$523	\$0.010	1.2%
<b>Total Operating:</b>	<b>\$70,090</b>	<b>\$3,985</b>	<b>\$0.074</b>	<b>8.9%</b>
<b>Administration</b>				
Rates	\$6,387	\$363	\$0.007	0.8%
Accountancy, Consultancy, Legal	\$6,556	\$373	\$0.007	0.8%
General Insurance	\$2,100	\$119	\$0.002	0.3%
Crop Insurance	\$14,183	\$806	\$0.015	1.8%
Communication	\$1,466.00	\$83.34	\$0.00	0.2%
Other Administration and Property Expenses	\$9,000	\$512	\$0.009	1.1%
<b>Total Admin:</b>	<b>\$39,692</b>	<b>\$2,257</b>	<b>\$0.042</b>	<b>5.0%</b>

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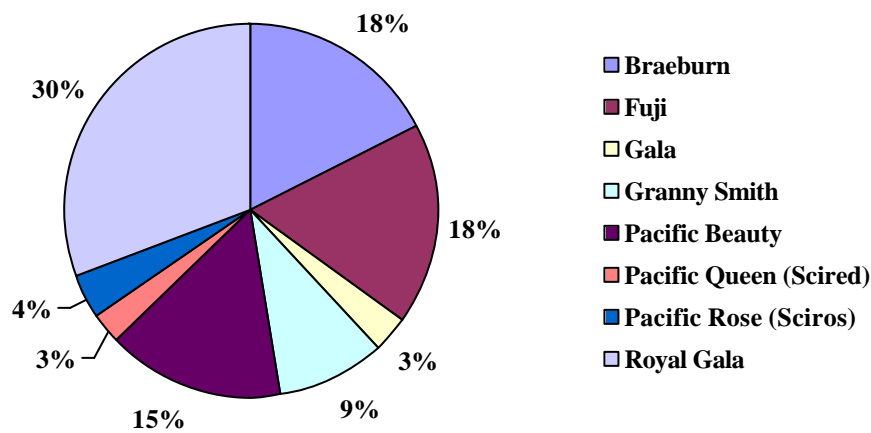
*Hawkes Bay 2003*

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	<i>Grower</i>	<i>Average</i>	<i>Upper QTL</i>
<b>Total Planted Area</b>	17.59	12.86	11.64
<b>Production</b>			
Gross Production (kg/ha)	53,861	48,187	56,173
Export Production (kg/ha)	36,804	33,397	41,675
Export Packout %	68%	69%	74%
<b>Labour</b>			
Unpaid Labour Units	1.00	1.07	1.17
Orchard Area Per Labour Unit	17.59	14.24	9.97
Gross Income per Labour Unit	\$787,954	\$616,220	\$532,484

		<i>Hawkes Bay 2003</i>		
		<i>Grower</i>	<i>Average</i>	<i>Upper QTL</i>
<b>Pipfruit</b>				
<i>Apple</i>				
<b>Braeburn</b>	<i>% of Planted Area</i>	17.5%	22.9%	18.3%
	<i>% of Harvested Volume</i>	15.5%	28.4%	22.3%
<b>Fuji</b>	<i>% of Planted Area</i>	17.5%	10.2%	12.5%
	<i>% of Harvested Volume</i>	23.4%	10.6%	15.3%
<b>Gala</b>	<i>% of Planted Area</i>	3.0%	0.8%	1.8%
	<i>% of Harvested Volume</i>	3.8%	0.9%	1.8%
<b>Granny Smith</b>	<i>% of Planted Area</i>	9.4%	3.0%	2.1%
	<i>% of Harvested Volume</i>	12.3%	3.3%	2.5%
<b>Pacific Beauty</b>	<i>% of Planted Area</i>	15.3%	6.5%	2.4%
	<i>% of Harvested Volume</i>	1.9%	2.5%	1.3%
<b>Pacific Queen (Scired)</b>	<i>% of Planted Area</i>	2.6%	3.2%	5.9%
	<i>% of Harvested Volume</i>	2.8%	2.9%	6.0%
<b>Pacific Rose (Sciros)</b>	<i>% of Planted Area</i>	3.8%	11.7%	18.4%
	<i>% of Harvested Volume</i>	2.8%	11.5%	18.4%
<b>Royal Gala</b>	<i>% of Planted Area</i>	30.9%	28.3%	32.2%
	<i>% of Harvested Volume</i>	37.4%	30.5%	28.0%

**Grower's Planted Area by Variety**



		<i>Hawkes Bay 2003</i>		
		<i>Grower</i>	<i>Average</i>	<i>Upper QTL</i>
<i>Pipfruit</i>				
<i>Apple</i>				
<b>Braeburn</b>	<i>kg/ha:</i>	47,829	59,025	68,045
	<i>Export Packout:</i>	75.0%	74.4%	78.5%
<b>Fuji</b>	<i>kg/ha:</i>	72,000	59,993	70,136
	<i>Export Packout:</i>	65.0%	69.1%	72.0%
<b>Gala</b>	<i>kg/ha:</i>	70,062	55,539	57,600
	<i>Export Packout:</i>	70.0%	75.0%	70.0%
<b>Granny Smith</b>	<i>kg/ha:</i>	70,135	59,490	63,842
	<i>Export Packout:</i>	60.0%	61.5%	61.0%
<b>Pacific Beauty</b>	<i>kg/ha:</i>	6,667	20,768	32,028
	<i>Export Packout:</i>	75.0%	55.7%	48.3%
<b>Pacific Queen (Scired)</b>	<i>kg/ha:</i>	58,960	40,716	53,027
	<i>Export Packout:</i>	70.0%	68.7%	70.7%
<b>Pacific Rose (Sciros)</b>	<i>kg/ha:</i>	40,800	42,966	52,075
	<i>Export Packout:</i>	65.0%	47.7%	54.9%
<b>Royal Gala</b>	<i>kg/ha:</i>	65,078	53,631	51,618
	<i>Export Packout:</i>	70.0%	78.8%	82.3%

*\$ per Ha Comparison      Sample Grower 2003*



*Hawkes Bay - 2003*

	<i>Grower</i>	<i>Average</i>	<i>Upper QTL</i>
Export Advance Income:	\$44,796	\$42,388	\$53,062
Export Deferred Income:	\$0	\$557	\$0
Other Pipfruit Income (nett of selling costs):	\$0	\$71	\$86
Pipfruit Income:	\$44,796	\$43,016	\$53,148
Summerfruit Income:	\$0	\$295	\$507
Kiwifruit Income:	\$0	\$0	\$0
Avocado Income:	\$0	\$0	\$0
Viticulture Income:	\$0	\$0	\$0
Other Orchard Income (nett of selling costs):	\$0	\$121	\$294
<b>Cash Orchard Revenue:</b>	<b>\$44,796</b>	<b>\$43,432</b>	<b>\$53,949</b>
<b>Total Wages:</b>	<b>\$7,945</b>	<b>\$8,602</b>	<b>\$8,082</b>
<b>Total Post Harvest Costs:</b>	<b>\$17,962</b>	<b>\$16,865</b>	<b>\$20,993</b>
<b>Total Operating:</b>	<b>\$3,985</b>	<b>\$4,308</b>	<b>\$4,333</b>
<b>Total Admin:</b>	<b>\$2,257</b>	<b>\$1,942</b>	<b>\$1,709</b>
<b>CASH ORCHARD EXPENDITURE:</b>	<b>\$32,148</b>	<b>\$31,715</b>	<b>\$35,116</b>
<b>CASH ORCHARD SURPLUS (COS):</b>	<b>\$12,648</b>	<b>\$11,717</b>	<b>\$18,833</b>
Mortgage Interest:	\$0	\$862	\$809
Overdraft Interest:	\$5	\$119	\$183
Lease Costs:	\$1,194	\$539	\$582
<b>Total Interest:</b>	<b>\$1,199</b>	<b>\$1,520</b>	<b>\$1,574</b>
<b>Cash Orchard Surplus after interest (COSai):</b>	<b>\$11,448</b>	<b>\$10,197</b>	<b>\$17,259</b>
Depreciation:	\$654	\$1,377	\$1,432
<b>Net Trading Profit:</b>	<b>\$10,795</b>	<b>\$8,819</b>	<b>\$15,827</b>
Drawings:	\$2,843	\$2,911	\$3,123
Tax:	\$4,093	\$3,091	\$3,627
Principal Repayments:	\$0	\$1,474	\$2,328
Development:	\$0	\$566	\$688
Capital Purchases:	\$1,137	\$1,367	\$2,364
<b>Total Other:</b>	<b>\$8,073</b>	<b>\$9,409</b>	<b>\$12,129</b>
New Borrowing:	\$0	\$1,407	\$0
Off Farm Wages:	\$3,013	\$1,856	\$1,053
Off Farm Investment Income:	\$569	\$444	\$573
<b>Total Other Income:</b>	<b>\$3,582</b>	<b>\$3,707</b>	<b>\$1,626</b>
<b>NET CASH POSITION:</b>	<b>\$6,304</b>	<b>\$3,118</b>	<b>\$5,323</b>

	<i>Grower</i>	<i>Hawkes Bay - 2003</i>	
		<i>Average</i>	<i>Upper QTL</i>
<b>Expenditure Detail:</b>			
<b>Wages</b>			
Pruning:	\$893	\$1,095	\$755
Thinning:	\$1,538	\$1,835	\$1,777
Harvesting:	\$4,548	\$4,534	\$4,663
Other Wages:	\$853	\$1,023	\$753
Worker Insurance:	\$114	\$115	\$134
<b>Total Wages:</b>	<b>\$7,945</b>	<b>\$8,602</b>	<b>\$8,082</b>
<b>Post Harvest Costs</b>			
Packing:	\$6,032	\$6,229	\$7,469
Packaging:	\$6,952	\$6,325	\$7,847
Coolstorage:	\$3,922	\$3,412	\$4,562
Freight:	\$688	\$536	\$684
Marketing Charges:	\$368	\$363	\$431
<b>Total Post Harvest Costs:</b>	<b>\$17,962</b>	<b>\$16,865</b>	<b>\$20,993</b>
<b>Operating Costs</b>			
Spray and Chemicals:	\$2,558	\$2,173	\$2,283
Pollination:	\$91	\$74	\$77
Fertiliser:	\$82	\$237	\$236
Electricity:	\$114	\$143	\$130
Sundry Expenses:	\$65	\$303	\$303
Vehicles:	\$551	\$741	\$793
Repairs and Maintenance:	\$523	\$636	\$512
<b>Total Operating:</b>	<b>\$3,985</b>	<b>\$4,308</b>	<b>\$4,333</b>
<b>Administration</b>			
Rates:	\$363	\$282	\$276
Accountancy, Consultancy, Legal:	\$373	\$283	\$270
General Insurance:	\$119	\$192	\$199
Crop Insurance:	\$806	\$783	\$685
Communication:	\$83	\$182	\$161
Other Administration and Property Expenses:	\$512	\$220	\$118
<b>Total Admin:</b>	<b>\$2,257</b>	<b>\$1,942</b>	<b>\$1,709</b>

# \$ per Kg Comparison Sample Grower 2003



## Hawkes Bay - 2003

	<i>Grower</i>	<i>Average</i>	<i>Upper QTL</i>
Export Advance Income:	\$0.832	\$0.867	\$0.942
Export Deferred Income:	\$0.000	\$0.011	\$0.000
Other Pipfruit Income (nett of selling costs):	\$0.000	\$0.001	\$0.002
Pipfruit Income:	\$0.832	\$0.880	\$0.943
Summerfruit Income:	\$0.000	\$0.006	\$0.009
Kiwifruit Income:	\$0.000	\$0.000	\$0.000
Avocado Income:	\$0.000	\$0.000	\$0.000
Viticulture Income:	\$0.000	\$0.000	\$0.000
Other Orchard Income (nett of selling costs):	\$0.000	\$0.002	\$0.005
<b>Cash Orchard Revenue:</b>	<b>\$0.832</b>	<b>\$0.888</b>	<b>\$0.958</b>
<b>Total Wages:</b>	<b>\$0.148</b>	<b>\$0.176</b>	<b>\$0.143</b>
<b>Total Post Harvest Costs:</b>	<b>\$0.333</b>	<b>\$0.345</b>	<b>\$0.373</b>
<b>Total Operating:</b>	<b>\$0.074</b>	<b>\$0.088</b>	<b>\$0.077</b>
<b>Total Admin:</b>	<b>\$0.042</b>	<b>\$0.040</b>	<b>\$0.030</b>
<b>CASH ORCHARD EXPENDITURE:</b>	<b>\$0.597</b>	<b>\$0.649</b>	<b>\$0.623</b>
<b>CASH ORCHARD SURPLUS (COS):</b>	<b>\$0.235</b>	<b>\$0.240</b>	<b>\$0.334</b>
Mortgage Interest:	\$0.000	\$0.018	\$0.014
Overdraft Interest:	\$0.000	\$0.002	\$0.003
Lease Costs:	\$0.022	\$0.011	\$0.010
<b>Total Interest:</b>	<b>\$0.022</b>	<b>\$0.031</b>	<b>\$0.028</b>
<b>Cash Orchard Surplus after interest (COSai)</b>	<b>\$0.213</b>	<b>\$0.209</b>	<b>\$0.306</b>
Depreciation:	\$0.012	\$0.028	\$0.025
<b>Net Trading Profit:</b>	<b>\$0.200</b>	<b>\$0.180</b>	<b>\$0.281</b>
Drawings:	\$0.053	\$0.060	\$0.055
Tax:	\$0.076	\$0.063	\$0.064
Principal Repayments:	\$0.000	\$0.030	\$0.041
Development:	\$0.000	\$0.012	\$0.012
Capital Purchases:	\$0.021	\$0.028	\$0.042
<b>Total Other:</b>	<b>\$0.150</b>	<b>\$0.192</b>	<b>\$0.215</b>
New Borrowing:	\$0.000	\$0.029	\$0.000
Off Farm Wages:	\$0.056	\$0.038	\$0.019
Off Farm Investment Income:	\$0.011	\$0.009	\$0.010
<b>Total Other Income:</b>	<b>\$0.066</b>	<b>\$0.076</b>	<b>\$0.029</b>
<b>NET CASH POSITION:</b>	<b>\$0.117</b>	<b>\$0.064</b>	<b>\$0.094</b>

	<i>Grower</i>	<i>Hawkes Bay - 2003</i>	
		<i>Average</i>	<i>Upper QTL</i>
<b>Expenditure Detail</b>			
<b>Wages</b>			
Pruning:	\$0.017	\$0.022	\$0.013
Thinning:	\$0.029	\$0.038	\$0.032
Harvesting:	\$0.084	\$0.093	\$0.083
Other Wages:	\$0.016	\$0.021	\$0.013
Worker Insurance:	\$0.002	\$0.002	\$0.002
<b>Total Wages:</b>	<b>\$0.148</b>	<b>\$0.176</b>	<b>\$0.143</b>
<b>Post Harvest Costs</b>			
Packing:	\$0.112	\$0.127	\$0.133
Packaging:	\$0.129	\$0.129	\$0.139
Coolstorage:	\$0.073	\$0.070	\$0.081
Freight:	\$0.013	\$0.011	\$0.012
Marketing Charges:	\$0.007	\$0.007	\$0.008
<b>Total Post Harvest Costs:</b>	<b>\$0.333</b>	<b>\$0.345</b>	<b>\$0.373</b>
<b>Operating Costs</b>			
Spray and Chemicals:	\$0.047	\$0.044	\$0.041
Pollination:	\$0.002	\$0.002	\$0.001
Fertiliser:	\$0.002	\$0.005	\$0.004
Electricity:	\$0.002	\$0.003	\$0.002
Sundry Expenses:	\$0.001	\$0.006	\$0.005
Vehicles:	\$0.010	\$0.015	\$0.014
Repairs and Maintenance:	\$0.010	\$0.013	\$0.009
<b>Total Operating:</b>	<b>\$0.074</b>	<b>\$0.088</b>	<b>\$0.077</b>
<b>Administration</b>			
Rates:	\$0.007	\$0.006	\$0.005
Accountancy, Consultancy, Legal:	\$0.007	\$0.006	\$0.005
General Insurance:	\$0.002	\$0.004	\$0.004
Crop Insurance:	\$0.015	\$0.016	\$0.012
Communication:	\$0.002	\$0.004	\$0.003
Other Administration and Property Expenses:	\$0.009	\$0.005	\$0.002
<b>Total Admin:</b>	<b>\$0.042</b>	<b>\$0.040</b>	<b>\$0.030</b>

		<b>Hawkes Bay2003</b>		
		<b>Grower</b>	<b>Average</b>	<b>Upper QTL</b>
<b>Cash Orchard Revenue</b>	<i>Actual</i>	\$787,954	\$554,815	\$621,231
	<i>per ha</i>	\$44,796	\$43,220	\$54,932
	<i>per kg</i>	\$0.832	\$0.896	\$0.976
<b>Cash Orchard Expenditure</b>	<i>Actual</i>	\$565,481	\$407,967	\$408,580
	<i>per ha</i>	\$32,148	\$31,200	\$35,820
	<i>per kg</i>	\$0.597	\$0.658	\$0.637
<b>Cash Orchard Surplus</b>	<i>Actual</i>	\$222,473	\$146,849	\$212,651
	<i>per ha</i>	\$12,648	\$12,020	\$19,112
	<i>per kg</i>	\$0.235	\$0.239	\$0.338
<b>Interest and Lease</b>	<i>Actual</i>	\$21,094	\$19,552	\$18,311
	<i>per ha</i>	\$1,199	\$1,392	\$1,389
	<i>per kg</i>	\$0.022	\$0.030	\$0.024

**Indices**

**Percentages of Cash Orchard Revenue:**

<b>Wages</b>	18%	20%	16%
<b>Post Harvest</b>	40%	39%	38%
<b>Cash Orchard Expenditure</b>	72%	74%	65%
<b>Interest and Lease</b>	3%	3%	2%
<b>Net Trading Profit</b>	24%	19%	29%

		<i>Hawkes Bay2003</i>		
		<i>Grower</i>	<i>Average</i>	<i>Upper QTL</i>
<b>Capital Employed</b>	<i>Total</i>	\$1,110,000	\$891,273	\$897,218
(land and buildings, plant, stock)	<i>per ha</i>	\$63,104	\$76,459	\$84,035
	<i>per kg</i>	\$1.172	\$1.637	\$1.462
<b>Liabilities</b>	<i>Total</i>	\$200,000	\$106,326	\$90,333
	<i>per ha</i>	\$11,370	\$8,701	\$8,400
	<i>per kg</i>	\$0.211	\$0.187	\$0.137
<b>Equity</b>	<i>Total</i>	\$910,000	\$784,946	\$806,884
	<i>per ha</i>	\$51,734	\$67,758	\$75,635
	<i>per kg</i>	\$0.961	\$1.450	\$1.324
<b>Debt/Equity</b>		18%	11%	9%
<b>Return on Equity</b>		21%	14%	23%
<b>Return on Capital</b>		17%	13%	21%