

DairyBase budgeting

FACT SHEET

Introduction

The **DairyBase Budgeting** is an enhancement to the existing DairyBase tool that will assist farmers with forward planning. The budgeting function allows users to select a historical dataset in DairyBase and adjust some key financial parameters to enable forward planning.

DairyBase was established in 2015 to enable dairy farmers and their advisors to measure and compare farm business performance over time. By recording information farmers are able to identify opportunities to drive profit and manage risk. As a result, farmers are better equipped to make informed decisions in their business.

The DairyBase Budgeting feature enables existing DairyBase users to leverage their historical data and make forward estimations of their business performance to assist with forward planning and managing risk.

The budgeting function does not allow any changes to physical characteristics of the farm either from systems change, stocking rate or milk production. These changes require a complex analysis of the capabilities of the individual farm based on the resources available to them, and the interaction between the physical and financial components of the dairy business.

Getting Started

The **DairyBase Budgeting** function is accessible within **DairyBase**. Budgets can be created either by selecting the Create Budget button at the top of the main screen or by selecting an existing historical dataset and creating a budget from the initial popup modal or from within the historical year.

Figure 1 Load dataset modal

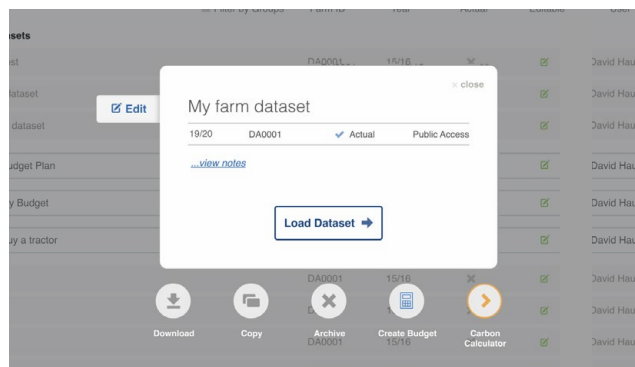
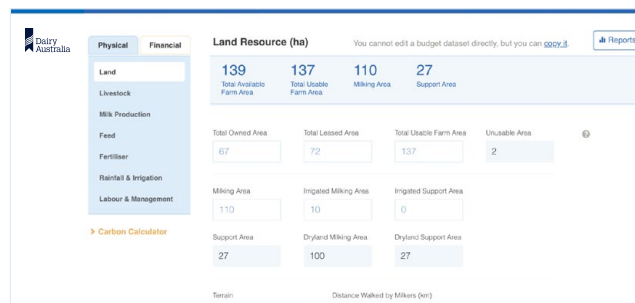


Figure 2 Budget option within historical year



Australian Government



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Creating a budget

Whilst many people will utilise the most recent financial year as the source data for their budget, it is possible to use any of your historical datasets for the purpose of creating a budget. Given the budget does not enable adjustment to any physical aspects of your farm you may look to select the historical year that best represents the predicted season ahead in terms of both operating structure, so land area and milker number, along with predicted seasonal conditions, so the season that most closely matches potential homegrown feed capabilities.

Prior to completing a budget it is worth having some information in front of you, such as your milk income estimate and the predicted prices you will pay for purchased feed, fertiliser and any irrigation costs for the year, along with a prediction on any change to livestock sales or purchases.

As with DairyBase, there are embedded descriptions within the title of the data entry boxes and help icons throughout the budget tool which provide further details about the data required in each section.

In the top of each tab, users can select whether they want to review their data on a \$ per kilogram milksolids (\$/kgMS) basis or cents per litre (cpl) to best align with the way they are paid for their milk.

Whilst the livestock and water tabs only enable you to change the total dollars, the other tabs give users a number of options to change the source data, including \$/kgMS, cpl and \$ per tonne and per cent change to give greater flexibility in the way people undertake budgeting.

The feed tab provides the source and budget data in two ways. The finance detail view is based on the total purchased feed costs entered in the variable costs section of DairyBase divided by the tonnes of each feed type purchased. The physical detail view however, is based on the quantities purchased and per tonne purchase price entered for each feed type in the feed tab of DairyBase. It is recommended that these two views have been aligned with each other in the historical dataset selected, to ensure an accurate budget for the year ahead.

You can elect to either change the total \$ value for fodder, concentrate and other feed purchases or users can select the tick box that will enable them to change the \$ per tonne price for each individual feed from the source dataset

✕ Cancel

Comprehensive Calculator

Save & Calculate

Source Dataset: My Farm Dataset - DA0001 - 19/20

BUDGET YEAR 20/21 ▼

- Milk Income
- Livestock
- Fertiliser
- Water
- Feed >
- Summary

Budget Feed Prices	\$/ t DM	Concentrate	Fodder	Other	
		381	131	153	i

Source Data	\$ Value Finance Detail	\$/ t DM	\$ Value Physical Detail	\$/ t DM	t DM Purchased
Fodder Purchase	75,092	131	75,092	131	572
Concentrates Purchase	660,203	381	660,203	381	1,732
Other Feed Purchase	49,491	153	49,491	153	323
Total Feed Purchases	784,785	299	784,785	299	2,628

New Budget	Finance Detail	\$/ t DM	Physical Detail	\$/ t DM	% Change
Fodder Purchase	<input style="width: 80%; border: 1px solid #ccc;" type="text" value="75,092"/>	131	75,092	131	<input style="width: 80%; border: 1px solid #ccc;" type="text" value="0.0%"/>
Concentrates Purchase	<input style="width: 80%; border: 1px solid #ccc;" type="text" value="660,203"/>	381	660,203	381	<input style="width: 80%; border: 1px solid #ccc;" type="text" value="0.0%"/>
Other Feed Purchase	<input style="width: 80%; border: 1px solid #ccc;" type="text" value="49,491"/>	153	49,491	153	<input style="width: 80%; border: 1px solid #ccc;" type="text" value="0.0%"/>
Total Feed Purchases	784,785	299	784,785	299	0.0%

+
Expand feed records
 Use feed records to set expense

Reports

The DairyBase Budgeting function has a Summary tab that shows the new Farm Operating Cash Surplus for the business, as a result of the changes made in the budget.

Users can also elect to utilise the Summary tab for the purpose of budgeting by making all the required changes within this tab rather than using all the other individual tabs.

Once a budget is completed you can then view the budget in all the existing report formats available in DairyBase. If for example, you want to look at a comparison report, the budget year and historical source dataset will prepopulate as the selected datasets and you can then select other historical years or budgets to compare your business across multiples years and against any regional benchmarks.

TO FIND OUT MORE

Visit dairyaustralia.com.au/msas

Cancel

Comprehensive Calculator

Save & Calculate

Source Dataset: My Farm Dataset - DA0001 - 19/20

BUDGET YEAR 20/21

	\$ value	\$/ kg MS	\$ value	\$/ kg MS	% Change
Farm Operating Cash Surplus	685,112	1.39			0.0
Change in Farm Cash Income					
Milk Income	2,988,206	6.08	2,988,206	6.08	0.0
Livestock Sales (Net)	208,565	0.42	208,565	0.42	0.0
Livestock Purchases	0	0.00	0	0.00	0.0
Change in Total Farm Working Expense					
Fertiliser	156,243	0.32	156,243	0.32	0.0
Water Purchase	0	0.00	0	0.00	0.0
Other Irrigation Costs	100,529	0.20	100,529	0.20	0.0
Purchased Fodder	75,092	0.15	75,092	0.15	0.0
Concentrates	660,203	1.34	660,203	1.34	0.0
Other Feed Purchase	49,491	0.10	49,491	0.10	0.0
Change in Total Farm Working Expense					
Farm Operating Cash Surplus	685,112	1.39	685,112	1.39	0.0