

Farm Characteristics	CA-QC-3
Farm Description	A cow-calf operation that preconditions for 45 days, uses 100% purchased hay and purchases bred heifers as replacements
Winter Feeding Ration (lbs/cow/day as fed)	200 days of 40 lb of hay, 50 g of mineral and 50 g of salt per day, provided year-round
Retained Ownership/Replacement Ration (lb/head/day as fed)	45 days of 20 lb of hay, 2.2 lb of corn, 2.2 lb of soymeal, 50 g of mineral and 50 g of salt
Disclaimer:	This benchmark is based on 7 farms of data; outliers were excluded as required.

Environment	
Average Annual Temperature	5°C
Average Annual Precipitation (mm)	800-1000
Ecoregion	10. St. Lawrence Lowland
Stocking Rate (Animal Unit days per acre)	1 cow/acre
Fertilize Hay (yes/no)	No
Fertilize Pasture (yes/no)	No
Typical Hay Yield (tonnes/acre)	1.6
Grassland Acres (owned+rented)	60
Crop Acres (includes hay) (owned+rented)	0
Bush and other acres	50

Physical Performance Indicators	
Breed	Mixed
Cow:Bull Ratio	30:1
Bull Culling Rate (%)	25%
Mature Cow Weight (lb)	1,250
Heifer Retention for a steady herd (%)	12%
Cow Death Loss (%)	1.5%
Cow Culling Rate (%)	10.4%
Calves alive after 24hr/100 Cows exposed	95
Calf Death Loss (%) 24 hr to weaning	3%
Calves weaned per 100 cows exposed	92
Total Liveweight Sold per Cow (lb)	748
Weaning Weight (lb)	638
205 day adjusted Weaning Weight (lb)	581
Average Daily Gain pre-weaning (lb)	2.46
Weaning Weight as % of Cow Weight	51%

Production System	
Herd size	60
Days on field feeding (e.g. swath grazing)	0
Days supplemented on pasture	0
Days on full winter feed	200
Calving Start date	May 15
Weaning date	January 15
Sale date	February 15
Retained ownership	Precondition (30)
% of feed purchased	100.0%
% of land in crops	0%
Annual sales Retained Cattle (head)	55
Placement weight (lbs)	638
Sale Weight (lbs)	710-750
Days on feed	45
Days on grass	0

Footnotes:

Cost of Production: Cash Cost + Depreciation + Opportunity Costs

Cash Costs = Cash cost for purchased feed, fertiliser, seeds, fuel, maintenance, land rents, animal purchases, interest on liabilities, wages paid, veterinary costs plus medicine, water, insurance, accounting, etc (excl. Tax)

Depreciation = Linear depreciation on machinery and buildings, calculated on replacement values

Opportunity Costs = Calculated cost for using own production factors like labour (family working hours * wage for qualified local labour, land (own land * regional land rents) and capital (non-land equity * long-term government bonds interest rate)

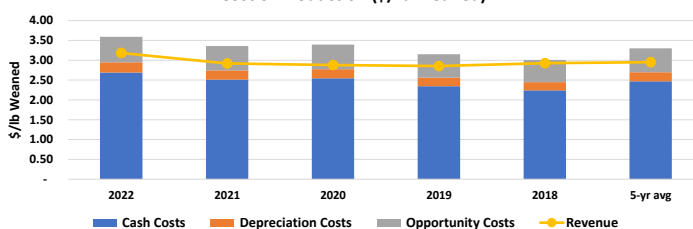
Whole Farm Profitability = Market returns (+ coupled payments) (+ decoupled payments) - whole-farm costs +/- changes in inventory +/- capital gains/losses.

Whole Farm Net Income = Whole farm profitability + depreciation + changes in inventory + capital gains/losses. Known as: 'Net farm income' (Agri Profits, 2018)

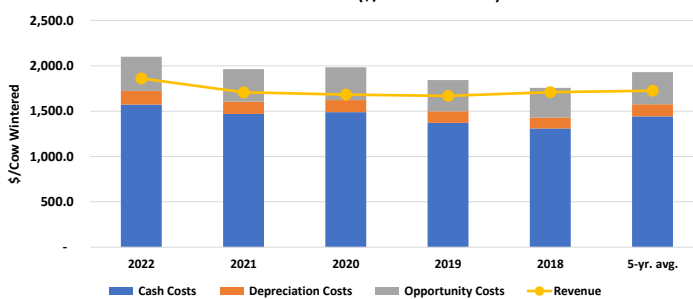
Revenue = sales of calves, cull cows, breeding stock, government payments and other revenue applicable to the specific enterprise

NOTE: Feed costs are based on cost of production if homegrown.

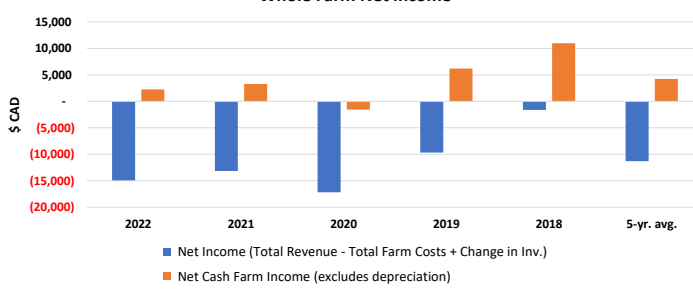
Cost of Production (\$/lb Weaned)



Cost of Production (\$/Cow Wintered)



Whole Farm Net income



Whole Farm Overview Page

Overview							
Operation Maturity	Start-up						
Herd Size	60						
Paid Labour (livestock only) (hours)	-						
Unpaid Labour (livestock only) (hours)	1,514						
Average wages - paid and unpaid (\$/hr)	25.11						
Revenue		2022	2021	2020	2019	2018	5-yr. avg.
Market Revenue	5-yr avg	146,258	142,087	142,031	137,305	145,050	142,546
Cow-Calf	41%	74,491	70,923	73,292	69,070	73,612	72,278
Cash Crops	0%	-	-	-	-	-	-
Retained Ownership	40%	71,767	71,164	68,739	68,235	71,438	70,269
Government Payments	20%	41,161	34,924	30,641	34,436	32,139	34,660
Other Farm Revenue †	0%	-	-	-	-	-	-
Total Revenue	100%	187,420	177,011	172,672	171,741	177,188	177,206
Change in Inventory		674	(217)	-	(681)	1,865	328
Expenses		2022	2021	2020	2019	2018	5-yr. avg.
Depreciation		17,817	16,196	15,624	15,177	14,448	15,852
Machinery		12,791	11,496	11,100	10,730	10,110	11,245
Buildings		5,026	4,700	4,524	4,447	4,337	4,607
Quota econ. Accounting		-	-	-	-	-	-
Overhead costs		26,528	22,562	20,511	21,520	21,078	22,440
Land improvement		632	597	570	565	552	583
Machinery Maintenance		1,694	1,556	1,508	1,488	1,461	1,542
Buildings Maintenance		1,075	1,042	982	978	951	1,006
Contract labour		3,881	3,684	3,554	3,448	3,297	3,573
Diesel, Gasoline, Natural Gas		7,477	4,606	3,172	4,542	4,756	4,911
Electricity		962	837	843	880	827	870
Water		-	-	-	-	-	-
Farm insurance		3,059	2,905	2,802	2,718	2,600	2,817
Disability and accident insurance		664	630	608	590	564	611
Farm taxes and duties		970	921	888	861	824	893
Advisor costs		727	690	666	646	618	670
Accountant & legal fees		3,815	3,622	3,494	3,390	3,242	3,513
Phone & utilities		1,572	1,472	1,424	1,414	1,387	1,454
Other overhead costs		-	-	-	-	-	-
Wages, rent and interest payments		6,740	5,117	5,327	5,775	5,476	5,687
Paid Labour		-	-	-	-	-	-
Total land rents		-	-	-	-	-	-
Total Interest on debt		6,740	5,117	5,327	5,775	5,476	5,687
Cow-Calf		75,366	72,438	72,602	66,528	63,496	70,086
Animal purchases		15,639	16,402	15,813	14,965	15,973	15,758
Purchased feed		53,635	50,680	52,055	47,254	43,139	49,353
Other fixed and var. costs *		6,092	5,355	4,735	4,309	4,383	4,975
Retained Ownership		75,760	72,867	75,060	70,955	75,472	74,023
Animal purchases		65,648	63,956	66,248	62,889	67,654	65,279
Purchased feed		7,700	6,948	7,044	6,165	5,903	6,752
Other fixed and var. costs *		2,411	1,963	1,767	1,900	1,914	1,991
Crop and forage		788	752	729	768	705	748
Seed		788	752	729	768	705	748
Fertilizer		-	-	-	-	-	-
Herbicide		-	-	-	-	-	-
Fungicide & Insecticide		-	-	-	-	-	-
Irrigation		-	-	-	-	-	-
Contract labour		-	-	-	-	-	-
Fuel costs (crop & forage)		-	-	-	-	-	-
Other crop and forage		-	-	-	-	-	-
Total Farm Costs (excludes unpaid labour)		202,998	189,932	189,853	180,724	180,675	188,836
Cash Costs (Total Farm Costs - Depreciation)		185,181	173,736	174,228	165,546	166,227	172,984
Depreciation & Opportunity Costs (including unpaid labour)		55,845	54,225	53,653	53,206	52,476	53,881
Total Economic Costs (cash, depr, opportunity)		241,027	227,960	227,881	218,752	218,703	226,865
Profits		2022	2021	2020	2019	2018	5-yr. avg.
Net Income (Total Revenue - Total Farm Costs + Change in Inv.)		(14,904)	(13,137)	(17,181)	(9,663)	(1,621)	(11,301)
Net Cash Farm Income (excludes depreciation)		2,238	3,275	(1,556)	6,195	10,961	4,223

† Other Farm Revenue includes: Other enterprises, capital gains and losses as well as calculated interest on savings based on the models previous year profits.

* Other fixed and var. costs includes: veterinary, medicine, maintenance and spare parts, and other/miscellaneous



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Cow-Calf Enterprise (\$/Cow Wintered)	2022	2021	2020	2019	2018	5 yr. avg.
Cows Wintered *	60	60	60	60	60	60
Average male and female calf price (\$/head)	1,191	1,160	1,202	1,141	1,227	1,184
REVENUE						
Cow Calf	1,860	1,707	1,682	1,668	1,710	1,725
Cull animals and slaughter receipts	147	116	117	103	99	117
Breeding livestock receipts	-	-	-	-	-	-
Calf Sales and transfer to retained ownership enterprise	1,094	1,066	1,104	1,048	1,128	1,088
Government payments	618.8	524.9	460.6	517.0	482.8	520.8
Other returns	-	-	-	-	-	-
Total Cow-Calf Revenue	1,860	1,707	1,682	1,668	1,710	1,725
VARIABLE COSTS						
Animal purchases	260.6	273.4	263.5	249.4	266.2	263
Feed (purchase feed, fertiliser, seed, pesticides)	917.4	866.9	914.5	809.6	739.8	850
Machinery (maintenance, depreciation, contractor)	155.2	139.4	139.0	132.0	124.2	138
Fuel, energy, lubricants, water	71.3	45.4	34.5	45.7	46.6	49
Vet & medicine	35.3	32.9	31.2	30.4	29.3	32
Other inputs cow calf enterprise	115.4	102.1	93.4	85.1	85.4	96
Labour						
Paid Labour	-	-	-	-	-	-
Unpaid Labour	321.3	300.8	299.5	284.7	269.9	295
Total Variable Costs	1,876.5	1,761.0	1,775.7	1,636.9	1,561.3	1,722
CAPITAL COSTS						
Insurance, taxes	49.9	46.9	46.2	44.2	42.1	46
Buildings (maintenance, depreciation)	51.5	47.8	47.4	45.7	44.2	47
Land Cost	-	-	-	-	-	-
Rented Land	-	-	-	-	-	-
Own Land	14.9	14.9	14.9	14.9	14.9	15
Capital Costs	-	-	-	-	-	-
Liabilities	66.7	49.4	52.4	56.3	52.3	55
Own capital	40.5	42.7	47.3	43.6	42.4	43
Total Capital Costs	223.4	201.7	208.1	204.8	195.8	207
COSTS						
Cash Costs	1,572.7	1,469.4	1,487.7	1,370.5	1,309.3	1,442
Depreciation Costs	150.5	134.9	134.4	127.9	120.7	134
Opportunity Costs	376.7	358.4	361.8	343.2	327.2	353
Total Production Costs	2,099.9	1,962.7	1,983.8	1,841.6	1,757.1	1,929
Profits						
Short-term profit (cash costs)	287.6	237.6	194.4	297.6	400.3	284
Medium-term profit (cash + depreciation)	137.1	102.7	60.0	169.8	279.7	150
Long-term profit (cash + depreciation + opportunity)	(239.6)	(255.7)	(301.7)	(173.5)	(47.5)	(204)

*Model Maintains a stable herd size

Costs and revenue are reported for a calendar (e.g. January to December). It reflects revenue and expenses that a producer experiences over that period. Producers who want a cash flow analysis typically use a calendar or agricultural year. This method is often preferred by lenders when getting evaluated for a line of credit or a loan. The model maintains a stable herd, retention rates were adjusted to ensure that.

Cash Costs

Cash costs are the outlays over the course of the year, including machine repairs, paid labour, costs of feed production, and purchased feed. CDN COP Network bases cash costs on actual costs of production. Agri Profit\$ uses the market value for some cash costs, including feed.

The cost of producing the feed on-farm and the purchased feed costs as used in that year to reflect the experience and situation of producers. Production inputs, land and any purchased feeds utilized that year are included.

Rations for each type of animal and inventories are used to calculate total feed requirements. Any shortfall in production are assumed to be purchased at market value. Feed rations and yields are provided "as fed" to balance the model. Below are the included costs for feed production:

Feed: Calculated as feed cost (purchase feed + fertilizer, seed and pesticides for own feed production) + machinery cost (machinery maintenance + depreciation + contractor) + fuel, energy, lubricants and water + land cost (land rents paid + opportunity cost own land)

Land: separated into owned and rented land, includes both crop and pastureland. Land costs = Rents paid + calculated land rents for own land (opportunity cost).

By using the cost of land, the advantage that mature operations have is clearly shown as their cost structure is lower when land has been fully paid off.

Allocation

Generic allocation uses percent revenues from each commodity to cover overheads and utilizes accounting data for the overhead costs. This takes the approach that overheads and fixed costs will be covered by something grown on the farm and recognizes that there are commodity price cycles where grains and livestock tend to be opposite. It is not so much concerned about each enterprise paying their way as that all overheads are covered by the mix of commodities grown. It should be recognized that as commodity prices fluctuate and revenues to each enterprise fluctuate, the shifting shares will change the cost structure for each enterprise from year to year.

Depreciation

Depreciation on buildings and machinery is a non-cash cost that reveals the ability of the farm to continue operating if an asset needs replacement.

Differences in depreciation costs between AgriProfit\$ and the CDN COP Network primarily comes from the use of specific (AgriProfit\$) versus generic (CDN COP Network) allocation. Where generic allocation results in machinery depreciation used for feed production to show up in the cow-calf enterprise as that is where revenue is generated. In contrast, specific allocation removes that cost and since feed is treated at market value, machinery depreciation for feed production is treated as a cash cost. This results in the CDN COP Network typically having lower cash costs and higher depreciation costs than what is reported in AgriProfit\$.

Opportunity Costs

Opportunity costs are the non-cash costs that reveal the opportunity of using different resources. These costs can include Unpaid labour, renting out land, the opportunity of selling or buying feed production, and return to own capital.

Land: The Opportunity costs of land are the rents for new contracts if the farm rents out owned land. It reflects the future cost of renting land. If the producers' profits of utilizing the land outweigh the profits of renting the land, utilizing owned land for production should be preferred and vice-versa.

Labour: The opportunity costs of labour are the calculated wage for family labour, either off-farm salary or farm manager salary. It is important to note that the opportunity cost of labour reflects the income you can receive for the same type of labour.

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Unit Reported

Often cow-calf COP is expressed as dollars per cow wintered (\$/cow wintered) which adjusts the calf price per head for the number of calves sold per 100 cows. When evaluating overall cost structure to identify areas for improvement, or comparing to a benchmark, this is sufficient.

However, a per unit cost provides producers with their break-even cost, allowing them to compare with posted market prices for their calves' average weight category. This break-even price will depend on the percentage of calves weaned that year from the cow herd. The higher percent weaned, the lower per pound the break-even price will be.



Cow-Calf Enterprise (\$/lb Weaned)	2022	2021	2020	2019	2018	5 yr. avg.
Pounds Weaned	35,075	35,075	35,075	35,075	35,075	35,075
Average male and female weaning weight (lbs)	638	638	638	638	638	
Average male and female calf price at weaning (\$/lb)	1.87	1.82	1.89	1.79	1.93	1.86
REVENUE						
Cow Calf Operation	3.18	2.92	2.88	2.85	2.92	2.95
Cull animals and slaughter receipts	0.25	0.20	0.20	0.18	0.17	0.20
Breeding livestock receipts	-	-	-	-	-	-
Calf Sales and transfer to retained ownership enterprise	1.87	1.82	1.89	1.79	1.93	1.86
Government payments	1.06	0.90	0.79	0.88	0.83	0.89
Other returns	-	-	-	-	-	-
Total Cow-Calf Revenue	3.18	2.92	2.88	2.85	2.92	2.95
VARIABLE COSTS						
Animal purchases	0.45	0.47	0.45	0.43	0.46	0.45
Feed (purchase feed, fertiliser, seed, pesticides)	1.57	1.48	1.56	1.38	1.27	1.45
Machinery (maintenance, depreciation, contractor)	0.27	0.24	0.24	0.23	0.21	0.24
Fuel, energy, lubricants, water	0.12	0.08	0.06	0.08	0.08	0.08
Vet & medicine	0.06	0.06	0.05	0.05	0.05	0.05
Other inputs cow calf enterprise	0.20	0.17	0.16	0.15	0.15	0.16
Labour						
Paid Labour	-	-	-	-	-	-
Unpaid Labour	0.55	0.51	0.51	0.49	0.46	0.51
Total Variable Costs	3.2	3.0	3.0	2.8	2.7	2.9
CAPITAL COSTS						
Insurance, taxes	0.09	0.08	0.08	0.08	0.07	0.08
Buildings (maintenance, depreciation)	0.09	0.08	0.08	0.08	0.08	0.08
Land Cost						
Rented Land	-	-	-	-	-	-
Owned Land	0.03	0.03	0.03	0.03	0.03	0.03
Capital Costs						
Liabilities	0.11	0.08	0.09	0.10	0.09	0.09
Own capital	0.07	0.07	0.08	0.07	0.07	0.07
Total Capital Costs	0.4	0.3	0.4	0.4	0.3	0.4
COSTS						
Cash Costs	2.69	2.51	2.54	2.34	2.24	2.47
Depreciation Costs	0.26	0.23	0.23	0.22	0.21	0.23
Opportunity Costs	0.64	0.61	0.62	0.59	0.56	0.60
Total Production Costs	3.59	3.36	3.39	3.15	3.01	3.30
Profits	2022	2021	2020	2019	2018	5-yr. avg.
Short-term profit (cash costs)	0.49	0.41	0.33	0.51	0.68	0.49
Medium-term profit (cash + depreciation)	0.23	0.18	0.10	0.29	0.48	0.26
Long-term profit (cash + depreciation + opportunity)	(0.41)	(0.44)	(0.52)	(0.30)	(0.08)	(0.35)

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RETAINED OWNERSHIP		2022	2021	2020	2019	2018	5-yr. avg.
No. of beef cattle sold per year		55	55	55	55	55	55
<i>Note: breeding stock sales are in the cow-calf enterprise</i>							
Placement weight (lbs)	638						
Sale Weight (lbs)	710-750						
Days on Feed	45						
Average Daily Gain (lbs/day)	2.22						

REVENUE (\$/head Sold)	2022	2021	2020	2019	2018	5-yr. avg.
Market Returns from Retained Ownership	1,304.86	1,293.89	1,249.80	1,240.64	1,298.88	1,277.61
Other Returns (Government payments, by-products)	73.33	62.33	54.67	62.10	57.64	62.01
Total Revenue	1,378.18	1,356.22	1,304.47	1,302.74	1,356.52	1,339.63

Costs (\$/head Sold)	2022	2021	2020	2019	2018	5-yr. avg.
VARIABLE COSTS						
Animal purchases	1,193.60	1,162.84	1,204.52	1,143.44	1,230.08	1,186.90
Feed (purchase feed, fertiliser, seed, pesticides)	140.22	126.53	128.28	112.30	107.53	122.97
Machinery (maintenance, depreciation, contractor)	164.63	152.18	142.22	140.84	134.89	146.95
Fuel, energy, lubricants, water	75.65	49.49	35.33	48.74	50.64	51.97
Vet & medicine	1.60	1.41	1.28	1.24	1.24	1.35
Other inputs	97.05	86.88	79.98	82.31	81.16	85.47
Labour						
Paid Labour	-	-	-	-	-	-
Unpaid Labour	340.89	328.28	306.48	303.77	293.15	314.51
Total Variable Costs	2,013.65	1,907.61	1,898.08	1,832.63	1,898.69	1,910.13

CAPITAL COSTS						
Insurance, taxes	33.72	32.47	30.32	30.05	29.00	31.11
Buildings (maintenance, depreciation)	54.69	52.21	48.45	48.78	47.97	50.42
Land Cost						
Rented Land	-	-	-	-	-	-
Owned Land	0.32	0.33	0.32	0.32	0.33	0.32
Capital Costs						
Liabilities	49.82	39.14	40.63	43.56	42.52	43.14
Own capital	41.27	44.99	46.86	45.14	44.78	44.61
Total Capital Costs	179.83	169.14	166.57	167.85	164.60	169.60

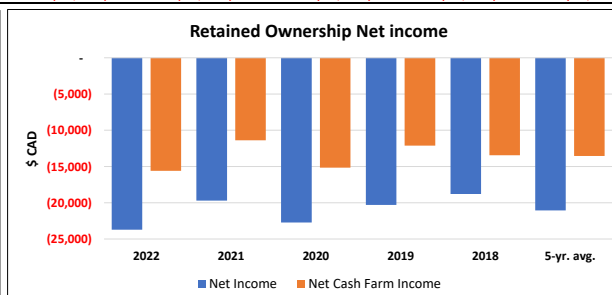
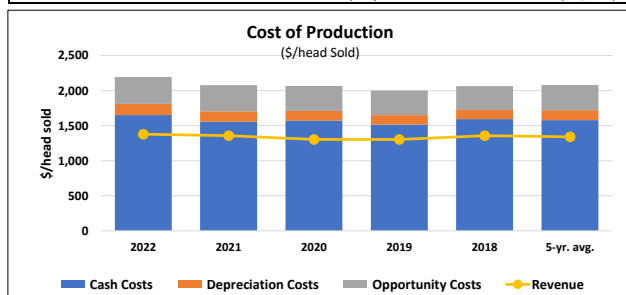
TOTAL COSTS						
Cash Costs	1,651.28	1,555.89	1,573.51	1,514.81	1,593.96	1,577.89
Depreciation Costs	159.71	147.26	137.49	136.45	131.07	142.39
Opportunity Costs	382.49	373.60	353.65	349.23	338.26	359.45
Total Production Costs (excludes own capital)	2,193.47	2,076.75	2,064.65	2,000.48	2,063.30	2,079.73

Profits	2022	2021	2020	2019	2018	5-yr. avg.
Short-term profit (cash costs)	(273.09)	(199.67)	(269.04)	(212.06)	(237.45)	(238.26)
Medium-term profit (cash + depreciation)	(432.80)	(346.93)	(406.52)	(348.51)	(368.51)	(380.66)
Long-term profit (cash + depreciation + opportunity)	(815.29)	(720.53)	(760.17)	(697.74)	(706.78)	(740.10)

Net Income (\$/head sold)	2022	2021	2020	2019	2018	5-yr. avg.
Net Income	(431.14)	(358.25)	(413.22)	(369.24)	(341.76)	(382.72)
Net Cash Farm Income	(283.69)	(207.05)	(275.73)	(220.42)	(244.60)	(246.30)

Labour						
Paid Labour	hours per year	-	-	-	-	-
Unpaid Labour	hours per year	747	757	733	749	748
Return to labour input	\$/hour	(34.9)	(28)	(34)	(29)	(31)
Average wages (paid and calculated)	\$/hour	25	24	23	22	23

Net Income (annual total)	2022	2021	2020	2019	2018	5-yr. avg.
Net Income	\$ per year	(23,713)	(19,704)	(22,727)	(20,308)	(21,050)
Net Cash Farm Income	\$ per year	(15,603)	(11,388)	(15,165)	(12,123)	(13,546)



NOTE: Feed costs are based on cost of production if homegrown.



RETAINED OWNERSHIP	\$/lb LW Sold	\$/hd sold	\$/lb gain
REVENUE	2021	2021	2021
Market Returns from Retained Ownership	1.79	1,304.86	14.09
Other Returns (Government payments, by-products)	0.10	73.33	0.79
Total	1.89	1,378.18	14.88
Costs (\$/lb LW Sold)	2021	2021	2021
VARIABLE COSTS			
Animal purchases	1.63	1,193.60	12.88
Feed (purchase feed, fertiliser, seed, pesticides)	0.19	140.22	1.51
Machinery (maintenance, depreciation, contractor)	0.23	164.63	1.78
Fuel, energy, lubricants, water	0.10	75.65	0.82
Vet & medicine	0.00	1.60	0.02
Other inputs	0.13	97.05	1.05
Labour			
Paid Labour	-	-	-
Unpaid Labour	0.47	340.89	3.68
Total Variable Costs	2.76	2,013.65	21.74
CAPITAL COSTS			
Insurance, taxes	0.05	33.72	0.36
Buildings (maintenance, depreciation)	0.07	54.69	0.59
Land Cost			
Rented Land	-	-	-
Owned Land	0.00	0.32	0.00
Capital Costs			
Liabilities	0.07	49.82	0.54
Own capital	0.06	41.27	0.45
Total Capital Costs	0.25	179.83	1.94
TOTAL COSTS			
Cash Costs	2.26	1,651.28	17.82
Depreciation Costs	0.22	159.71	1.72
Opportunity Costs	0.52	382.49	4.13
Total Production Costs (excludes own capital)	3.00	2,193.47	23.68
Profits	2021	2021	2021
Margin over operating costs	2.41	7.99	0.09
Short-term profit (cash costs)	(0.37)	(273.09)	(2.95)
Medium-term profit (cash + depreciation)	(0.59)	(432.80)	(4.67)
Long-term profit (cash + depreciation + opportunity)	(1.12)	(815.29)	(8.80)
Net Income	2021	2021	2021
Net Income	(0.59)	(431.14)	(4.65)
Net Cash Farm Income	(0.39)	(283.69)	(3.06)

NOTE: Feed costs are based on cost of production if homegrown.