

**WHANGARA FARMS
GENERAL MANAGER'S REPORT
JANUARY 2011**



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STAFF

CLIMATE

STOCK ON HAND

STOCK TRANSACTIONS

SHEEP

CATTLE

DEVELOPMENT

SUMMARY



STAFF:

We have been really busy this last month with drenching and crutching all the lambs, weighing and marketing lambs, shearing ewe lambs and some trade lambs, weighing and marketing cattle, and dipping all the ewes.

We have also still been buying in a lot of R1yr bulls so there has been a bit of drenching etc involved with them.

We have three new junior shepherds at Whangara, Chris Richardson who is ex Lincoln University and based at Rototahi/Puatai, Charlie Hogg from Raglan and Brendan Ewart from Gisborne who are both based at Pakarae/B5. They have settled in well and are getting a lot of work drenching and crutching lambs.

I have also employed a full time fencer, Gary Luck, who will be working on our capital fencing programme. He is currently fencing off the Pakarae River down the Pakarae side and is making really good progress and will be finished there in the next couple of weeks. He will then be moving to Puatai to start on fencing off the swamps etc and then onto Rototahi to start some new subdivision fencing.

Looking ahead we will be busy for the next month finishing shearing, drenching lambs, marketing cattle, hay making and the B5 water system will be started in early February and will involve some of the staff moving pipe, troughs and tanks. The winter crop cultivation will also need to be done, along with our new grass cultivation in early March, but this will depend on our soil moisture levels.



CLIMATE:

DECEMBER:

Rainfall – B5 32mls, Rototahi 49mls, Puatai 36mls, Pakarae 29mls, Tongataha 54mls

The first part of the month was good with rain and mild temperatures, but the last part of the month was really dry with extremely hot temperatures and North West winds drying the country out. We are moving quickly into a soil moisture deficit and unless we get rain soon we will be in drought mode.

Pasture covers are holding at around 1750kgDM/ha Whangara and 1900kgDM/ha Tongataha.



JANUARY:

Rainfall – No rain so far this month at Whangara, Tongataha 25mls

We are in drought mode at Whangara with no rain now for 6 weeks and extremely hot temperatures along with strong North West winds.

Pasture covers have dropped on Whangara to around 1600kgDM/ha but a lot of that is dry stalk, while on Tongataha they have increased to 2000kgDM/ha. It is still green and growing in the top country, but the lower country is starting to dry out a bit.



STOCK ON HAND:

DECEMBER 1st '10

	WHANGARA	TONGATAHA	TOTAL
<i>SHEEP</i>	<i>52,865</i>	<i>13,601</i>	<i>66,466</i>
<i>CATTLE</i>	<i>4,027</i>	<i>1,532</i>	<i>5,559</i>

JANUARY 1st '11

	WHANGARA	TONGATAHA	TOTAL
<i>SHEEP</i>	<i>45,918</i>	<i>16,177</i>	<i>62,095</i>
<i>CATTLE</i>	<i>5,678</i>	<i>1,868</i>	<i>7,546</i>

SUMMARY:

The calf marking tallies have been added to the cattle numbers and we have finished purchasing our trade bulls for next season.

There have been a lot of ewe and lamb sales as well as 4,000 internal transfers of store lambs and 2th ewes from Whangara to Tongataha.

We have started to kill bulls and steers as it gets dry and so our cattle numbers are on the way down in January.



STOCK TRANSACTIONS: (up to 21st January)

SALES:

Lambs	4697	15.2kgCwt
MA Ewes	848	21.5kgCwt
R2yr Heifers	154	210kgCwt
R3yr Bulls	160	281kgCwt
R3yr Steers	160	281kgCwt
MA Cows	11	220kgCwt

PURCHASES:

R1yr Friesian Bulls	472	290kgsLwt
R1yr Steers	85	285kgsLwt
Rams	20	



LIVESTOCK:

❖ SHEEP

The early ewes at Rototahi have all been shorn and are on rotation with the teaser rams, with the entire rams going out 5th February. They have had the lighter ewes taken out and drenched with all the ewes in reasonable condition considering how dry we are getting.

The main mobs of Whangara ewes have all been weaned, crutched, shorn and culled with 548 ewes killed 21.5kgs. The ewes have all been run through the jetter and dipped in the last week and are all on rotation. The ewes are in good condition and the light ewes have also been taken out of them, drenched and given priority.



The 3500 5&6 year old ewes have been moved down to Rototahi from Pakarae to join the early mob and 3300 6 tooth and 1200 4 tooth ewes have moved to Pakarae from B5.

The 2ths at Whangara have all been crutched, shorn and dipped. They will be going through the conveyor this week and being drenched and vaccinated for Toxo and Camply as well as being age marked.

We have also moved 1500 2 tooth ewes to Tongataha from B5, which has completed all our ewe flock numbers for this season.

The Tongataha ewes have also been weaned, crutched, shorn and culled with 300 ewes being killed 22kgs. These ewes will be dipped in the next couple of weeks and are in very good order.

Just over 6,000 lambs have been trucked to Tongataha to be finished on the crops/grass up there. We are looking at sending another 1500-2000 if there is no significant rain in the next week and will also have to sell 1500 tail end lambs store. These lambs have been over the scales and drenched and crutched, and will be shorn in the next couple of weeks.



The ewe lambs are being run on B5 and have been shorn, drenched and vaccinated with B12. They will be dipped in the next few weeks when they are due for their next drench. The trade lambs on Pakarae and Rototahi have all been weighed, drenched and some shorn. We have killed nearly 4,700 lambs post weaning at 15.2kgs. These weights are lighter than we would have liked but as we have got drier we have had to lower the weights. Most lambs are now on crop and growing well.

❖ CATTLE

The MA cows and calves have been boxed up into larger mobs and are in clean up mob behind ewe and trade cattle rotations. The bulls will be taken out of the Whangara cows and heifers 5th February and Tongataha cows 25th February. They are in reasonable although the Whangara cows are starting to feel the pressure as it gets drier.

The R3yr bulls and steers had been weight gaining well through December but once it started to dry out they slowed down considerably. We have had to kill them down to lighter weights than planned with 160 steers 281kgsCwt and 160 bulls 281kgsCwt. We may need to continue to kill down if we don't get any rain in the next few weeks.

The R2yr steers/bulls at Whangara are all on maintenance except for a mob of 200 steers that we are trying to keep moving as they will be marketed in the the next couple of months either via the works or store depending on the weather and market demands.



The Tongataha R2yr beef bulls are planned to be killed this year so are being weighed up and their growth rates increased. The Freisain bulls are all on maintenance and cleaning up behind ewe and lamb rotations.

The R2yr replacement heifers at Whangara are in very good condition and the bulls will be coming out of them on the 5th February.

The R2yr trade heifers are still growing well on the flats and we have been killing them at 400kgs +, 154 have been killed 220kgs.

We have purchased a further 472 R1yr Freisian bulls 290kgsLwt and 85 R1yr Angus steers 285kgsLwt, which has completed all next seasons trade cattle purchases.



DEVELOPMENT:

❖ WATER SYSTEM

The Rototahi water system has been completed and is going well after a few teething problems with the pump. It is a big change for the staff having to monitor troughs, tanks and pumps etc and they need a bit of “micro managing” until they get confidence with it. We have accepted a quote from Farmlands to supply the materials for the B5 system which we are planning to start February 1st.

The lack of water through this summer is really affecting our production and our ability to maintain stocking rates and production on the B5 block and I am very motivated to get it done this summer and have adjusted the budget accordingly to achieve this. This will obviously involve the Board’s approval before I can go ahead as it wasn’t budgeted until next year.



❖ INFRASTRUCTURE:

I have employed a full-time fencer who will focus on our capital fencing requirements with the existing staff handling the ongoing repairs and maintenance program.

We have started with the fencing off of the Pakarae River from the Pakarae side which will stop the stock coming across the river during the summer and boxing up.

This will be finished in the next couple of weeks and then he will be heading to Puatai and then Rototahi.

The crops have come up well, after a few issues to begin with and I am very pleased with new drill. We will be sowing our winter crops and regressing in late February early March.

We will be spraying the blackberry mid February and have planned to spray a bit on all the Whangara blocks.

SUMMARY:

The last 6 weeks have been challenging with the Whangara blocks going from having plenty of grass to being in drought mode and having to unload stock quickly.

We need some decent rain in the next few weeks or we will have to sell more stock at lighter weights to the works or on the store market.

The staff are well and the new staff members have settled in well. We have filled all the positions and now can say we are fully staffed up. This should give me more flexibility to focus on the strategic side of the business rather than the day to day working.

The unit manager's have been stepping up and are providing me with good support and information and I am now getting good feedback as to what is happening out there.

I am focused on the training and up skilling of all the staff especially the junior shepherds and will be looking to get guys onto courses as soon as I can.



The Farmax annual reports for last year have arrived and I will bring them to the next Board meeting. We have finished our first real year of doing Farmax properly so there isn't any comparison data yet, but there is a lot of valuable information in it. I am trying to utilize Farmax as much as I can when looking at new systems and policies.

The sheep and beef markets are looking positive moving forward with demand for all classes of stock. The schedules have held up for all classes of stock, with some crazy prices for old ewes. The short term outlook is good, although as the country dries out; there will be an increase in numbers being killed. This may cause some downward trends in the schedules, although we are yet to see this.

We are looking forward to the shareholder field day at Tongataha this weekend and the opportunity to mix with some of the committee members, Board members and shareholders. Overall it has been a really busy period for everyone on Whangara Farms and I wish everyone a happy and prosperous New Year, and look forward to the challenges it will bring to this business.