

**WHANGARA FARMS
GENERAL MANAGER'S REPORT
APRIL/MAY 2011**



RICHARD SCHOLEFIELD

STAFF

CLIMATE

STOCK ON HAND

STOCK TRANSACTIONS

SHEEP

CATTLE

DEVELOPMENT

SUMMARY



STAFF:

The team has been really busy again this last period with weaning and drenching calves, scanning cows and heifers, drenching, weighing and marketing lambs, crutching and shearing ewes, scanning early ewes, weighing, drenching and marketing cattle, laying out the pipe, tanks, and troughs for the water system and finishing the new grass cultivation.

We have also been busy with repair and maintenance fencing and spraying weeds.

Brendan and Charlie have started the Level 3 AgIto course and have been attending classes every second Friday. The Unit Manager's have attended a Farmax Farm tools training day and are enrolled in a Rural Staff Management course.

I have enrolled in an ISL MBA course with the Institute for Strategic Leadership which begins at the end of June and also a Leadership course in November.

John and Rab Love have both resigned from Whangara Farms and have moved on to other things. They had both been long serving employees of B5 and we wish them well in the future and thank them for their efforts over the years. Chris Richardson our Shepherd General at Rototahi/Puatai has also left to take up a Shepherd's job with Tom Savage at Pohatutu Station. He was only with us for 3 months, so it is a bit disappointing that he has left so soon, however he wanted horse and dog work which we couldn't give him.



We will be looking to replace the three people that have left but have a few housing issues on B5 to address before we can do that. The Shepherd General position at Rototahi/Puatai will be filled first in the next month or so and we are looking at filling the 2 positions at B5 by the end of the year. This will put some pressure on existing staff in the short term and we will have to use some casual labor to fill the gaps.

We have appointed a junior shepherd at Tongataha, Daniel McGregor. Daniel is an 18yr old local Wairoa boy who has some experience and is keen to begin a career in farming. Daniel approached us looking for work and came with good references and should be a good addition to the Whangara Farms team.

Looking ahead for the next month we will be drenching calves, marketing the last of the trade lambs, marketing cattle, finishing the shearing of the ewes and ewe hgtts and scanning. We will also be continuing the repair and maintenance and weed spraying program across all the blocks. I will also be taking the staff that wants to go, to the Mystery Creek Fieldday in mid June and the Unit managers and I will be attending the finals night for the Ahuwhenua awards in Rotorua on June 3rd.

CLIMATE:

MARCH:

Rainfall – B5 237, Pakarae 250mls, Puatai 280mls, Rototahi 272mls, Tongataha 212mls
This month has been very wet but the ground has been soaking it up and our water tables are almost back to normal. The temperatures have however been quite cold and pasture growth has been slow.
Pasture covers have held on Whangara 1700kgDM/ha, while on Tongataha they have decreased to 1900kgDM/ha

APRIL:

Rainfall – B5 170mls, Pakarae 165mls, Puatai 160mls, Rototahi 229mls, Tongataha 250mls
Another wet month has seen a lot surface water on our flats with a lot of areas not being able to be grazed and pasture utilization is also low with water everywhere. There has been no real damage just a few slips so we have been very lucky. The weather has been really warm and pasture growth rates have taken off.
Pasture covers have lifted at Whangara to 1800kgDM/ha and have held at around 1850kgDM/ha on Tongataha.

MAY:

This month has also been quite wet with up to 150mls so far! That is an average across all the blocks of 650mls in 10 weeks. We have been very lucky that we haven't had any major damage other than some minor slips and a bit of stock damage on the flats. The weather has been warm and we have experienced excellent pasture growth at Whangara.

STOCK ON HAND:

APRIL 1st '11

	WHANGARA	TONGATAHA	TOTAL
SHEEP	35,780	16,199	51,979
CATTLE	4,819	1,616	6,435

MAY 1st '11

	WHANGARA	TONGATAHA	TOTAL
SHEEP	33,234	14,514	47,748
CATTLE	4,591	1,535	6,126

SUMMARY:

There have been nearly 12,000 lamb sales and 970 cattle sales this last period. Most of these sales have been in last few weeks.



STOCK TRANSACTIONS: (up to 20th May)

SALES:

Lambs (store sales)	11,926	15kgCwt
MA Ewes	811	24kgCwt
R2yr Heifers	304	201kgCwt
R2yr Bulls	171	245kgCwt
R2yr Steers	192	262kgCwt
MA Cows	169	220kgCwt
R1yr Bulls (store)	133	300kgLwt
Goats	368	12.3kgCwt



LIVESTOCK:

❖ SHEEP

The early ewes have been shorn and scanned. They scanned 110% this year which is 10% back on previous years. These ewes are the old genetics and took a bit of a hiding from facial eczema this year and the dry period we went through. It wasn't a dry ewe issue just a lot less multiples than normal. I am looking closely at our early ewe system because it hasn't been that profitable during the last couple seasons compared with our later lambing ewes. The changing lamb values have definitely influenced the profitability this season. The ewes are in excellent condition and should lamb well this year with a lot more singles. The dry ewes have been killed 811 24kgsCwt.

The main mobs of ewes at Whangara have been crutched and we are halfway through shearing them. The Coopworth rams were out with the ewes 25th March for 42 days and have now been taken out. The ewes are in excellent condition and will be scanned June 20-23.

The Tongataha ewes are also in excellent condition and the ram went in with them April 5th and will be taken out this week. They are being crutched and will be shorn next week, with their scanning date not until July.

All the ewes have had a tail end taken out, drenched, and are being given priority feeding. Overall the ewes are in good order and are definitely on a rising plane of nutrition with the feed starting to get a head of them.



The ewe lambs have been drenched and sorted with the tail end sold and the next cut of lambs taken out and given priority. They will be crutched this week and then shorn after the ewes. They are in good order and weigh around 38 kgs so are back on target after slow summer growth rates.

The trade lambs on Pakarae and Rototahi have now all been sold and we only have 2000 lambs left at Tongataha. We have sold nearly 12,000 lambs this period at 15kgCwt. These lambs have been sold store as that market has been well ahead of the schedule and we don't have the risk of low yields. The remaining lambs at Tongataha will be sold in the next few weeks. The growth rates for the lambs up there have been disappointing and the lambs haven't shifted that well from the coast. There have been some management issues but I feel that we have had our stocking rate too high and have also had some problems with worm resistance.

We have run drench reduction tests across all the blocks and have identified that we have levels of worm resistance to BZ and Levamisole. We will now have to change our drench family and start using triple combinations this coming season.

We have also had a bit of viral pneumonia through the lambs and this caused a few deaths but has seemed to run its course. Facial Eczema levels have been very high in the district and although we haven't had any visible signs I am sure that it will be having some effect on the stock health



❖ CATTLE

The calves have been weaned and all the cows and heifers have been scanned with some mixed results:

R2yr Heifers 81%

R3yr Heifers 70%

R4yr Heifers 95%

MA Cows (Whangara) 85%

MA Cows (Tongataha) 84%

There were some management and feeding issues with a few of the mobs over mating which have been identified and addressed. The management of the R3yr heifers is what needs the most attention and we have to get away from treating them like cows and look after them more. Overall we are only 2-3% back on last year.

The dry cows have been killed 169 220kgs.

The calves are in good order with the heifers ranging from 180-200kgs and the steers/bulls 200-230kgs. Most of the calves are now on the B5 block with only tail end ones left on Rototahi and Pakarae. The Tongataha calves are still up there and will be wintered and finished there.



We have killed 171 R2yr bulls 245kgsCwt and 192 R2yr steers 262kgCwt. These weights have been lower than where we would like them but the cattle especially the bulls haven't been yielding that well. However the schedules have been strong and we are well above budget. The bulls at Tongataha have been a bit disappointing and I think the numbers of lambs we had up there meant we didn't have enough area for them.

Worms have been an issue with all the R2yr cattle this year and we have had to give 1-2 extra drenches than normal. We are looking to run a cattle drench test on all the blocks as well so we know where we are at with our drenches and our resistance levels.

The R2yr replacement heifers at Whangara have been trucked to Tongataha and will be grazed up there for 2 months until July and then brought back to calve.

The R2yr trade heifers at Whangara and Tongataha are still growing well on the finishing areas and we have been killing them at 400kgs +, 304 have been killed 201kgs . We will carry on killing these at Whangara into the winter.

DEVELOPMENT:

❖ WATER SYSTEM

The B5 water system is completed except for a few troughs that need to be hooked up. Unfortunately because of all the rain the guys couldn't quite finish the job and will have to come back in the spring and tidy it up.

The full benefit of the system won't be realized till next summer but we are already getting a lot better utilization of our paddocks by having water at the top and bottom.

The systems on the other blocks have been performing well with just some fine tuning needed with the pumps.



❖ INFRASTRUCTURE:

Our fencer has been making good progress and has finished fencing off the swamps at Puatai and is nearly finished subdividing some paddocks at Rototahi. He will then be coming back to B5 and start on some subdivision down here. The staff has been continuing the R&M program and has been making good progress.

The fertilizer has been flown on with 500 ton of Sulphur Super 20 going on. This is less than last year but we have decided to focus only on the low P areas and use the surplus money to repay some debt.

The re-grassing program has finished for this season with mixed results. We couldn't get onto a few paddocks on Pakarae because of the wet weather and so unfortunately these will be out of production till the spring. We also have had problems with some of the sowing rates and performance of the drill due to the operator and lack of attention to detail. We will be looking to iron these issues out before the spring so we don't experience the same problems.



We have sprayed the blackberry on Rototahi and Puatai but haven't done any anywhere else because we were well over budget. We will focus on B5 and Pakarae next year. I am looking to increase our annual weed and pest budget from \$60K to \$100K so as we can control the thistles and blackberry across all the blocks rather than focusing on the bad areas i.e. the Pakarae block.

SUMMARY:

The last few months have been quite challenging with a huge amount of rain falling turning the Whangara blocks from being dry to water logged. This has affected our pasture utilization especially on the flats and also our re-grassing program. We have however been lucky that there has been no real damage, just a few minor slips and the weather over the last couple of weeks has been dry and windy. The pasture growth has been excellent with warm spring like conditions.



Stock condition is very good across all the blocks and we are well set up going into the winter. We are continuing to kill cattle but have sold most of our trade lambs on the store market which has been extremely strong. The sheep markets look as though they will continue to be strong with huge demand for lambs driving the winter/spring schedule towards \$8/kg. On the cattle side the schedules have remained stable with just a slight down turn over the last couple of weeks.

We have had a few staff leave which has put a bit pressure on everybody but in general the staff is a lot more positive and are working well.

Overall Whangara Farms is in a good position moving forward with the outlook for sheep and beef prices the best they have ever been.