

TABLE 9—COW EQUIVALENTS COMPARED ON TWO FARMS  
(as at 1 July)

	Farm A cow equivalents		Farm B cow equivalents
60 cows and heifers	= 60	66 cows and heifers	= 66
12 yearlings	= 6	No replacements reared	= 0
2 bulls	= 1	2 bulls	= 1
Total	67	Total	67

been worked out in terms of amounts "per cow", but to obtain a better comparison between farms it is wiser to assess the accounts in terms of "per cow equivalent". This is necessary because some farmers rear all their replacements, some buy in, and others partially adopt both practices. The farmer who buys in his replacements close to calving should be milking a larger number of cows than is the farmer rearing all his replacements, but it does not follow that his net return is higher.

### Method of Assessing Stock

For farm accounting the date of ending of the financial year is important and should be changed to suit the type of farming. For factory supply dairy farms and for sheep farms 31 May or 30 June are the best dates, as they "tie in" with the climatic year and the mid-winter months are the lowest income months. For town supply the usual date of 31 March is quite satisfactory, as the winter period

the farmer who caters for the production of winter beef for the butchers' markets; 31 March would suit him better.

Thus a farmer on factory supply should assess his accounts in relation to the stock on hand at 1 June or 1 July, as his income will be obtained from this number of stock for the coming year. His cows and heifers in calf are all treated as per cow equivalents and the remaining stock, usually yearlings, bulls, and perhaps dry cows, are converted to per cow equivalents at the ratio of 2:1 (2 yearlings equal 1 cow). At this time of the year, on a feed-consumed basis, 3 yearlings would equal 1 in-calf cow, but by the end of spring, when they are more developed, a ratio of 2:1 would be correct and by the end of the year the ratio would be nearer 1:1, so that a fair average over the year would be 2:1.

Table 9 shows the difference between two farms of similar area

is one of high returns and the type of farming is not correlated to the seasonal fluctuations of pasture growth to the same extent as factory supply farming.

An exception in

sheep farming is

with one buying in replacements and the other rearing.

The analysis system outlined for dairying can be applied similarly to sheep farming, the stock carried being converted to ewe equivalents and the information assessed either per ewe equivalent or per 100 ewe equivalents.

It is not satisfactory to assess the accounts in relation to per sheep or per ewe carried, as one farmer may rear all his ewe replacements and have a balanced flock, another may buy in 2-tooth or 4- to 5-year ewes, and yet another may run wethers on harder country or carry a higher proportion of cattle. Thus all stock carried have to be converted to a common basis so that farms are comparable and also to measure the individual farm's progress or development.

The following conversion scale is used for this:—

	Ewe equivalents
1 ewe	= 1
3 dry sheep (includes rams, hoggets, and wethers)	= 2
1 beef cow	= 4
1 dairy cow	= 6
Other cattle beast	= 3
1 horse	= 5

### Procedure in Farm Improvement Club

Farmers in the Franklin Farm Improvement Club are having their accounts analysed, and a list has been drawn up showing all the items that are included under various headings so that farmers and their accountants can use the same headings and the information can be set out along the lines suggested at very little extra cost. After all, it is a foolish business man who does not know if his business is being conducted economically.

Conditions under which farming is usually conducted are partly responsible for the lack of interest by farmers in financial analysis, as the farmer is a busy man with little time to spend on bookkeeping. However, it is probable that the main reasons for this lack of interest are:—

1. The farmer has not been shown the value of financial analysis, and
2. Farm accountants have been fulfilling only half of their obligations.

Farm accountants should do more than merely balance figures; they should be able to draw up the farmer's expenses and returns along the lines suggested in this article and point out his general management weaknesses. The farmer should then be able to consult efficient extension officers so that these weaknesses can be eradicated.

Because farming is becoming more intensive, and particularly because of the hardening trend in New Zealand's overseas markets, farmers must have the guidance of reliable figures and correct analysis to avoid much wasted effort and expense.

Just as it pays to herd test, so does it pay to farm test, and the only effective test of the farm management is that provided by the farm figures.

By a study of such factors as financial returns, grazing records, and butterfat and gallonage records the value of farm management practices on a number of farms can be readily assessed. This is the procedure followed in the Franklin Farm Improvement Club.

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## A. G. Alexander Memorial Appeal

THE increased attendances at the Annual Farmers' Conference Week at the Ruakura Animal Research Station have shown the need for better accommodation for this and other farmers' gatherings in the Waikato. After this year's conference a fully representative committee under the chairmanship of Mr. D. J. Carter was asked to go into the matter.

IT was decided that a hall should be built and that it should become an Agricultural Hall of Fame dedicated to the memory of agriculturists who have made outstanding contributions to the progress of farming. In particular, it was agreed that the hall should be dedicated initially to the late Mr. A. G. Alexander, of Morrinsville, and that it should be known as the A. G. Alexander Memorial Hall.

Mr. Alexander, who died early in May, was an outstanding leader of the farming community. He had been a member of the New Zealand Dairy Board, a director of the National Dairy Association, Dominion Chairman of the Dairy Section of Federated Farmers, a member of the National Pig Industry Council, Chairman of the Morrinsville Co-operative Dairy Company, and a member of the National Artificial Breeding Committee. On all these and many other organisations he gave conspicuous service. In 1953 he went to London as one of the negotiators for both dairy and meat prices. He was keenly interested in agricultural research, and, like thousands of his fellow farmers throughout New Zealand, he fully appreciated the practical help that farmers gain from the Ruakura Animal Research Station.

It is estimated that a suitable hall can be built for £30,000. The Government has expressed its wholehearted approval of the project and has undertaken to meet half the estimated cost of £30,000 provided the farming community and the general public subscribe the other half. The committee has launched an appeal for subscriptions, which may be sent to the Provincial Secretaries of Federated Farmers of Auckland, Waikato, Bay of Plenty, and Taranaki, the Executive Officer, Ruakura Animal Research Station, or the Honorary Secretary of the Appeal Committee, Mr. J. R. Turnbull, P.O. Box 447, Hamilton.



The late Mr. A. G. Alexander.