

# WHEN IT COMES TO COTTON

## BOYCE CHARTERED ACCOUNTANTS CAN MAKE A REAL DIFFERENCE

### Boyce has been working with cotton growers for 40 years

Boyce Chartered Accountants has been working with cotton growers from the time the industry first emerged in the Gwydir Valley of New South Wales. Forty years on sees us drawing on our experience, assisting growers in gearing up for their first crops of cotton in the Southern Valleys.

Boyce will add tangible value to your business whether you are a pioneer who is still in the game, or part of the next generation of growers coming through. We know and understand the issues that can arise across all stages of a cotton business – from start-up to maturity.

Our team can work with you to help market your crop, review the profitability of new technologies, analyse the economics of contractors versus owning your own plant, and manage taxation.

If you're looking to develop land for cotton we will help you understand the numbers and work through the potential tax outcome.

Boyce has produced the annual Australian Cotton Comparative Analysis (ACCA) since the mid 1980's. This study is widely regarded by the industry as the benchmark for the economics of cotton growing in Australia.

We are currently working with our partner – the Cotton Research and Development Corporation – to compile and analyse the results for the 2015/16 season. Interim results reveal an operating profit of \$2,291 per hectare – see overleaf for details.

Our team know the numbers and the timing of the operations that drive those numbers. We can advise you on what the best in the business do and how you can become part of this elite group of growers.

Boyce has the knowledge, insight and experience to make a real difference to your cotton business. So if your business is cotton, contact us.

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# AUSTRALIAN COTTON COMPARATIVE ANALYSIS

Comparison between 2016 Average Interim Results and 2015 All Farms Average  
(on a per hectare basis)

	2016 All Farms Interim Average	2015 All Farms Average
<b>INCOME</b>	<b>\$/Ha</b>	<b>\$/Ha</b>
Cotton proceeds – Lint	6,783	6,133
Cotton proceeds – Seed	714	1,180
Ginning	(761)	(744)
Levies	(51)	(54)
Cotton proceeds – Hail claims	11	10
	6,696	6,525
<b>EXPENSES</b>		
Cartage	105	106
Chemical application	183	146
Chemicals – Defoliants	51	61
Chemicals – Herbicides	123	116
Chemicals – Insecticides	163	112
Chemicals – Others	14	6
Chipping	6	1
Consultants	96	45
Contract Picking	183	151
Contract farming and ripping	183	102
Cotton picking wrap and sundries	124	104
Depreciation	193	354
Electricity	110	104
Fertiliser	594	478
Fuel and oil	318	377
Hire of plant	5	39
Insurance	135	116
Licence fee – Bollgard	299	270
Licence fee – Roundup Ready	74	69
Motor vehicle expenses	27	23
R & M – Farming plant	147	159
R& M – Pumps and earthworks	136	217
Seed	132	140
Water charges	300	343
Wages – Employees	583	514
Administration	57	93
Other farm overheads	64	92
	4,405	4,338
<b>OPERATING PROFIT/(LOSS) (BEFORE INTEREST)</b>	<b>\$2,291</b>	<b>\$2,187</b>

	2016 All Farms Interim Average	2015 All Farms Average
Yield per hectare (bales)	13.04	12.59
Value per bale	\$512.55	\$517.48
Cost of production per bale	\$338.85	\$346.53
Operating profit per bale	\$174.54	\$171.72
No. of bales per/ha required to cover operating expenses	8.62	8.43



**Australian Government**  
**Cotton Research and Development Corporation**