

# 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 we are still here - guiding and advising producers from across Australia.

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 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 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 2013/14 season. Interim results reveal an operating profit of \$584 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 2013 Results | 2014 Interim Results and preliminary 2015 Budgets (on a per hectare basis)

ALL FARMS	2013 Results	2014 Interim Results	2015 Budget Benchmark Expenses
<b>INCOME</b>	<b>\$/Ha</b>	<b>\$/Ha</b>	<b>\$/Ha</b>
Cotton proceeds - Lint	4,712	4,571	
Cotton proceeds - Seed	524	685	
Ginning	(630 )	(644 )	
Levies	(36 )	(38 )	
Cotton proceeds - Hail claims	17	2	
	4,587	4,576	
<b>EXPENSES</b>			
Cartage	132	81	102
Chemical application	106	73	88
Chemicals - Defoliant	42	40	52
Chemicals - Herbicides	84	102	64
Chemicals - Insecticides	35	80	87
Chemicals - Others	5	5	11
Chipping	3	5	5
Consultants	52	56	64
Contract Picking	176	166	104
Contract farming and ripping	215	128	23
Cotton picking wrap and sundries	78	74	70
Depreciation	227	238	218
Electricity	45	54	86
Fertiliser	546	591	543
Fuel and oil	403	439	463
Hire of plant	32	10	15
Insurance	110	112	139
Licence fee - Bollgard	310	323	318
Licence fee - Roundup Ready	39	64	74
Motor vehicle expenses	19	21	27
R & M - Farming plant	123	262	174
R& M - Pumps and earthworks	130	145	140
Seed	107	71	90
Water charges	160	206	189
Wages - Employees	380	462	463
Wages - Proprietors	31	11	24
Administration	52	74	61
Other farm overheads	166	99	40
	3,808	3,992	3,734
<b>OPERATING PROFIT/(LOSS)</b>	<b>779</b>	<b>584</b>	
<b>ADD</b>			
Wages - Proprietors	31	11	
<b>DEDUCT</b>			
Finance expenses	(400 )	(636 )	
<b>FARM NET PROFIT / (LOSS)</b>	<b>\$410</b>	<b>(\$41)</b>	

CROP RESULTS (Average of all farms)	2013	2014
Hectares of cotton grown	1,518	1,239
Total yield (bales)	16,223	12,945
Yield per hectare (bales)	10.69	10.45
Value per bale	\$427.44	\$437.70
Cost of production per bale	\$356.27	\$381.99
Operating profit per bale	\$72.75	\$55.89
No. of bales per/ha required to cover operating expenses	8.91	9.12
No. of bales per/ha required to cover total expenses	9.85	10.57



Knowledge. Insight. Experience.



**Australian Government**  
Cotton Research and  
Development Corporation