



OPTIMISE YOUR BUSINESS OPTIMALISEER JOU BESIGHEID



Authorised Financial Services Provider

A member of the  **OLDMUTUAL** Group

MUTUAL & FEDERAL | **agri**
PROTECTING WHAT'S IMPORTANT TO YOU

**JY IS JOU BESTE
VENNOOT**

**YOU ARE YOUR BEST
PARTNER**

Solve the Equation

- $Y = \frac{\sin X}{n}$

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- $Y = \sin X$

- $Y = 6$



Diary Farmers account for approximately 5% of farmers in SA

Provincial Profile of Dairy Farms

Western Cape	32%
Eastern Cape	18%
Mpumalanga	17%
Free State	14%
KZN	10%
Gauteng	7%
Limpopo	3%

Turnover per annum

Less than R1 mill	39%
R1 mill – R 5 mill	40%
More than R5 mill	21%

Have a PC on the farm

Yes	87%
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Exporter?

Yes	21%
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Size of Farm

Less than 1 000 ha	76%
1 000 – 3 000 ha	18%
More than 3 000 ha	6%

Active Farmer on Farm

Yourself	88%
Son/Daughter	15%
Wife/Husband	6%
Farm Manager /Foreman	1%

Active Farmer with Agricultural Related Qualifications

Yes	62%
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Type of Farming Operation

Sole Ownership	51%
Closed Corp.	20%
Trust	17%
Partnership	16%
Priivate Company	7%

Important Issues (Current)

Low Producer's Price	65%
General Production costs	63%
Labour/Cost of labour	58%

Important Issues (Future)

Political Interference	66%
Labour/Cost of Labour	56%
General Production Costs	44%

Interest in New Developments

Animal Health	61%
Animal Nutrition	54%
Agricultural machines and implements	26%



Financial Decision Making/Planning

Confidence in making financial decisions (% agree)

About farming operation	64%
About personal and family matters	56%

Main Financial Advisor

Accountant/Bookkeeper	56%
Independent Broker	20%
Have no financial advisor	14%
Bank Broker	13%

Important financial planning elements

Ensure that my heir/s carry on farming without debt	58%
Retire and have enough financial provision	53%
Distribute my estate equitably amongst my spouse/children	50%



Retirement

Retirement Plan	
Have a comprehensive retirement plan	56%
Plan is reviewed regularly	72%

When would you like to retire?	
Want to carry on farming as long as my health permits	55%
Want to retire after 65 years	19%
Want to retire before 65 years	25%

Status of your Retirement Plan	
I will retire but can't do so independently	44%
I will have enough capital to retire	36%
I don't have a retirement plan and will carry on farming	29%



Life/Death Cover

Plan in the event of Death

I have a comprehensive plan in place	74%
This plan is reviewed regularly	78%

When will was last updated

Within last 12 months	25%
Within last 1 – 2 years	39%
Longer than 2 years ago	35%

Provision for potential cash shortfall in estate

I have made sufficient provision via life assurance policies	59%
I have made sufficient provision via savings/ investments	9%
D/K – have made provision for more than R1 mill	19%
D/K – have not made any provision	14%

Method of ensuring farming continuity in case of death

Farm is in a trust/company	48%
Have identified a successor/manager that can continue without debt	24%
Don't have a successor that can take over	29%

Medical and Funeral Expenses for Family and Workers

Provision made for family medical expenses

Medical Aid and will pay self expenses not covered by medical aid	34%
Medical Aid/Gap cover for expenses not covered by medical aid	38%
Hospital cash plan	30%

Provision made for farm workers medical expenses

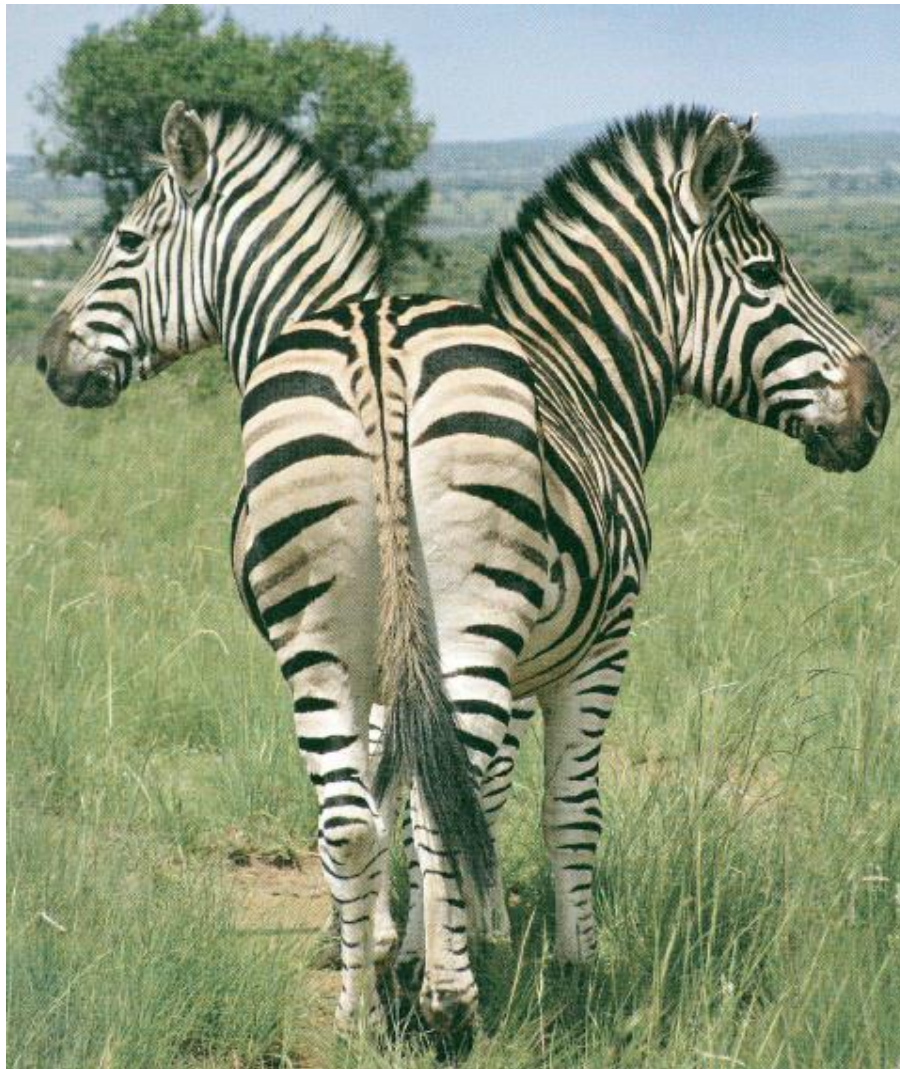
Pay for all medical expenses myself	43%
Other mentioned	42%
D/K – no comment	11%

Provision for funeral expenses for farm workers

I haven't made provision for these expenses	28%
I assist with funeral costs	42%
Pension or Provident fund with funeral benefits	9%
We have a funeral plan for workers and families	13%

% prepared to spend each month on each worker

Nothing	22%
Less than 5%	52%
5 – 8 %	21%



Weg: September 2015 – Wilna Dreyer



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