

KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
BEEF BACKGROUNDING / FINISHING: STATE AVERAGES

	1996-2000 Average	2001
Number of Farms	64	30
Number of Head	576	886
Weight Produced / Head	614	585
Weight / Head Sold	1,155	1,137
Weight / Head Purchased	537	537
Sale Price / Cwt	\$65.73	\$74.02
Purchase Price / Cwt	\$79.55	\$94.68
Gross Income / Cwt	\$57.84	\$48.85
Feed Costs / Cwt	\$42.89	\$42.19
Nonfeed Costs / Cwt	\$18.81	\$20.25

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
INCOME:								
Steers - Heifers Sold	572	433,897.06			840	706,711.23		
Ending Inventory	474	272,534.62			722	443,859.98		
Gross Sales	1,046	\$706,431.68			1,562	\$1,150,571.21		
Steers - Heifers Purchased	599	256,227.58			869	441,930.03		
Beginning Inventory	461	246,768.35			714	457,391.52		
Gross Purchases	1,060	\$502,995.93			1,583	\$899,321.55		
Net Sale Gain		\$203,435.75	\$57.54	\$353.06		\$251,249.66	\$48.44	\$283.58
Patronage Refunds		412.15				385.14		
Miscellaneous Income		568.07				592.92		
Livestock Futures		95.72				1,150.01		
OTHER INCOME		\$1,075.94	\$0.30	\$1.87		\$2,128.07	\$0.41	\$2.40
GROSS INCOME		\$204,511.69	\$57.84	\$354.93		\$253,377.73	\$48.85	\$285.98
EXPENSES:								
Labor Hired		\$2,243.25	\$0.63	\$3.89		\$4,106.23	\$0.79	\$4.63
General Machinery Repairs		4,796.39	1.36	8.32		7,205.20	1.39	8.13
Interest Paid		10,323.10	2.92	17.92		17,609.61	3.39	19.88
Feed Purchased		151,652.58	42.89	263.19		218,873.33	42.19	247.04
Machine Hire - Lease		896.69	0.25	1.56		3,466.25	0.67	3.91
Farm Org Fees / Travel / Publ		763.16	0.22	1.32		1,351.04	0.26	1.52
Vet Medicine / Drugs		6,745.63	1.91	11.71		11,980.92	2.31	13.52
Livestock Marketing / Breeding		5,930.85	1.68	10.29		5,812.89	1.12	6.56
Gas / Fuel / Oil		1,389.28	0.39	2.41		2,604.94	0.50	2.94
Personal Property Tax		159.59	0.05	0.28		376.87	0.07	0.43
General Farm Insurance		893.54	0.25	1.55		1,497.40	0.29	1.69
Utilities		1,469.14	0.42	2.55		2,076.83	0.40	2.34
Auto Expense		230.34	0.07	0.40		234.57	0.05	0.26
Livestock Futures		349.51	0.10	0.61		1,482.14	0.29	1.67
TOTAL VARIABLE COSTS		\$187,843.05	\$53.13	\$326.00		\$278,678.22	\$53.72	\$314.54
RETURN ABOVE VARIABLE COSTS		\$16,668.64	\$4.71	\$28.93		(\$25,300.49)	(\$4.88)	(\$28.56)
Depreciation		3,842.94	1.09	6.67		5,133.06	0.99	5.79
Real Estate Tax		592.07	0.17	1.03		353.59	0.07	0.40
Unpaid Operator Labor		7,343.22	2.08	12.74		8,611.50	1.66	9.72
Interest Charge *		18,548.17	5.25	32.19		31,152.96	6.01	35.16
TOTAL FIXED COSTS		\$30,326.39	\$8.58	\$52.63		\$45,251.11	\$8.72	\$51.07
TOTAL EXPENSE		\$218,169.44	\$61.70	\$378.63		\$323,929.33	\$62.45	\$365.61
NET RETURN TO MANAGEMENT		(\$13,657.75)	(\$3.86)	(\$23.70)		(\$70,551.60)	(\$13.60)	(\$79.63)
NET RETURN TO LABOR-MGT		(\$4,071.28)	(\$1.15)	(\$7.07)		(\$57,833.87)	(\$11.15)	(\$65.28)
Factors:								
Feed Costs			\$42.89	\$263.19			\$42.19	\$247.04
Nonfeed Costs			\$18.81	\$115.44			\$20.25	\$118.57

*Interest charge equals: ((8.0% times one-half gross purchases) plus (8.0% times one-half the variable costs) plus (4.0% times depreciation times 8)) minus cash interest paid.