

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

	1996-2000 Average	2001
Number of Farms	78	55
Number of Head	405	488
Weight Produced / Head	311	308
Weight / Head Sold	803	803
Weight / Head Purchased	487	488
Sale Price / Cwt	\$70.53	\$83.94
Purchase Price / Cwt	\$81.84	\$99.23
Gross Income / Cwt	\$61.08	\$52.74
Feed Costs / Cwt	\$37.55	\$36.22
Nonfeed Costs / Cwt	\$31.42	\$36.93

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
<b>INCOME:</b>								
Steers - Heifers Sold	404	228,829.64			481	324,196.47		
Ending Inventory	279	137,569.65			313	174,206.72		
Gross Sales	683	\$366,399.28			794	\$498,403.19		
Steers - Heifers Purchased	426	169,564.14			503	243,424.74		
Beginning Inventory	269	120,756.57			305	177,481.88		
Gross Purchases	694	\$290,320.71			808	\$420,906.62		
Net Sale Gain		\$76,078.57	\$60.36	\$187.94		\$77,496.57	\$51.51	\$158.80
Patronage Refunds		241.60				257.61		
Miscellaneous Income		351.89				174.45		
Livestock Futures		307.73				1,419.67		
OTHER INCOME		\$901.22	\$0.72	\$2.23		\$1,851.73	\$1.23	\$3.79
<b>GROSS INCOME</b>		<b>\$76,979.79</b>	<b>\$61.08</b>	<b>\$190.17</b>		<b>\$79,348.30</b>	<b>\$52.74</b>	<b>\$162.60</b>
<b>EXPENSES:</b>								
Labor Hired		\$1,634.33	\$1.30	\$4.04		\$1,352.76	\$0.90	\$2.77
General Machinery Repairs		3,347.09	2.66	8.27		4,864.69	3.23	9.97
Interest Paid		7,009.66	5.56	17.32		9,234.51	6.14	18.92
Feed Purchased		47,322.57	37.55	116.90		54,486.67	36.22	111.65
Machine Hire - Lease		844.87	0.67	2.09		1,331.98	0.89	2.73
Farm Org Fees / Travel / Publ		549.62	0.44	1.36		565.37	0.38	1.16
Vet Medicine / Drugs		5,348.06	4.24	13.21		6,910.38	4.59	14.16
Livestock Marketing / Breeding		2,003.06	1.59	4.95		3,434.71	2.28	7.04
Gas / Fuel / Oil		1,035.96	0.82	2.56		1,526.18	1.01	3.13
Personal Property Tax		71.06	0.06	0.18		161.79	0.11	0.33
General Farm Insurance		469.24	0.37	1.16		679.17	0.45	1.39
Utilities		985.25	0.78	2.43		1,127.28	0.75	2.31
Auto Expense		246.99	0.20	0.61		379.00	0.25	0.78
Livestock Futures		626.97	0.50	1.55		1,233.17	0.82	2.53
<b>TOTAL VARIABLE COSTS</b>		<b>\$71,494.74</b>	<b>\$56.73</b>	<b>\$176.62</b>		<b>\$87,287.66</b>	<b>\$58.02</b>	<b>\$178.87</b>
<b>RETURN ABOVE VARIABLE COSTS</b>		<b>\$5,485.05</b>	<b>\$4.35</b>	<b>\$13.55</b>		<b>(\$7,939.36)</b>	<b>(\$5.28)</b>	<b>(\$16.27)</b>
Depreciation		2,003.66	1.59	4.95		3,207.37	2.13	6.57
Real Estate Tax		210.34	0.17	0.52		339.19	0.23	0.70
Unpaid Operator Labor		5,129.62	4.07	12.67		7,095.59	4.72	14.54
Interest Charge *		8,089.75	6.42	19.98		12,119.62	8.06	24.84
<b>TOTAL FIXED COSTS</b>		<b>\$15,433.36</b>	<b>\$12.25</b>	<b>\$38.13</b>		<b>\$22,761.77</b>	<b>\$15.13</b>	<b>\$46.64</b>
<b>TOTAL EXPENSE</b>		<b>\$86,928.10</b>	<b>\$68.97</b>	<b>\$214.74</b>		<b>\$110,049.43</b>	<b>\$73.15</b>	<b>\$225.51</b>
<b>NET RETURN TO MANAGEMENT</b>		<b>(\$9,948.31)</b>	<b>(\$7.89)</b>	<b>(\$24.58)</b>		<b>(\$30,701.13)</b>	<b>(\$20.41)</b>	<b>(\$62.91)</b>
<b>NET RETURN TO LABOR-MGT</b>		<b>(\$3,184.36)</b>	<b>(\$2.53)</b>	<b>(\$7.87)</b>		<b>(\$22,252.78)</b>	<b>(\$14.79)</b>	<b>(\$45.60)</b>
<b>Factors:</b>								
<b>Feed Costs</b>			\$37.55	\$116.90			\$36.22	\$111.65
<b>Nonfeed Costs</b>			\$31.42	\$97.84			\$36.93	\$113.86

\*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.