

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
BEEF BACKGROUNDING / FINISH

	1996-2000 Average	2001
Number of Farms	13	10
Number of Head	506	929
Weight Produced / Head	577	645
Weight / Head Sold	1,146	1,160
Weight / Head Purchased	524	496
Sale Price / Cwt	\$67.18	\$74.22
Purchase Price / Cwt	\$83.47	\$98.71
Gross Income / Cwt	\$57.77	\$50.16
Feed Costs / Cwt	\$45.48	\$45.07
Nonfeed Costs / Cwt	\$20.50	\$19.47

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
INCOME:								
Steers - Heifers Sold	461	355,168.20			880	757,876.89		
Ending Inventory	414	239,684.54			870	519,584.07		
Gross Sales	875	\$594,852.74			1,750	\$1,277,460.96		
Steers - Heifers Purchased	492	215,251.28			952	466,478.55		
Beginning Inventory	393	211,931.96			825	515,066.55		
Gross Purchases	885	\$427,183.24			1,777	\$981,545.10		
Net Sale Gain		\$167,669.50	\$57.49	\$331.62		\$295,915.86	\$49.35	\$318.53
Patronage Refunds		429.91				743.81		
Miscellaneous Income		271.45				167.97		
Livestock Futures		111.52				3,917.07		
OTHER INCOME		\$812.88	\$0.28	\$1.61		\$4,828.85	\$0.81	\$5.20
GROSS INCOME		\$168,482.39	\$57.77	\$333.23		\$300,744.71	\$50.16	\$323.73
EXPENSES:								
Labor Hired		\$1,952.29	\$0.67	\$3.86		\$5,203.57	\$0.87	\$5.60
General Machinery Repairs		4,079.81	1.40	8.07		7,862.51	1.31	8.46
Interest Paid		8,987.25	3.08	17.78		24,717.06	4.12	26.61
Feed Purchased		132,642.80	45.48	262.35		270,267.18	45.07	290.92
Machine Hire - Lease		2,219.03	0.76	4.39		6,968.30	1.16	7.50
Farm Org Fees / Travel / Publ		739.60	0.25	1.46		1,719.20	0.29	1.85
Vet Medicine / Drugs		5,294.31	1.82	10.47		12,066.48	2.01	12.99
Livestock Marketing / Breeding		4,666.67	1.60	9.23		3,752.01	0.63	4.04
Gas / Fuel / Oil		1,011.21	0.35	2.00		3,705.33	0.62	3.99
Personal Property Tax		104.24	0.04	0.21		205.73	0.03	0.22
General Farm Insurance		613.94	0.21	1.21		640.31	0.11	0.69
Utilities		1,184.97	0.41	2.34		2,180.29	0.36	2.35
Auto Expense		230.51	0.08	0.46		330.66	0.06	0.36
Livestock Futures		1,010.09	0.35	2.00		4,446.43	0.74	4.79
TOTAL VARIABLE COSTS		\$164,736.72	\$56.49	\$325.82		\$344,065.06	\$57.38	\$370.36
RETURN ABOVE VARIABLE COSTS		\$3,745.66	\$1.28	\$7.41		(\$43,320.35)	(\$7.22)	(\$46.63)
Depreciation		3,994.74	1.37	7.90		4,322.70	0.72	4.65
Real Estate Tax		282.29	0.10	0.56		52.27	0.01	0.06
Unpaid Operator Labor		7,390.11	2.53	14.62		8,874.00	1.48	9.55
Interest Charge *		16,019.69	5.49	31.68		29,690.61	4.95	31.96
TOTAL FIXED COSTS		\$27,686.83	\$9.49	\$54.76		\$42,939.58	\$7.16	\$46.22
TOTAL EXPENSE		\$192,423.55	\$65.98	\$380.58		\$387,004.64	\$64.54	\$416.58
NET RETURN TO MANAGEMENT		(\$23,941.17)	(\$8.21)	(\$47.35)		(\$86,259.93)	(\$14.39)	(\$92.85)
NET RETURN TO LABOR-MGT		(\$14,598.77)	(\$5.01)	(\$28.87)		(\$72,182.36)	(\$12.04)	(\$77.70)
Factors:								
Feed Costs			\$45.48	\$262.35			\$45.07	\$290.92
Nonfeed Costs			\$20.50	\$118.24			\$19.47	\$125.66

*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.