

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

	1996-2000 Average	2001
Number of Farms	29	12
Number of Head	621	781
Weight Produced / Head	620	451
Weight / Head Sold	1,160	1,011
Weight / Head Purchased	533	534
Sale Price / Cwt	\$65.49	\$81.39
Purchase Price / Cwt	\$79.34	\$93.69
Gross Income / Cwt	\$57.62	\$54.68
Feed Costs / Cwt	\$41.81	\$53.40
Nonfeed Costs / Cwt	\$17.97	\$27.48

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
INCOME:								
Steers - Heifers Sold	623	473,524.76			808	665,118.35		
Ending Inventory	512	297,114.07			616	385,721.79		
Gross Sales	1,135	\$770,638.83			1,424	\$1,050,840.14		
Steers - Heifers Purchased	648	274,075.50			823	412,015.70		
Beginning Inventory	503	275,120.10			664	446,581.66		
Gross Purchases	1,151	\$549,195.61			1,487	\$858,597.36		
Net Sale Gain		\$221,443.23	\$57.48	\$356.48		\$192,242.78	\$54.62	\$246.15
Patronage Refunds		168.76				24.23		
Miscellaneous Income		15.50				208.27		
Livestock Futures		355.89				-		
OTHER INCOME		\$540.16	\$0.14	\$0.87		\$232.50	\$0.07	\$0.30
GROSS INCOME		\$221,983.38	\$57.62	\$357.35		\$192,475.28	\$54.68	\$246.45
EXPENSES:								
Labor Hired		\$1,585.12	\$0.41	\$2.55		\$2,034.41	\$0.58	\$2.60
General Machinery Repairs		4,769.95	1.24	7.68		7,644.03	2.17	9.79
Interest Paid		9,736.23	2.53	15.67		9,528.13	2.71	12.20
Feed Purchased		161,067.28	41.81	259.28		187,968.94	53.40	240.68
Machine Hire - Lease		267.61	0.07	0.43		68.27	0.02	0.09
Farm Org Fees / Travel / Publ		618.19	0.16	1.00		595.82	0.17	0.76
Vet Medicine / Drugs		8,190.62	2.13	13.19		13,759.17	3.91	17.62
Livestock Marketing / Breeding		4,690.24	1.22	7.55		5,926.79	1.68	7.59
Gas / Fuel / Oil		1,350.76	0.35	2.17		2,053.19	0.58	2.63
Personal Property Tax		138.75	0.04	0.22		734.75	0.21	0.94
General Farm Insurance		845.22	0.22	1.36		744.92	0.21	0.95
Utilities		1,422.09	0.37	2.29		1,846.27	0.52	2.36
Auto Expense		254.49	0.07	0.41		395.53	0.11	0.51
Livestock Futures		228.77	0.06	0.37		-	-	-
TOTAL VARIABLE COSTS		\$195,165.32	\$50.66	\$314.17		\$233,300.22	\$66.28	\$298.72
RETURN ABOVE VARIABLE COSTS		\$26,818.06	\$6.96	\$43.17		(\$40,824.94)	(\$11.60)	(\$52.27)
Depreciation		3,893.50	1.01	6.27		4,927.03	1.40	6.31
Real Estate Tax		754.42	0.20	1.21		289.37	0.08	0.37
Unpaid Operator Labor		9,198.12	2.39	14.81		10,462.50	2.97	13.40
Interest Charge *		21,272.86	5.52	34.24		35,724.42	10.15	45.74
TOTAL FIXED COSTS		\$35,118.90	\$9.12	\$56.53		\$51,403.32	\$14.60	\$65.82
TOTAL EXPENSE		\$230,284.23	\$59.77	\$370.71		\$284,703.54	\$80.88	\$364.54
NET RETURN TO MANAGEMENT		(\$8,300.84)	(\$2.15)	(\$13.36)		(\$92,228.26)	(\$26.20)	(\$118.09)
NET RETURN TO LABOR-MGT		\$2,482.40	\$0.64	\$4.00		(\$79,731.35)	(\$22.65)	(\$102.09)
Factors:								
Feed Costs			\$41.81	\$259.28			\$53.40	\$240.68
Nonfeed Costs			\$17.97	\$111.42			\$27.48	\$123.86

*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.