

**NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002**  
**BEEF BACKGROUNDING**

	1997-2001 Average	2002
Number of Farms	42	33
Number of Head	424	540
Weight Produced / Head	302	334
Weight / Head Sold	818	869
Weight / Head Purchased	502	512
Sale Price / Cwt	\$75.60	\$73.49
Purchase Price / Cwt	\$89.40	\$91.35
Gross Income / Cwt	\$58.96	\$46.65
Feed Costs / Cwt	\$37.11	\$33.41
Nonfeed Costs / Cwt	\$33.53	\$28.54

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
<b>INCOME:</b>								
Steers - Heifers Sold	408	252,307.82			535	341,517.22		
Ending Inventory	282	154,265.91			293	167,232.46		
Gross Sales	690	\$406,573.73			828	\$508,749.68		
Steers - Heifers Purchased	430	193,057.69			516	241,205.89		
Beginning Inventory	269	138,962.99			325	187,239.03		
Gross Purchases	699	\$332,020.68			841	\$428,444.92		
Net Sale Gain		\$74,553.05	\$58.18	\$175.92		\$80,304.76	\$44.48	\$148.71
Patronage Refunds		236.63				94.61		
Miscellaneous Income		81.81				3,031.95		
Livestock Futures		681.94				784.48		
OTHER INCOME		\$1,000.38	\$0.78	\$2.36		\$3,911.04	\$2.17	\$7.24
<b>GROSS INCOME</b>		<b>\$75,553.43</b>	<b>\$58.96</b>	<b>\$178.28</b>		<b>\$84,215.80</b>	<b>\$46.65</b>	<b>\$155.96</b>
<b>EXPENSES:</b>								
Labor Hired		\$1,546.64	\$1.21	\$3.65		\$2,123.10	\$1.18	\$3.93
General Machinery Repairs		3,552.06	2.77	8.38		3,579.79	1.98	6.63
Interest Paid		6,673.65	5.21	15.75		5,976.66	3.31	11.07
Feed Purchased		47,549.01	37.11	112.20		60,323.19	33.41	111.71
Machine Hire - Lease		598.87	0.47	1.41		581.08	0.32	1.08
Farm Org Fees / Travel / Publ		487.35	0.38	1.15		492.97	0.27	0.91
Vet Medicine / Drugs		5,448.49	4.25	12.86		7,016.49	3.89	12.99
Livestock Marketing / Breeding		2,411.60	1.88	5.69		3,072.57	1.70	5.69
Gas / Fuel / Oil		961.73	0.75	2.27		1,015.56	0.56	1.88
Personal Property Tax		54.77	0.04	0.13		63.73	0.04	0.12
General Farm Insurance		424.85	0.33	1.00		464.57	0.26	0.86
Utilities		1,101.11	0.86	2.60		1,069.04	0.59	1.98
Auto Expense		226.57	0.18	0.53		133.54	0.07	0.25
Livestock Futures		1,106.61	0.86	2.61		881.48	0.49	1.63
<b>TOTAL VARIABLE COSTS</b>		<b>\$72,143.32</b>	<b>\$56.30</b>	<b>\$170.23</b>		<b>\$86,793.77</b>	<b>\$48.08</b>	<b>\$160.73</b>
<b>RETURN ABOVE VARIABLE COSTS</b>		<b>\$3,410.11</b>	<b>\$2.66</b>	<b>\$8.05</b>		<b>(\$2,577.97)</b>	<b>(\$1.43)</b>	<b>(\$4.77)</b>
Depreciation		2,325.98	1.82	5.49		3,111.54	1.72	5.76
Real Estate Tax		65.98	0.05	0.16		3.00	0.00	0.01
Unpaid Operator Labor		5,742.14	4.48	13.55		6,313.64	3.50	11.69
Interest Charge *		10,237.22	7.99	24.16		15,628.58	8.66	28.94
<b>TOTAL FIXED COSTS</b>		<b>\$18,371.32</b>	<b>\$14.34</b>	<b>\$43.35</b>		<b>\$25,056.76</b>	<b>\$13.88</b>	<b>\$46.40</b>
<b>TOTAL EXPENSE</b>		<b>\$90,514.65</b>	<b>\$70.64</b>	<b>\$213.58</b>		<b>\$111,850.53</b>	<b>\$61.96</b>	<b>\$207.13</b>
<b>NET RETURN TO MANAGEMENT</b>		<b>(\$14,961.22)</b>	<b>(\$11.68)</b>	<b>(\$35.30)</b>		<b>(\$27,634.73)</b>	<b>(\$15.31)</b>	<b>(\$51.18)</b>
<b>NET RETURN TO LABOR-MGT</b>		<b>(\$7,672.44)</b>	<b>(\$5.99)</b>	<b>(\$18.10)</b>		<b>(\$19,197.99)</b>	<b>(\$10.63)</b>	<b>(\$35.55)</b>
<b>Factors:</b>								
<b>Feed Costs</b>			\$37.11	\$112.20			\$33.41	\$111.71
<b>Nonfeed Costs</b>			\$33.53	\$101.38			\$28.54	\$95.42

\*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.