

NORTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 2001 & 2002
BEEF BACKGROUNDING / FINISHING

	2001	2002
Number of Farms	6	8
Number of Head	1,013	550
Weight Produced / Head	841	594
Weight / Head Sold	1,359	1,203
Weight / Head Purchased	551	559
Sale Price / Cwt	\$62.04	\$68.13
Purchase Price / Cwt	\$93.85	\$85.00
Gross Income / Cwt	\$35.02	\$66.03
Feed Costs / Cwt	\$31.81	\$47.05
Nonfeed Costs / Cwt	\$15.00	\$23.96

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
INCOME:								
Steers - Heifers Sold	974	821,219.55			567	464,657.21		
Ending Inventory	794	532,283.64			442	285,322.25		
Gross Sales	1,768	1,353,503.19			1,009	\$749,979.46		
Steers - Heifers Purchased	1,145	592,460.75			622	295,285.49		
Beginning Inventory	720	463,881.50			414	248,840.20		
Gross Purchases	1,865	\$1,056,342.25			1,036	\$544,125.69		
Net Sale Gain		\$297,160.94	\$34.86	\$293.35		\$205,853.77	\$63.03	\$374.28
Patronage Refunds		140.24				241.50		
Miscellaneous Income		1,221.25				9,560.68		
Livestock Futures		-				-		
OTHER INCOME		\$1,361.49	\$0.16	\$1.34		\$9,802.18	\$3.00	\$17.82
GROSS INCOME		\$298,522.43	\$35.02	\$294.69		\$215,655.95	\$66.03	\$392.10
EXPENSES:								
Labor Hired		6,277.22	\$0.74	\$6.20		\$2,918.32	\$0.89	\$5.31
General Machinery Repairs		6,994.25	0.82	6.90		5,666.37	1.73	10.30
Interest Paid		26,002.92	3.05	25.67		8,678.02	2.66	15.78
Feed Purchased		271,153.67	31.81	267.67		153,654.58	47.05	279.37
Machine Hire - Lease		264.52	0.03	0.26		2,271.65	0.70	4.13
Farm Org Fees / Travel / Publ		1,436.48	0.17	1.42		1,090.24	0.33	1.98
Vet Medicine / Drugs		12,896.56	1.51	12.73		8,316.33	2.55	15.12
Livestock Marketing / Breeding		13,161.38	1.54	12.99		3,439.59	1.05	6.25
Gas / Fuel / Oil		3,880.68	0.46	3.83		1,978.83	0.61	3.60
Personal Property Tax		329.71	0.04	0.33		74.42	0.02	0.14
General Farm Insurance		1,684.45	0.20	1.66		1,143.28	0.35	2.08
Utilities		2,708.39	0.32	2.67		1,571.13	0.48	2.86
Auto Expense		94.79	0.01	0.09		279.58	0.09	0.51
Livestock Futures		778.41	0.09	0.77		1,371.24	0.42	2.49
TOTAL VARIABLE COSTS		\$347,663.43	\$40.79	\$343.20		\$192,453.58	\$58.93	\$349.92
RETURN ABOVE VARIABLE COSTS		(\$49,141.00)	(\$5.76)	(\$48.51)		\$23,202.37	\$7.10	\$42.19
Depreciation		4,973.44	0.58	4.91		3,136.65	0.96	5.70
Real Estate Tax		513.27	0.06	0.51		1,615.21	0.49	2.94
Unpaid Operator Labor		14,175.00	1.66	13.99		12,909.38	3.95	23.47
Interest Charge *		31,717.67	3.72	31.31		21,788.88	6.67	39.62
TOTAL FIXED COSTS		\$51,379.38	\$6.03	\$50.72		\$39,450.12	\$12.08	\$71.73
TOTAL EXPENSE		\$399,042.81	\$46.81	\$393.92		\$231,903.70	\$71.01	\$421.64
NET RETURN TO MANAGEMENT		(\$100,520.38)	(\$11.79)	(\$99.23)		(\$16,247.75)	(\$4.97)	(\$29.54)
NET RETURN TO LABOR-MGT		(\$80,068.16)	(\$9.39)	(\$79.04)		(\$420.05)	(\$0.13)	(\$0.76)
Factors:								
Feed Costs			\$31.81	\$267.67		\$47.05	\$279.37	
Nonfeed Costs			\$15.00	\$126.25		\$23.96	\$142.27	

*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.