

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

	1997-2001 Average	2002
Number of Farms	11	6
Number of Head	439	285
Weight Produced / Head	328	308
Weight / Head Sold	789	832
Weight / Head Purchased	468	527
Sale Price / Cwt	\$77.80	\$76.02
Purchase Price / Cwt	\$92.15	\$92.04
Gross Income / Cwt	\$59.46	\$54.10
Feed Costs / Cwt	\$33.96	\$30.66
Nonfeed Costs / Cwt	\$29.43	\$35.74

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
INCOME:								
Steers - Heifers Sold	454	278,560.16			286	180,848.40		
Ending Inventory	229	117,199.63			125	71,843.39		
Gross Sales	682	\$395,759.78			411	\$252,691.79		
Steers - Heifers Purchased	450	194,198.52			314	152,195.26		
Beginning Inventory	241	116,869.07			103	55,775.83		
Gross Purchases	691	\$311,067.60			417	\$207,971.09		
Net Sale Gain		\$84,692.19	\$58.84	\$192.92		\$44,720.70	\$50.89	\$156.91
Patronage Refunds		148.03				79.50		
Miscellaneous Income		80.78				2,741.29		
Livestock Futures		665.90				-		
OTHER INCOME		\$894.71	\$0.62	\$2.04		\$2,820.79	\$3.21	\$9.90
GROSS INCOME		\$85,586.90	\$59.46	\$194.96		\$47,541.49	\$54.10	\$166.81
EXPENSES:								
Labor Hired		\$717.07	\$0.50	\$1.63		\$133.76	\$0.15	\$0.47
General Machinery Repairs		3,416.48	2.37	7.78		2,500.64	2.85	8.77
Interest Paid		8,385.21	5.83	19.10		4,555.42	5.18	15.98
Feed Purchased		48,874.11	33.96	111.33		26,948.28	30.66	94.56
Machine Hire - Lease		808.14	0.56	1.84		1,624.72	1.85	5.70
Farm Org Fees / Travel / Publ		467.17	0.32	1.06		481.95	0.55	1.69
Vet Medicine / Drugs		5,442.63	3.78	12.40		6,325.83	7.20	22.20
Livestock Marketing / Breeding		2,822.84	1.96	6.43		655.94	0.75	2.30
Gas / Fuel / Oil		1,152.31	0.80	2.62		419.16	0.48	1.47
Personal Property Tax		147.12	0.10	0.34		64.41	0.07	0.23
General Farm Insurance		598.78	0.42	1.36		499.14	0.57	1.75
Utilities		1,027.31	0.71	2.34		113.84	0.13	0.40
Auto Expense		10.62	0.01	0.02		-	-	-
Livestock Futures		1,099.07	0.76	2.50		-	-	-
TOTAL VARIABLE COSTS		\$74,968.83	\$52.09	\$170.77		\$44,323.09	\$50.43	\$155.52
RETURN ABOVE VARIABLE COSTS		\$10,618.07	\$7.38	\$24.19		\$3,218.40	\$3.66	\$11.29
Depreciation		2,220.53	1.54	5.06		1,873.40	2.13	6.57
Real Estate Tax		282.29	0.20	0.64		494.10	0.56	1.73
Unpaid Operator Labor		5,999.97	4.17	13.67		5,535.00	6.30	19.42
Interest Charge *		7,766.82	5.40	17.69		6,135.84	6.98	21.53
TOTAL FIXED COSTS		\$16,269.62	\$11.30	\$37.06		\$14,038.34	\$15.97	\$49.26
TOTAL EXPENSE		\$91,238.45	\$63.39	\$207.83		\$58,361.43	\$66.41	\$204.78
NET RETURN TO MANAGEMENT		(\$5,651.55)	(\$3.93)	(\$12.87)		(\$10,819.94)	(\$12.31)	(\$37.96)
NET RETURN TO LABOR-MGT		\$1,065.49	\$0.74	\$2.43		(\$5,151.18)	(\$5.86)	(\$18.07)
Factors:								
Feed Costs			\$33.96	\$111.33			\$30.66	\$94.56
Nonfeed Costs			\$29.43	\$96.50			\$35.74	\$110.22

*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.