

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 3-YEAR AVERAGE & 2002
SPRINKLER IRRIGATED SOYBEANS

	<i>1999-2001 Average</i>	<i>2002</i>
Number of Farms	16	26
Crop Acres	166	224
Acres Owned	38	52
Acres Rented	128	172
Yield / Acre	53.6	41.4
Bushels	7,266	8,013
Operator Percentage	81.68%	86.43%
Gross Income / Acre	\$288.44	\$223.15
Variable Costs / Acre	\$182.19	\$193.21
Total Expense / Acre	\$230.03	\$243.39
Gross Income / Bushel	\$6.59	\$6.24
Total Expense / Bushel	\$5.26	\$6.80

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Soybeans (Operator's Share)	\$29,274.85	\$4.03	\$176.35	\$41,251.69	\$5.15	\$184.16
Patronage Refunds	298.14	0.04	1.80	166.12	0.02	0.74
Government Payments	17,443.21	2.40	105.08	6,291.61	0.79	28.09
Miscellaneous Income	412.78	0.06	2.49	234.21	0.03	1.05
Crop Insurance Proceeds	452.59	0.06	2.73	2,043.08	0.25	9.12
OTHER INCOME	\$18,606.72	\$2.56	\$112.09	\$8,735.02	\$1.09	\$39.00
GROSS INCOME	\$47,881.57	\$6.59	\$288.44	\$49,986.71	\$6.24	\$223.15
EXPENSES:						
Labor Hired	\$1,316.93	\$0.18	\$7.93	\$1,499.06	\$0.19	\$6.69
General Machinery Repairs	2,076.60	0.29	12.51	2,574.49	0.32	11.49
Irrigation Equipment Repairs	884.89	0.12	5.33	1,332.41	0.17	5.95
Interest Paid	2,667.15	0.37	16.07	3,502.23	0.44	15.63
Seed / Other Crop Expense	4,383.26	0.60	26.41	6,013.64	0.75	26.85
Crop Insurance	885.98	0.12	5.34	2,587.72	0.32	11.55
Fertilizer / Lime	1,904.72	0.26	11.47	1,061.72	0.13	4.74
Machine Hire - Lease	2,715.96	0.37	16.36	3,524.82	0.44	15.74
Farm Org Fees / Travel / Publ	431.75	0.06	2.60	438.70	0.05	1.96
Gas / Fuel / Oil	1,309.19	0.18	7.89	1,108.79	0.14	4.95
Irrigation Fuel - Pumping	5,327.91	0.73	32.10	11,531.63	1.44	51.48
Crop Storage & Marketing	8.99	0.00	0.05	61.13	0.01	0.27
Personal Property Tax	113.99	0.02	0.69	115.55	0.01	0.52
General Farm Insurance	523.87	0.07	3.16	797.58	0.10	3.56
Utilities	486.10	0.07	2.93	482.87	0.06	2.16
Cash Farm Rent	1,336.16	0.18	8.05	1,003.14	0.13	4.48
Herbicide / Insecticide	3,669.98	0.51	22.11	5,455.46	0.68	24.35
Conservation	1.86	0.00	0.01	8.92	0.00	0.04
Auto Expense	198.72	0.03	1.20	179.84	0.02	0.80
TOTAL VARIABLE COSTS	\$30,244.01	\$4.16	\$182.19	\$43,279.70	\$5.40	\$193.21
RETURN ABOVE VARIABLE COSTS	\$17,637.56	\$2.43	\$106.25	\$6,707.01	\$0.84	\$29.94
Depreciation	2,762.75	0.38	16.64	4,371.59	0.55	19.52
Real Estate Tax	290.45	0.04	1.75	417.94	0.05	1.87
Unpaid Operator Labor	2,005.62	0.28	12.08	2,549.51	0.32	11.38
Interest Charge *	291.86	0.04	1.76	493.46	0.06	2.20
TOTAL FIXED COSTS	\$5,350.68	\$0.74	\$32.23	\$7,832.50	\$0.98	\$34.97
Land Charge **	\$2,591.12	\$0.36	\$15.61	\$3,406.21	\$0.43	\$15.21
TOTAL EXPENSE	\$38,185.81	\$5.26	\$230.03	\$54,518.41	\$6.80	\$243.39
NET RETURN TO MANAGEMENT	\$9,695.76	\$1.33	\$58.41	(\$4,531.70)	(\$0.57)	(\$20.23)
NET RETURN TO LABOR-MGT	\$13,018.31	\$1.79	\$78.42	(\$483.13)	(\$0.06)	(\$2.16)

*Interest charge equals: ((8.0% times three-fourths the variable costs) plus (4.0% times depreciation times 8)) minus cash interest paid.

**Land charge represents a charge (equal to landlord's share) on owned land and equals (production from owned acres X price / unit X 33.33%). Crop production paid to the landlord on rented land (already removed above), or cash rent is the charge on rented land.

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator. A charge for management is not included in the expenses.