

**KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2003**  
**BEEF BACKGROUNDING: STATE AVERAGES**

	1998-2002 Average	2003
Number of Farms	67	54
Number of Head	438	439
Weight Produced / Head	312	320
Weight / Head Sold	812	839
Weight / Head Purchased	492	497
Sale Price / Cwt	\$76.18	\$82.08
Purchase Price / Cwt	\$91.72	\$96.96
Gross Income / Cwt	\$54.38	\$65.92
Feed Costs / Cwt	\$35.93	\$34.87
Nonfeed Costs / Cwt	\$33.12	\$38.32

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
<b>INCOME:</b>								
Steers - Heifers Sold	437	270,515.90			428	294,699.37		
Ending Inventory	281	152,432.94			248	146,444.40		
Gross Sales	718	\$422,948.85			676	\$441,143.77		
Steers - Heifers Purchased	448	201,907.34			449	216,553.69		
Beginning Inventory	282	148,365.03			246	133,321.26		
Gross Purchases	730	\$350,272.37			695	\$349,874.95		
Net Sale Gain		\$72,676.47	\$53.19	\$165.78		\$91,268.82	\$65.00	\$207.90
Patronage Refunds		240.88				52.06		
Miscellaneous Income		894.08				495.14		
Livestock Futures		486.53				751.86		
OTHER INCOME		\$1,621.48	\$1.19	\$3.70		\$1,299.06	\$0.93	\$2.96
<b>GROSS INCOME</b>		<b>\$74,297.96</b>	<b>\$54.38</b>	<b>\$169.48</b>		<b>\$92,567.88</b>	<b>\$65.92</b>	<b>\$210.86</b>
<b>EXPENSES:</b>								
Labor Hired		1,525.69	\$1.12	\$3.48		1,736.16	\$1.24	\$3.95
General Machinery Repairs		3,696.94	2.71	8.43		3,486.98	2.48	7.94
Interest Paid		7,475.97	5.47	17.05		6,462.60	4.60	14.72
Feed Purchased		49,087.16	35.93	111.97		48,967.36	34.87	111.54
Machine Hire - Lease		974.57	0.71	2.22		782.65	0.56	1.78
Farm Org Fees / Travel / Publ		564.40	0.41	1.29		602.26	0.43	1.37
Vet Medicine / Drugs		6,141.00	4.49	14.01		6,835.64	4.87	15.57
Livestock Marketing / Breeding		2,550.77	1.87	5.82		8,204.50	5.84	18.69
Gas / Fuel / Oil		1,131.81	0.83	2.58		1,280.66	0.91	2.92
Personal Property Tax		87.94	0.06	0.20		72.28	0.05	0.16
General Farm Insurance		514.66	0.38	1.17		528.45	0.38	1.20
Utilities		972.04	0.71	2.22		973.50	0.69	2.22
Auto Expense		259.29	0.19	0.59		192.22	0.14	0.44
Livestock Futures		689.98	0.51	1.57		2,726.24	1.94	6.21
<b>TOTAL VARIABLE COSTS</b>		<b>\$75,672.20</b>	<b>\$55.39</b>	<b>\$172.61</b>		<b>\$82,851.50</b>	<b>\$59.00</b>	<b>\$188.73</b>
<b>RETURN ABOVE VARIABLE COSTS</b>		<b>(\$1,374.25)</b>	<b>(\$1.01)</b>	<b>(\$3.13)</b>		<b>\$9,716.38</b>	<b>\$6.92</b>	<b>\$22.13</b>
Depreciation		2,426.76	1.78	5.54		2,623.78	1.87	5.98
Real Estate Tax		211.89	0.16	0.48		251.19	0.18	0.57
Unpaid Operator Labor		5,688.78	4.16	12.98		5,367.50	3.82	12.23
Interest Charge *		10,338.38	7.57	23.58		11,686.07	8.32	26.62
<b>TOTAL FIXED COSTS</b>		<b>\$18,665.81</b>	<b>\$13.66</b>	<b>\$42.58</b>		<b>\$19,928.54</b>	<b>\$14.19</b>	<b>\$45.40</b>
<b>TOTAL EXPENSE</b>		<b>\$94,338.01</b>	<b>\$69.05</b>	<b>\$215.19</b>		<b>\$102,780.04</b>	<b>\$73.20</b>	<b>\$234.12</b>
<b>NET RETURN TO MANAGEMENT</b>		<b>(\$20,040.06)</b>	<b>(\$14.67)</b>	<b>(\$45.71)</b>		<b>(\$10,212.16)</b>	<b>(\$7.27)</b>	<b>(\$23.26)</b>
<b>NET RETURN TO LABOR-MGT</b>		<b>(\$12,825.59)</b>	<b>(\$9.39)</b>	<b>(\$29.26)</b>		<b>(\$3,108.50)</b>	<b>(\$2.21)</b>	<b>(\$7.08)</b>
<b>Factors:</b>								
<b>Feed Costs</b>			\$35.93	\$111.97			\$34.87	\$111.54
<b>Nonfeed Costs</b>			\$33.12	\$103.22			\$38.32	\$122.58

\*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.