

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

	1998-2002 Average	2003
Number of Farms	47	25
Number of Head	699	950
Weight Produced / Head	618	602
Weight / Head Sold	1,164	1,158
Weight / Head Purchased	547	553
Sale Price / Cwt	\$68.72	\$84.01
Purchase Price / Cwt	\$87.35	\$94.45
Gross Income / Cwt	\$54.03	\$80.38
Feed Costs / Cwt	\$41.91	\$43.00
Nonfeed Costs / Cwt	\$18.83	\$20.04

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
INCOME:								
Steers - Heifers Sold	704	563,335.82			889	864,864.01		
Ending Inventory	554	343,678.87			844	604,251.62		
Gross Sales	1,259	\$907,014.70			1,733	\$1,469,115.63		
Steers - Heifers Purchased	716	342,081.44			1,084	565,741.17		
Beginning Inventory	562	335,183.94			692	448,623.52		
Gross Purchases	1,278	\$677,265.39			1,776	\$1,014,364.69		
Net Sale Gain	(19)	\$229,749.31	\$53.20	\$328.78	(43)	\$454,750.94	\$79.48	\$478.69
Patronage Refunds		518.59				166.22		
Miscellaneous Income		2,566.36				2,676.88		
Livestock Futures		498.82				2,293.36		
OTHER INCOME		\$3,583.77	\$0.83	\$5.13		\$5,136.46	\$0.90	\$5.41
GROSS INCOME		\$233,333.08	\$54.03	\$333.91		\$459,887.40	\$80.38	\$484.09
EXPENSES:								
Labor Hired		2,659.64	\$0.62	\$3.81		3,768.67	\$0.66	\$3.97
General Machinery Repairs		5,732.76	1.33	8.20		6,024.85	1.05	6.34
Interest Paid		12,949.02	3.00	18.53		15,860.73	2.77	16.70
Feed Purchased		181,000.07	41.91	259.02		246,025.10	43.00	258.97
Machine Hire - Lease		1,842.87	0.43	2.64		3,980.15	0.70	4.19
Farm Org Fees / Travel / Publ		1,070.69	0.25	1.53		962.67	0.17	1.01
Vet Medicine / Drugs		8,865.95	2.05	12.69		12,200.89	2.13	12.84
Livestock Marketing / Breeding		5,034.72	1.17	7.20		6,467.81	1.13	6.81
Gas / Fuel / Oil		1,633.31	0.38	2.34		2,218.73	0.39	2.34
Personal Property Tax		239.59	0.06	0.34		274.47	0.05	0.29
General Farm Insurance		1,093.79	0.25	1.57		1,914.36	0.33	2.02
Utilities		1,662.39	0.38	2.38		2,039.58	0.36	2.15
Auto Expense		269.77	0.06	0.39		491.16	0.09	0.52
Livestock Futures		663.21	0.15	0.95		951.26	0.17	1.00
TOTAL VARIABLE COSTS		\$224,717.78	\$52.03	\$321.58		\$303,180.43	\$52.99	\$319.14
RETURN ABOVE VARIABLE COSTS		\$8,615.31	\$1.99	\$12.33		\$156,706.97	\$27.39	\$164.95
Depreciation		4,544.90	1.05	6.50		7,546.70	1.32	7.94
Real Estate Tax		545.23	0.13	0.78		1,536.77	0.27	1.62
Unpaid Operator Labor		7,936.38	1.84	11.36		9,138.60	1.60	9.62
Interest Charge *		24,584.69	5.69	35.18		39,256.02	6.86	41.32
TOTAL FIXED COSTS		\$37,611.20	\$8.71	\$53.82		\$57,478.09	\$10.05	\$60.50
TOTAL EXPENSE		\$262,328.98	\$60.74	\$375.40		\$360,658.52	\$63.03	\$379.64
NET RETURN TO MANAGEMENT		(\$28,995.90)	(\$6.71)	(\$41.49)		\$99,228.88	\$17.34	\$104.45
NET RETURN TO LABOR-MGT		(\$18,399.88)	(\$4.26)	(\$26.33)		\$112,136.15	\$19.60	\$118.04
Factors:								
Feed Costs			\$41.91	\$259.02			\$43.00	\$258.97
Nonfeed Costs			\$18.83	\$116.38			\$20.04	\$120.67

*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.