

**KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2006
BEEF BACKGROUNDING: STATE AVERAGES**

	2001-2005 Average					2006				
Number of Farms	56					42				
Number of Head	456					497				
Weight Produced / Head	309					298				
Weight / Head Sold	824					809				
Weight / Head Purchased	500					497				
Sale Price / Cwt	\$87.78					\$101.53				
Purchase Price / Cwt	\$105.75					\$121.88				
Gross Income / Cwt	\$64.63					\$54.82				
Feed Costs / Cwt	\$36.56					\$39.28				
Nonfeed Costs / Cwt	\$38.56					\$42.59				
	Head	Pounds	Total Dollars	\$/Cwt	\$/Head	Head	Pounds	Total Dollars	\$/Cwt	\$/Head
INCOME:										
Steers - Heifers Sold	452	372,470	326,964.14			473	382,887	388,750.78		
Ending Inventory	279	179,265	175,185.37			304	202,178	208,069.89		
Gross Sales	732	551,735	\$502,149.51			777	585,065	\$596,820.67		
Steers - Heifers Purchased	470	234,929	248,442.47			475	236,122	287,777.78		
Beginning Inventory	277	175,929	164,211.43			313	201,011	232,385.67		
Gross Purchases	746	410,858	\$412,653.90			788	437,133	\$520,163.45		
Net Sale Gain	(15)	140,877	\$89,495.61	\$63.53	\$196.18	(11)	147,932	\$76,657.22	\$51.82	\$154.24
Patronage Refunds			120.57					93.36		
Miscellaneous Income			865.51					694.35		
Livestock Futures			561.52					3,651.77		
OTHER INCOME			\$1,547.59	\$1.10	\$3.39			\$4,439.48	\$3.00	\$8.93
GROSS INCOME			\$91,043.20	\$64.63	\$199.57			\$81,096.70	\$54.82	\$163.17
EXPENSES:										
Labor Hired			1,758.93	\$1.25	\$3.86			2,295.54	\$1.55	\$4.62
General Machinery Repairs			4,005.26	2.84	8.78			4,801.20	3.25	9.66
Interest Paid			7,664.75	5.44	16.80			8,358.03	5.65	16.82
Feed Purchased			51,504.56	36.56	112.90			58,109.21	39.28	116.92
Machine Hire - Lease			1,336.86	0.95	2.93			162.23	0.11	0.33
Farm Org Fees / Travel / Publ			624.88	0.44	1.37			782.33	0.53	1.57
Vet Medicine / Drugs			6,771.45	4.81	14.84			6,846.05	4.63	13.77
Livestock Marketing / Breeding			4,314.64	3.06	9.46			5,066.23	3.42	10.19
Gas / Fuel / Oil			1,541.44	1.09	3.38			2,646.92	1.79	5.33
Personal Property Tax			94.63	0.07	0.21			178.47	0.12	0.36
General Farm Insurance			592.49	0.42	1.30			953.91	0.64	1.92
Utilities			963.52	0.68	2.11			1,263.49	0.85	2.54
Auto Expense			220.50	0.16	0.48			187.85	0.13	0.38
Livestock Futures			1,924.34	1.37	4.22			548.15	0.37	1.10
TOTAL VARIABLE COSTS			\$83,318.25	\$59.14	\$182.64			\$92,199.61	\$62.33	\$185.51
RETURN ABOVE VARIABLE COSTS			\$7,724.95	\$5.48	\$16.93			(\$11,102.91)	(\$7.51)	(\$22.34)
Depreciation			3,084.20	2.19	6.76			4,388.99	2.97	8.83
Real Estate Tax			368.15	0.26	0.81			308.82	0.21	0.62
Unpaid Operator Labor			5,958.92	4.23	13.06			7,003.11	4.73	14.09
Interest Charge *			13,090.39	9.29	28.69			17,206.65	11.63	34.62
TOTAL FIXED COSTS			\$22,501.66	\$15.97	\$49.32			\$28,907.57	\$19.54	\$58.16
TOTAL EXPENSE			\$105,819.92	\$75.12	\$231.96			\$121,107.18	\$81.87	\$243.68
NET RETURN TO MANAGEMENT			(\$14,776.72)	(\$10.49)	(\$32.39)			(\$40,010.48)	(\$27.05)	(\$80.50)
NET RETURN TO LABOR-MGT			(\$7,058.87)	(\$5.01)	(\$15.47)			(\$30,711.83)	(\$20.76)	(\$61.79)
Factors:										
	Feed Costs			\$36.56	\$112.90				\$39.28	\$116.92
	Nonfeed Costs			\$38.56	\$119.06				\$42.59	\$126.76

* Interest charge equals: ((8.0% times gross purchases) plus (8.0% times one-half the variable costs except cash interest paid) plus (4.0% times depreciation times 8)) minus cash interest paid.