

**KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2007
BEEF BACKGROUNDING: STATE AVERAGES**

	2002-2006 Average	2007
Number of Farms	53	42
Number of Head	458	460
Weight Produced / Head	306	345
Weight / Head Sold	825	881
Weight / Head Purchased	502	517
Sale Price / Cwt	\$91.41	\$98.34
Purchase Price / Cwt	\$110.39	\$117.28
Gross Income / Cwt	\$63.83	\$69.01
Feed Costs / Cwt	\$37.21	\$60.22
Nonfeed Costs / Cwt	\$38.48	\$43.62

	Head	Pounds	Total Dollars	\$/Cwt	\$/Head	Head	Pounds	Total Dollars	\$/Cwt	\$/Head
INCOME:										
Steers - Heifers Sold	451	371,807	339,875.00			478	421,240	414,265.60		
Ending Inventory	278	179,737	181,958.01			270	183,770	189,442.49		
Gross Sales	728	551,543	\$521,833.01			748	605,010	\$603,708.09		
Steers - Heifers Purchased	464	233,090	257,313.08			423	218,792	256,601.65		
Beginning Inventory	278	178,078	175,192.19			330	227,308	232,045.36		
Gross Purchases	742	411,168	\$432,505.27			753	446,100	\$488,647.01		
Net Sale Gain	(14)	140,375	\$89,327.74	\$63.63	\$195.04	(5)	158,910	\$115,061.08	\$72.41	\$250.13
Patronage Refunds			87.72					489.23		
Miscellaneous Income			969.49					1,954.13		
Livestock Futures			(779.40)					(7,835.05)		
OTHER INCOME			\$277.80	\$0.20	\$0.61			(\$5,391.69)	(\$3.39)	(\$11.72)
GROSS INCOME			\$89,605.54	\$63.83	\$195.65			\$109,669.39	\$69.01	\$238.41
EXPENSES:										
Labor Hired			1,947.48	\$1.39	\$4.25			2,431.34	\$1.53	\$5.29
General Machinery Repairs			3,992.56	2.84	8.72			5,303.63	3.34	11.53
Interest Paid			7,489.45	5.34	16.35			10,716.78	6.74	23.30
Feed Purchased			52,229.07	37.21	114.04			95,696.00	60.22	208.03
Machine Hire - Lease			1,102.91	0.79	2.41			2,481.99	1.56	5.40
Farm Org Fees / Travel / Publ			668.27	0.48	1.46			856.59	0.54	1.86
Vet Medicine / Drugs			6,758.58	4.81	14.76			8,399.36	5.29	18.26
Livestock Marketing / Breeding			4,640.94	3.31	10.13			4,467.06	2.81	9.71
Gas / Fuel / Oil			1,765.59	1.26	3.85			3,095.77	1.95	6.73
Personal Property Tax			97.96	0.07	0.21			120.19	0.08	0.26
General Farm Insurance			647.44	0.46	1.41			738.18	0.46	1.60
Utilities			990.77	0.71	2.16			1,295.28	0.82	2.82
Auto Expense			182.27	0.13	0.40			282.14	0.18	0.61
TOTAL VARIABLE COSTS			\$82,513.30	\$58.78	\$180.16			\$135,884.31	\$85.51	\$295.40
RETURN ABOVE VARIABLE COSTS			\$7,092.24	\$5.05	\$15.49			(\$26,214.92)	(\$16.50)	(\$56.99)
Depreciation			3,320.53	2.37	7.25			4,094.08	2.58	8.90
Real Estate Tax			362.08	0.26	0.79			490.33	0.31	1.07
Unpaid Operator Labor			5,940.42	4.23	12.97			9,399.57	5.92	20.43
Interest Charge *			14,107.80	10.05	30.80			15,145.91	9.53	32.93
TOTAL FIXED COSTS			\$23,730.82	\$16.91	\$51.81			\$29,129.89	\$18.33	\$63.33
TOTAL EXPENSE			\$106,244.13	\$75.69	\$231.97			\$165,014.20	\$103.84	\$358.73
NET RETURN TO MANAGEMENT			(\$16,638.59)	(\$11.85)	(\$36.33)			(\$55,344.81)	(\$34.83)	(\$120.31)
NET RETURN TO LABOR-MGT			(\$8,750.68)	(\$6.23)	(\$19.11)			(\$43,513.90)	(\$27.38)	(\$94.60)
Factors:										
				\$37.21	\$114.04			\$60.22	\$208.03	
				\$38.48	\$117.94			\$43.62	\$150.69	

* 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.