

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
BEEF BACKGROUNDING

	<i>1996-2000 Average</i>	<i>2001</i>
Number of Farms	44	31
Number of Head	391	518
Weight Produced / Head	303	291
Weight / Head Sold	817	814
Weight / Head Purchased	501	501
Sale Price / Cwt	\$70.22	\$83.83
Purchase Price / Cwt	\$81.69	\$98.69
Gross Income / Cwt	\$60.88	\$52.94
Feed Costs / Cwt	\$38.95	\$38.47
Nonfeed Costs / Cwt	\$32.20	\$36.42

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
INCOME:								
Steers - Heifers Sold	381	218,519.16			497	339,283.96		
Ending Inventory	269	138,715.81			330	189,007.10		
Gross Sales	650	\$357,234.96			827	\$528,291.06		
Steers - Heifers Purchased	401	164,194.07			525	259,692.27		
Beginning Inventory	260	121,975.28			315	191,222.48		
Gross Purchases	661	\$286,169.35			840	\$450,914.75		
Net Sale Gain		\$71,065.62	\$60.04	\$181.75		\$77,376.31	\$51.41	\$149.38
Patronage Refunds		219.55				248.90		
Miscellaneous Income		471.30				113.00		
Livestock Futures		294.99				1,934.79		
OTHER INCOME		\$985.83	\$0.83	\$2.52		\$2,296.69	\$1.53	\$4.43
GROSS INCOME		\$72,051.45	\$60.88	\$184.27		\$79,673.00	\$52.94	\$153.81
EXPENSES:								
Labor Hired		\$1,438.36	\$1.22	\$3.68		\$1,783.59	\$1.19	\$3.44
General Machinery Repairs		3,116.80	2.63	7.97		4,251.00	2.82	8.21
Interest Paid		6,475.83	5.47	16.56		7,677.50	5.10	14.82
Feed Purchased		46,100.12	38.95	117.90		57,899.06	38.47	111.77
Machine Hire - Lease		592.39	0.50	1.52		553.82	0.37	1.07
Farm Org Fees / Travel / Publ		502.55	0.42	1.29		409.34	0.27	0.79
Vet Medicine / Drugs		4,721.04	3.99	12.07		7,126.48	4.74	13.76
Livestock Marketing / Breeding		2,173.24	1.84	5.56		2,691.43	1.79	5.20
Gas / Fuel / Oil		862.10	0.73	2.20		1,272.10	0.85	2.46
Personal Property Tax		46.85	0.04	0.12		63.02	0.04	0.12
General Farm Insurance		374.12	0.32	0.96		564.51	0.38	1.09
Utilities		1,071.28	0.91	2.74		1,172.92	0.78	2.26
Auto Expense		229.54	0.19	0.59		281.04	0.19	0.54
Livestock Futures		737.53	0.62	1.89		2,187.89	1.45	4.22
TOTAL VARIABLE COSTS		\$68,441.76	\$57.83	\$175.04		\$87,933.70	\$58.43	\$169.76
RETURN ABOVE VARIABLE COSTS		\$3,609.69	\$3.05	\$9.23		(\$8,260.70)	(\$5.49)	(\$15.95)
Depreciation		1,947.38	1.65	4.98		3,361.31	2.23	6.49
Real Estate Tax		71.58	0.06	0.18		56.53	0.04	0.11
Unpaid Operator Labor		5,440.81	4.60	13.92		6,415.40	4.26	12.38
Interest Charge *		8,304.04	7.02	21.24		14,952.06	9.93	28.86
TOTAL FIXED COSTS		\$15,763.80	\$13.32	\$40.32		\$24,785.30	\$16.47	\$47.85
TOTAL EXPENSE		\$84,205.56	\$71.15	\$215.36		\$112,719.00	\$74.89	\$217.60
NET RETURN TO MANAGEMENT		(\$12,154.11)	(\$10.27)	(\$31.08)		(\$33,046.00)	(\$21.96)	(\$63.80)
NET RETURN TO LABOR-MGT		(\$5,274.94)	(\$4.46)	(\$13.49)		(\$24,847.01)	(\$16.51)	(\$47.97)
Factors:								
Feed Costs			\$38.95	\$117.90			\$38.47	\$111.77
Nonfeed Costs			\$32.20	\$97.46			\$36.42	\$105.83

*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.