

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

	1996-2000 Average	2001
Number of Farms	13	6
Number of Head	380	696
Weight Produced / Head	351	276
Weight / Head Sold	799	767
Weight / Head Purchased	464	483
Sale Price / Cwt	\$72.12	\$84.11
Purchase Price / Cwt	\$82.54	\$98.70
Gross Income / Cwt	\$61.51	\$52.61
Feed Costs / Cwt	\$35.48	\$34.74
Nonfeed Costs / Cwt	\$26.46	\$36.99

	Head	Total Dollars	\$ / Cwt	\$ / Head	Head	Total Dollars	\$ / Cwt	\$ / Head
INCOME:								
Steers - Heifers Sold	400	230,162.22			693	446,880.26		
Ending Inventory	236	109,913.03			307	167,608.42		
Gross Sales	635	\$340,075.25			1,000	\$614,488.68		
Steers - Heifers Purchased	409	156,594.30			697	332,474.53		
Beginning Inventory	234	101,777.17			314	184,194.48		
Gross Purchases	643	\$258,371.47			1,011	\$516,669.01		
Net Sale Gain		\$81,703.78	\$61.27	\$215.12		\$97,819.67	\$50.84	\$140.55
Patronage Refunds		169.90				107.61		
Miscellaneous Income		83.81				287.25		
Livestock Futures		62.46				3,017.22		
OTHER INCOME		\$316.17	\$0.24	\$0.83		\$3,412.08	\$1.77	\$4.90
GROSS INCOME		\$82,019.95	\$61.51	\$215.96		\$101,231.75	\$52.61	\$145.45
EXPENSES:								
Labor Hired		\$979.92	\$0.73	\$2.58		\$639.40	\$0.33	\$0.92
General Machinery Repairs		2,959.27	2.22	7.79		5,292.99	2.75	7.60
Interest Paid		6,030.68	4.52	15.88		14,894.75	7.74	21.40
Feed Purchased		47,317.03	35.48	124.58		66,842.29	34.74	96.04
Machine Hire - Lease		141.05	0.11	0.37		3,393.43	1.76	4.88
Farm Org Fees / Travel / Publ		411.31	0.31	1.08		848.58	0.44	1.22
Vet Medicine / Drugs		4,872.30	3.65	12.83		7,333.53	3.81	10.54
Livestock Marketing / Breeding		1,594.83	1.20	4.20		6,767.58	3.52	9.72
Gas / Fuel / Oil		973.07	0.73	2.56		2,059.31	1.07	2.96
Personal Property Tax		116.32	0.09	0.31		337.01	0.18	0.48
General Farm Insurance		484.69	0.36	1.28		993.65	0.52	1.43
Utilities		912.58	0.68	2.40		1,555.31	0.81	2.23
Auto Expense		11.33	0.01	0.03		-	-	-
Livestock Futures		1,100.23	0.83	2.90		-	-	-
TOTAL VARIABLE COSTS		\$67,904.61	\$50.92	\$178.79		\$110,957.83	\$57.67	\$159.42
RETURN ABOVE VARIABLE COSTS		\$14,115.34	\$10.59	\$37.17		(\$9,726.08)	(\$5.06)	(\$13.97)
Depreciation		1,709.30	1.28	4.50		4,007.74	2.08	5.76
Real Estate Tax		253.93	0.19	0.67		412.06	0.21	0.59
Unpaid Operator Labor		5,160.86	3.87	13.59		11,137.50	5.79	16.00
Interest Charge *		7,567.44	5.67	19.92		11,492.80	5.97	16.51
TOTAL FIXED COSTS		\$14,691.53	\$11.02	\$38.68		\$27,050.10	\$14.06	\$38.87
TOTAL EXPENSE		\$82,596.14	\$61.94	\$217.47		\$138,007.93	\$71.73	\$198.29
NET RETURN TO MANAGEMENT		(\$576.19)	(\$0.43)	(\$1.52)		(\$36,776.18)	(\$19.11)	(\$52.84)
NET RETURN TO LABOR-MGT		\$5,564.59	\$4.17	\$14.65		(\$24,999.28)	(\$12.99)	(\$35.92)
Factors:								
Feed Costs			\$35.48	\$124.58			\$34.74	\$96.04
Nonfeed Costs			\$26.46	\$92.89			\$36.99	\$102.25

*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.