

**KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002**  
**BEEF BACKGROUNDING: STATE AVERAGES**

	1997-2001 Average	2002
Number of Farms	72	63
Number of Head	432	446
Weight Produced / Head	309	335
Weight / Head Sold	805	848
Weight / Head Purchased	489	503
Sale Price / Cwt	\$75.59	\$74.19
Purchase Price / Cwt	\$89.47	\$91.47
Gross Income / Cwt	\$59.56	\$47.66
Feed Costs / Cwt	\$36.45	\$34.57
Nonfeed Costs / Cwt	\$33.18	\$30.42

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
<b>INCOME:</b>								
Steers - Heifers Sold	426	259,089.87			453	284,870.74		
Ending Inventory	285	150,398.36			268	148,266.45		
Gross Sales	711	\$409,488.23			721	\$433,137.19		
Steers - Heifers Purchased	445	194,756.67			450	207,154.59		
Beginning Inventory	276	136,333.48			282	158,666.82		
Gross Purchases	721	\$331,090.16			732	\$365,821.41		
Net Sale Gain		\$78,398.08	\$58.80	\$181.48		\$67,315.78	\$45.08	\$150.93
Patronage Refunds		248.03				131.93		
Miscellaneous Income		357.97				3,317.01		
Livestock Futures		404.35				410.92		
OTHER INCOME		\$1,010.34	\$0.76	\$2.34		\$3,859.86	\$2.58	\$8.65
<b>GROSS INCOME</b>		<b>\$79,408.42</b>	<b>\$59.56</b>	<b>\$183.82</b>		<b>\$71,175.64</b>	<b>\$47.66</b>	<b>\$159.59</b>
<b>EXPENSES:</b>								
Labor Hired		\$1,556.40	\$1.17	\$3.60		\$1,404.22	\$0.94	\$3.15
General Machinery Repairs		3,810.44	2.86	8.82		3,220.46	2.16	7.22
Interest Paid		7,723.94	5.79	17.88		5,683.32	3.81	12.74
Feed Purchased		48,597.88	36.45	112.50		51,625.63	34.57	115.75
Machine Hire - Lease		921.29	0.69	2.13		1,069.37	0.72	2.40
Farm Org Fees / Travel / Publ		570.77	0.43	1.32		447.02	0.30	1.00
Vet Medicine / Drugs		5,939.28	4.45	13.75		6,462.58	4.33	14.49
Livestock Marketing / Breeding		2,388.96	1.79	5.53		2,549.59	1.71	5.72
Gas / Fuel / Oil		1,156.25	0.87	2.68		963.74	0.65	2.16
Personal Property Tax		88.17	0.07	0.20		66.35	0.04	0.15
General Farm Insurance		523.35	0.39	1.21		448.38	0.30	1.01
Utilities		1,021.72	0.77	2.37		780.49	0.52	1.75
Auto Expense		273.09	0.20	0.63		170.93	0.11	0.38
Livestock Futures		842.25	0.63	1.95		533.56	0.36	1.20
<b>TOTAL VARIABLE COSTS</b>		<b>\$75,413.77</b>	<b>\$56.56</b>	<b>\$174.57</b>		<b>\$75,425.64</b>	<b>\$50.51</b>	<b>\$169.12</b>
<b>RETURN ABOVE VARIABLE COSTS</b>		<b>\$3,994.64</b>	<b>\$3.00</b>	<b>\$9.25</b>		<b>(\$4,250.00)</b>	<b>(\$2.85)</b>	<b>(\$9.53)</b>
Depreciation		2,299.56	1.72	5.32		2,826.31	1.89	6.34
Real Estate Tax		229.20	0.17	0.53		163.46	0.11	0.37
Unpaid Operator Labor		5,613.79	4.21	12.99		5,758.47	3.86	12.91
Interest Charge *		9,272.08	6.95	21.46		12,870.98	8.62	28.86
<b>TOTAL FIXED COSTS</b>		<b>\$17,414.63</b>	<b>\$13.06</b>	<b>\$40.31</b>		<b>\$21,619.22</b>	<b>\$14.48</b>	<b>\$48.47</b>
<b>TOTAL EXPENSE</b>		<b>\$92,828.41</b>	<b>\$69.63</b>	<b>\$214.88</b>		<b>\$97,044.86</b>	<b>\$64.99</b>	<b>\$217.59</b>
<b>NET RETURN TO MANAGEMENT</b>		<b>(\$13,419.99)</b>	<b>(\$10.07)</b>	<b>(\$31.06)</b>		<b>(\$25,869.22)</b>	<b>(\$17.32)</b>	<b>(\$58.00)</b>
<b>NET RETURN TO LABOR-MGT</b>		<b>(\$6,249.80)</b>	<b>(\$4.69)</b>	<b>(\$14.47)</b>		<b>(\$18,706.53)</b>	<b>(\$12.53)</b>	<b>(\$41.94)</b>
<b>Factors:</b>								
<b>Feed Costs</b>			\$36.45	\$112.50			\$34.57	\$115.75
<b>Nonfeed Costs</b>			\$33.18	\$102.39			\$30.42	\$101.84

\*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.