

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

	1997-2001 Average	2002
Number of Farms	56	27
Number of Head	654	849
Weight Produced / Head	607	652
Weight / Head Sold	1,151	1,189
Weight / Head Purchased	539	555
Sale Price / Cwt	\$68.32	\$68.21
Purchase Price / Cwt	\$86.52	\$84.70
Gross Income / Cwt	\$53.92	\$59.83
Feed Costs / Cwt	\$41.11	\$45.98
Nonfeed Costs / Cwt	\$19.22	\$18.74

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
<b>INCOME:</b>								
Steers - Heifers Sold	644	506,726.59			917	743,563.13		
Ending Inventory	528	315,033.40			644	422,915.66		
Gross Sales	1,172	\$821,759.99			1,561	\$1,166,478.79		
Steers - Heifers Purchased	668	311,498.03			895	420,724.99		
Beginning Inventory	521	297,540.46			694	427,568.03		
Gross Purchases	1,189	\$609,038.49			1,589	\$848,293.02		
Net Sale Gain	(16)	\$212,721.50	\$53.59	\$325.16	(28)	\$318,185.77	\$57.52	\$374.78
Patronage Refunds		427.76				556.36		
Miscellaneous Income		613.63				11,055.39		
Livestock Futures		269.24				1,147.89		
OTHER INCOME		\$1,310.64	\$0.33	\$2.00		\$12,759.64	\$2.31	\$15.03
<b>GROSS INCOME</b>		<b>\$214,032.14</b>	<b>\$53.92</b>	<b>\$327.17</b>		<b>\$330,945.41</b>	<b>\$59.83</b>	<b>\$389.81</b>
<b>EXPENSES:</b>								
Labor Hired		\$2,555.00	\$0.64	\$3.91		\$3,079.72	\$0.56	\$3.63
General Machinery Repairs		5,372.03	1.35	8.21		6,720.72	1.21	7.92
Interest Paid		11,647.64	2.93	17.80		16,722.92	3.02	19.70
Feed Purchased		163,182.59	41.11	249.44		254,333.16	45.98	299.57
Machine Hire - Lease		1,500.80	0.38	2.29		2,581.03	0.47	3.04
Farm Org Fees / Travel / Publ		912.81	0.23	1.40		1,616.04	0.29	1.90
Vet Medicine / Drugs		8,103.33	2.04	12.39		11,692.10	2.11	13.77
Livestock Marketing / Breeding		6,280.32	1.58	9.60		6,084.00	1.10	7.17
Gas / Fuel / Oil		1,600.84	0.40	2.45		1,993.70	0.36	2.35
Personal Property Tax		209.63	0.05	0.32		371.10	0.07	0.44
General Farm Insurance		1,034.41	0.26	1.58		1,283.02	0.23	1.51
Utilities		1,563.33	0.39	2.39		2,094.15	0.38	2.47
Auto Expense		233.56	0.06	0.36		381.76	0.07	0.45
Livestock Futures		565.26	0.14	0.86		908.60	0.16	1.07
<b>TOTAL VARIABLE COSTS</b>		<b>\$204,761.54</b>	<b>\$51.58</b>	<b>\$313.00</b>		<b>\$309,862.02</b>	<b>\$56.02</b>	<b>\$364.97</b>
<b>RETURN ABOVE VARIABLE COSTS</b>		<b>\$9,270.60</b>	<b>\$2.34</b>	<b>\$14.17</b>		<b>\$21,083.39</b>	<b>\$3.81</b>	<b>\$24.83</b>
Depreciation		4,278.42	1.08	6.54		5,643.83	1.02	6.65
Real Estate Tax		530.58	0.13	0.81		687.80	0.12	0.81
Unpaid Operator Labor		7,620.69	1.92	11.65		10,386.30	1.88	12.23
Interest Charge *		22,273.47	5.61	34.05		31,409.31	5.68	37.00
<b>TOTAL FIXED COSTS</b>		<b>\$34,703.15</b>	<b>\$8.74</b>	<b>\$53.05</b>		<b>\$48,127.24</b>	<b>\$8.70</b>	<b>\$56.69</b>
<b>TOTAL EXPENSE</b>		<b>\$239,464.69</b>	<b>\$60.33</b>	<b>\$366.04</b>		<b>\$357,989.26</b>	<b>\$64.72</b>	<b>\$421.66</b>
<b>NET RETURN TO MANAGEMENT</b>		<b>(\$25,432.55)</b>	<b>(\$6.41)</b>	<b>(\$38.88)</b>		<b>(\$27,043.85)</b>	<b>(\$4.89)</b>	<b>(\$31.85)</b>
<b>NET RETURN TO LABOR-MGT</b>		<b>(\$15,256.87)</b>	<b>(\$3.84)</b>	<b>(\$23.32)</b>		<b>(\$13,577.83)</b>	<b>(\$2.45)</b>	<b>(\$15.99)</b>
<b>Factors:</b>								
<b>Feed Costs</b>			\$41.11	\$249.44			\$45.98	\$299.57
<b>Nonfeed Costs</b>			\$19.22	\$116.60			\$18.74	\$122.09

\*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.