

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

	1997-2001 Average	2002
Number of Farms	13	11
Number of Head	604	842
Weight Produced / Head	599	702
Weight / Head Sold	1,146	1,230
Weight / Head Purchased	515	489
Sale Price / Cwt	\$70.09	\$69.10
Purchase Price / Cwt	\$91.30	\$92.71
Gross Income / Cwt	\$53.91	\$59.10
Feed Costs / Cwt	\$44.25	\$52.01
Nonfeed Costs / Cwt	\$20.15	\$16.31

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
<b>INCOME:</b>								
Steers - Heifers Sold	563	452,241.19			851	723,071.66		
Ending Inventory	520	310,260.80			655	413,237.08		
Gross Sales	1,083	\$762,502.00			1,506	\$1,136,308.74		
Steers - Heifers Purchased	600	282,222.07			770	348,984.32		
Beginning Inventory	498	286,862.03			756	452,700.63		
Gross Purchases	1,098	\$569,084.10			1,526	\$801,684.95		
Net Sale Gain		\$193,417.89	\$53.47	\$320.44		\$334,623.79	\$56.61	\$397.42
Patronage Refunds		516.07				1,067.12		
Miscellaneous Income		189.11				10,874.91		
Livestock Futures		880.65				2,817.55		
OTHER INCOME		\$1,585.83	\$0.44	\$2.63		\$14,759.58	\$2.50	\$17.53
<b>GROSS INCOME</b>		<b>\$195,003.72</b>	<b>\$53.91</b>	<b>\$323.07</b>		<b>\$349,383.37</b>	<b>\$59.10</b>	<b>\$414.94</b>
<b>EXPENSES:</b>								
Labor Hired		\$2,749.81	\$0.76	\$4.56		\$2,820.04	\$0.48	\$3.35
General Machinery Repairs		4,960.13	1.37	8.22		4,469.88	0.76	5.31
Interest Paid		12,002.41	3.32	19.88		17,675.87	2.99	20.99
Feed Purchased		160,047.52	44.25	265.15		307,457.50	52.01	365.15
Machine Hire - Lease		3,326.55	0.92	5.51		4,697.43	0.79	5.58
Farm Org Fees / Travel / Publ		978.05	0.27	1.62		1,859.35	0.31	2.21
Vet Medicine / Drugs		6,899.94	1.91	11.43		10,748.67	1.82	12.77
Livestock Marketing / Breeding		4,124.60	1.14	6.83		4,272.89	0.72	5.07
Gas / Fuel / Oil		1,577.46	0.44	2.61		1,290.85	0.22	1.53
Personal Property Tax		132.04	0.04	0.22		155.92	0.03	0.19
General Farm Insurance		636.44	0.18	1.05		649.91	0.11	0.77
Utilities		1,375.10	0.38	2.28		1,929.47	0.33	2.29
Auto Expense		252.75	0.07	0.42		451.07	0.08	0.54
Livestock Futures		1,639.00	0.45	2.72		632.94	0.11	0.75
<b>TOTAL VARIABLE COSTS</b>		<b>\$200,701.81</b>	<b>\$55.48</b>	<b>\$332.51</b>		<b>\$359,111.79</b>	<b>\$60.75</b>	<b>\$426.50</b>
<b>RETURN ABOVE VARIABLE COSTS</b>		<b>(\$5,698.09)</b>	<b>(\$1.58)</b>	<b>(\$9.44)</b>		<b>(\$9,728.42)</b>	<b>(\$1.65)</b>	<b>(\$11.55)</b>
Depreciation		4,220.03	1.17	6.99		5,395.48	0.91	6.41
Real Estate Tax		175.61	0.05	0.29		-	-	-
Unpaid Operator Labor		7,687.41	2.13	12.74		8,869.09	1.50	10.53
Interest Charge *		20,139.44	5.57	33.37		30,482.55	5.16	36.20
<b>TOTAL FIXED COSTS</b>		<b>\$32,222.49</b>	<b>\$8.91</b>	<b>\$53.38</b>		<b>\$44,747.12</b>	<b>\$7.57</b>	<b>\$53.14</b>
<b>TOTAL EXPENSE</b>		<b>\$232,924.30</b>	<b>\$64.39</b>	<b>\$385.89</b>		<b>\$403,858.91</b>	<b>\$68.32</b>	<b>\$479.64</b>
<b>NET RETURN TO MANAGEMENT</b>		<b>(\$37,920.58)</b>	<b>(\$10.48)</b>	<b>(\$62.82)</b>		<b>(\$54,475.54)</b>	<b>(\$9.22)</b>	<b>(\$64.70)</b>
<b>NET RETURN TO LABOR-MGT</b>		<b>(\$27,483.35)</b>	<b>(\$7.60)</b>	<b>(\$45.53)</b>		<b>(\$42,786.41)</b>	<b>(\$7.24)</b>	<b>(\$50.82)</b>
<b>Factors:</b>								
<b>Feed Costs</b>			\$44.25	\$265.15			\$52.01	\$365.15
<b>Nonfeed Costs</b>			\$20.15	\$120.74			\$16.31	\$114.49

\*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.