

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

	1997-2001 Average	2002
Number of Farms	24	7
Number of Head	675	865
Weight Produced / Head	578	634
Weight / Head Sold	1,127	1,142
Weight / Head Purchased	535	574
Sale Price / Cwt	\$69.24	\$67.63
Purchase Price / Cwt	\$85.91	\$81.74
Gross Income / Cwt	\$55.26	\$56.07
Feed Costs / Cwt	\$41.69	\$40.25
Nonfeed Costs / Cwt	\$19.68	\$20.07

	Head	Total Dollars	\$/ Cwt	\$/ Head	Head	Total Dollars	\$/ Cwt	\$/ Head
INCOME:								
Steers - Heifers Sold	681	531,380.37			1,017	785,709.08		
Ending Inventory	537	323,025.30			595	380,944.23		
Gross Sales	1,218	\$854,405.67			1,612	1,166,653.31		
Steers - Heifers Purchased	699	320,811.60			986	462,238.14		
Beginning Inventory	545	318,555.28			641	407,824.31		
Gross Purchases	1,244	\$639,366.88			1,627	\$870,062.45		
Net Sale Gain		\$215,038.79	\$55.14	\$318.76		\$296,590.86	\$54.07	\$342.88
Patronage Refunds		172.07				33.28		
Miscellaneous Income		56.22				10,936.68		
Livestock Futures		252.92				-		
OTHER INCOME		\$481.21	\$0.12	\$0.71		\$10,969.96	\$2.00	\$12.68
GROSS INCOME		\$215,520.00	\$55.26	\$319.48		\$307,560.82	\$56.07	\$355.56
EXPENSES:								
Labor Hired		\$1,558.48	\$0.40	\$2.31		\$2,293.29	\$0.42	\$2.65
General Machinery Repairs		5,432.45	1.39	8.05		11,026.97	2.01	12.75
Interest Paid		9,809.11	2.52	14.54		11,871.21	2.16	13.72
Feed Purchased		162,598.45	41.69	241.03		220,785.71	40.25	255.24
Machine Hire - Lease		265.77	0.07	0.39		147.41	0.03	0.17
Farm Org Fees / Travel / Publ		629.50	0.16	0.93		889.14	0.16	1.03
Vet Medicine / Drugs		9,750.33	2.50	14.45		13,666.50	2.49	15.80
Livestock Marketing / Breeding		5,142.24	1.32	7.62		8,495.33	1.55	9.82
Gas / Fuel / Oil		1,430.70	0.37	2.12		2,045.52	0.37	2.36
Personal Property Tax		261.16	0.07	0.39		950.53	0.17	1.10
General Farm Insurance		846.12	0.22	1.25		950.11	0.17	1.10
Utilities		1,512.81	0.39	2.24		1,224.39	0.22	1.42
Auto Expense		273.06	0.07	0.40		279.19	0.05	0.32
Livestock Futures		181.13	0.05	0.27		-	-	-
TOTAL VARIABLE COSTS		\$199,691.31	\$51.20	\$296.01		\$274,625.30	\$50.06	\$317.49
RETURN ABOVE VARIABLE COSTS		\$15,828.70	\$4.06	\$23.46		\$32,935.52	\$6.00	\$38.08
Depreciation		4,235.57	1.09	6.28		7,683.52	1.40	8.88
Real Estate Tax		672.09	0.17	1.00		521.74	0.10	0.60
Unpaid Operator Labor		9,654.66	2.48	14.31		11,653.57	2.12	13.47
Interest Charge *		25,108.64	6.44	37.22		36,375.03	6.63	42.05
TOTAL FIXED COSTS		\$39,670.97	\$10.17	\$58.81		\$56,233.86	\$10.25	\$65.01
TOTAL EXPENSE		\$239,362.28	\$61.37	\$354.82		\$330,859.16	\$60.32	\$382.50
NET RETURN TO MANAGEMENT		(\$23,842.27)	(\$6.11)	(\$35.34)		(\$23,298.34)	(\$4.25)	(\$26.93)
NET RETURN TO LABOR-MGT		(\$12,629.13)	(\$3.24)	(\$18.72)		(\$9,351.48)	(\$1.70)	(\$10.81)
Factors:								
Feed Costs			\$41.69	\$241.03			\$40.25	\$255.24
Nonfeed Costs			\$19.68	\$113.79			\$20.07	\$127.25

*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.