

**KANSAS FARM MANAGEMENT ASSOCIATION  
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2006  
BEEF BACKGROUNDING / FINISHING: STATE AVERAGES**

	2001-2005 Average	2006
Number of Farms	24	14
Number of Head	948	656
Weight Produced / Head	630	599
Weight / Head Sold	1,176	1,261
Weight / Head Purchased	547	625
Sale Price / Cwt	\$81.09	\$84.76
Purchase Price / Cwt	\$102.68	\$119.20
Gross Income / Cwt	\$67.66	\$43.37
Feed Costs / Cwt	\$45.41	\$40.74
Nonfeed Costs / Cwt	\$20.38	\$22.33

	Head	Pounds	Total Dollars	\$/Cwt	\$/Head	Head	Pounds	Total Dollars	\$/Cwt	\$/Head
<b>INCOME:</b>										
Steers - Heifers Sold	938	1,102,678	894,181.65			587	740,067	627,301.49		
Ending Inventory	824	656,233	611,757.41			457	384,482	371,634.89		
Gross Sales	1,762	1,758,911	\$1,505,939.06			1,044	1,124,549	\$998,936.38		
Steers - Heifers Purchased	1,021	558,483	573,436.27			645	403,411	480,861.60		
Beginning Inventory	775	602,945	533,978.91			410	328,249	353,294.90		
Gross Purchases	1,796	1,161,428	\$1,107,415.18			1,055	731,660	\$834,156.50		
Net Sale Gain	(34)	597,483	\$398,523.88	\$66.70	\$420.47	(11)	392,889	\$164,779.88	\$41.94	\$251.19
Patronage Refunds			772.83					1,535.29		
Miscellaneous Income			3,585.30					2,268.44		
Livestock Futures			1,350.64					1,801.41		
OTHER INCOME			\$5,708.77	\$0.96	\$6.02			\$5,605.14	\$1.43	\$8.54
<b>GROSS INCOME</b>			<b>\$404,232.65</b>	<b>\$67.66</b>	<b>\$426.50</b>			<b>\$170,385.02</b>	<b>\$43.37</b>	<b>\$259.73</b>
<b>EXPENSES:</b>										
Labor Hired			4,234.47	\$0.71	\$4.47			7,631.31	\$1.94	\$11.63
General Machinery Repairs			6,940.02	1.16	7.32			5,024.88	1.28	7.66
Interest Paid			17,332.73	2.90	18.29			10,192.69	2.59	15.54
Feed Purchased			271,299.31	45.41	286.24			160,074.01	40.74	244.02
Machine Hire - Lease			3,129.96	0.52	3.30			500.04	0.13	0.76
Farm Org Fees / Travel / Publ			1,277.83	0.21	1.35			1,170.30	0.30	1.78
Vet Medicine / Drugs			12,788.95	2.14	13.49			5,632.04	1.43	8.59
Livestock Marketing / Breeding			6,973.73	1.17	7.36			7,188.40	1.83	10.96
Gas / Fuel / Oil			2,576.70	0.43	2.72			2,004.56	0.51	3.06
Personal Property Tax			302.20	0.05	0.32			315.72	0.08	0.48
General Farm Insurance			1,535.06	0.26	1.62			1,356.86	0.35	2.07
Utilities			1,996.49	0.33	2.11			1,308.42	0.33	1.99
Auto Expense			339.10	0.06	0.36			294.05	0.07	0.45
Livestock Futures			984.40	0.16	1.04			1,839.50	0.47	2.80
<b>TOTAL VARIABLE COSTS</b>			<b>\$331,710.97</b>	<b>\$55.52</b>	<b>\$349.98</b>			<b>\$204,532.78</b>	<b>\$52.06</b>	<b>\$311.79</b>
<b>RETURN ABOVE VARIABLE COSTS</b>			<b>\$72,521.68</b>	<b>\$12.14</b>	<b>\$76.52</b>			<b>(\$34,147.76)</b>	<b>(\$8.69)</b>	<b>(\$52.05)</b>
Depreciation			7,909.57	1.32	8.35			6,017.55	1.53	9.17
Real Estate Tax			1,059.41	0.18	1.12			217.51	0.06	0.33
Unpaid Operator Labor			9,776.88	1.64	10.32			4,182.99	1.06	6.38
Interest Charge *			42,584.07	7.13	44.93			32,872.79	8.37	50.11
<b>TOTAL FIXED COSTS</b>			<b>\$61,329.93</b>	<b>\$10.26</b>	<b>\$64.71</b>			<b>\$43,290.84</b>	<b>\$11.02</b>	<b>\$65.99</b>
<b>TOTAL EXPENSE</b>			<b>\$393,040.90</b>	<b>\$65.78</b>	<b>\$414.69</b>			<b>\$247,823.62</b>	<b>\$63.08</b>	<b>\$377.78</b>
<b>NET RETURN TO MANAGEMENT</b>			<b>\$11,191.75</b>	<b>\$1.87</b>	<b>\$11.81</b>			<b>(\$77,438.60)</b>	<b>(\$19.71)</b>	<b>(\$118.05)</b>
<b>NET RETURN TO LABOR-MGT</b>			<b>\$25,203.10</b>	<b>\$4.22</b>	<b>\$26.59</b>			<b>(\$65,624.30)</b>	<b>(\$16.70)</b>	<b>(\$100.04)</b>
<b>Factors:</b>										
<b>Feed Costs</b>				<b>\$45.41</b>	<b>\$286.24</b>				<b>\$40.74</b>	<b>\$244.02</b>
<b>Nonfeed Costs</b>				<b>\$20.38</b>	<b>\$128.45</b>				<b>\$22.33</b>	<b>\$133.76</b>

\* Interest charge equals: ((8.0% times gross purchases) plus (8.0% times one-half the variable costs except cash interest paid) plus (4.0% times depreciation times 8)) minus cash interest paid.