

**KANSAS FARM MANAGEMENT ASSOCIATION  
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2006  
BEEF GRAZING**

	2001-2005 Average					2006				
Number of Farms	7					5				
Number of Head	422					304				
Weight Produced / Head	284					387				
Weight / Head Sold	850					939				
Weight / Head Purchased	461					545				
Sale Price / Cwt	\$87.23					\$103.96				
Purchase Price / Cwt	\$109.28					\$127.45				
Gross Income / Cwt	\$68.06					\$54.78				
Feed Costs / Cwt	\$30.88					\$37.21				
Nonfeed Costs / Cwt	\$40.95					\$44.89				

  

	Head	Pounds	Total Dollars	\$/Cwt	\$/Head	Head	Pounds	Total Dollars	\$/Cwt	\$/Head
<b>INCOME:</b>										
Steers - Heifers Sold	336	285,876	249,379.97			307	288,221	299,628.49		
Ending Inventory	183	105,965	103,247.24			205	131,385	137,366.00		
Gross Sales	519	391,841	\$352,627.21			512	419,606	\$436,994.49		
Steers - Heifers Purchased	309	142,463	155,682.77			357	194,640	248,066.25		
Beginning Inventory	220	129,372	122,182.39			159	107,380	124,570.50		
Gross Purchases	529	271,835	\$277,865.16			516	302,020	\$372,636.75		
Net Sale Gain	(10)	120,006	\$74,762.05	\$62.30	\$176.99	(4)	117,586	\$64,357.74	\$54.73	\$211.70
Patronage Refunds			77.24					53.53		
Miscellaneous Income			2,889.78					0.00		
Livestock Futures			3,951.16					0.00		
OTHER INCOME			\$6,918.17	\$5.76	\$16.38			\$53.53	\$0.05	\$0.18
<b>GROSS INCOME</b>			<b>\$81,680.22</b>	<b>\$68.06</b>	<b>\$193.37</b>			<b>\$64,411.27</b>	<b>\$54.78</b>	<b>\$211.88</b>
<b>EXPENSES:</b>										
Labor Hired			3,900.58	\$3.25	\$9.23			4,436.91	\$3.77	\$14.60
General Machinery Repairs			4,855.88	4.05	11.50			6,589.25	5.60	21.68
Interest Paid			5,598.26	4.66	13.25			4,737.84	4.03	15.59
Feed Purchased			37,063.46	30.88	87.74			43,752.80	37.21	143.92
Machine Hire - Lease			977.11	0.81	2.31			28.00	0.02	0.09
Farm Org Fees / Travel / Publ			591.32	0.49	1.40			392.11	0.33	1.29
Vet Medicine / Drugs			5,277.07	4.40	12.49			2,326.83	1.98	7.65
Livestock Marketing / Breeding			3,687.81	3.07	8.73			6,468.68	5.50	21.28
Gas / Fuel / Oil			1,786.04	1.49	4.23			3,093.51	2.63	10.18
Personal Property Tax			227.25	0.19	0.54			286.51	0.24	0.94
General Farm Insurance			1,098.84	0.92	2.60			1,135.97	0.97	3.74
Utilities			956.30	0.80	2.26			1,870.43	1.59	6.15
Auto Expense			220.05	0.18	0.52			242.23	0.21	0.80
Livestock Futures			4,692.64	3.91	11.11			0.00	0.00	0.00
<b>TOTAL VARIABLE COSTS</b>			<b>\$70,932.61</b>	<b>\$59.11</b>	<b>\$167.93</b>			<b>\$75,361.07</b>	<b>\$64.09</b>	<b>\$247.90</b>
<b>RETURN ABOVE VARIABLE COSTS</b>			<b>\$10,747.61</b>	<b>\$8.96</b>	<b>\$25.44</b>			<b>(\$10,949.80)</b>	<b>(\$9.31)</b>	<b>(\$36.02)</b>
Depreciation			2,380.79	1.98	5.64			2,543.22	2.16	8.37
Real Estate Tax			572.97	0.48	1.36			291.91	0.25	0.96
Unpaid Operator Labor			3,386.81	2.82	8.02			4,539.97	3.86	14.93
Interest Charge *			8,935.57	7.45	21.15			13,806.39	11.74	45.42
<b>TOTAL FIXED COSTS</b>			<b>\$15,276.14</b>	<b>\$12.73</b>	<b>\$36.17</b>			<b>\$21,181.49</b>	<b>\$18.01</b>	<b>\$69.68</b>
<b>TOTAL EXPENSE</b>			<b>\$86,208.74</b>	<b>\$71.84</b>	<b>\$204.09</b>			<b>\$96,542.56</b>	<b>\$82.10</b>	<b>\$317.57</b>
<b>NET RETURN TO MANAGEMENT</b>			<b>(\$4,528.52)</b>	<b>(\$3.77)</b>	<b>(\$10.72)</b>			<b>(\$32,131.29)</b>	<b>(\$27.33)</b>	<b>(\$105.70)</b>
<b>NET RETURN TO LABOR-MGT</b>			<b>\$2,758.86</b>	<b>\$2.30</b>	<b>\$6.53</b>			<b>(\$23,154.41)</b>	<b>(\$19.69)</b>	<b>(\$76.17)</b>
<b>Factors:</b>										
<b>Feed Costs</b>				<b>\$30.88</b>	<b>\$87.74</b>				<b>\$37.21</b>	<b>\$143.92</b>
<b>Nonfeed Costs</b>				<b>\$40.95</b>	<b>\$116.35</b>				<b>\$44.89</b>	<b>\$173.65</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.