

**KANSAS FARM MANAGEMENT ASSOCIATION  
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009  
BEEF BACKGROUNDING / FINISHING: STATE AVERAGES**

	2004-2008 Average	2009
Number of Farms	17	20
Number of Head	976	1,015
Weight Produced / Head	656	595
Weight / Head Sold	1,220	1,208
Weight / Head Purchased	558	595
Sale Price / Cwt	\$89.53	\$83.78
Purchase Price / Cwt	\$113.90	\$95.35
Gross Income / Cwt	\$70.17	\$71.51
Feed Costs / Cwt	\$53.71	\$59.99
Nonfeed Costs / Cwt	\$22.62	\$27.13

	Head	Pounds	Total Dollars	\$/Cwt	\$/Head	Head	Pounds	Total Dollars	\$/Cwt	\$/Head
<b>INCOME:</b>										
Steers - Heifers Sold	961	1,171,875	1,049,181.15			984	1,188,495	995,671.84		
Ending Inventory	819	669,242	660,389.47			732	590,493	536,514.88		
Gross Sales	1,779	1,841,117	\$1,709,570.62			1,716	1,778,988	\$1,532,186.72		
Steers - Heifers Purchased	981	547,596	623,713.36			1,027	610,680	582,254.50		
Beginning Inventory	826	652,601	630,779.23			713	564,315	526,353.57		
Gross Purchases	1,807	1,200,197	\$1,254,492.60			1,740	1,174,995	\$1,108,608.07		
Net Sale Gain	(28)	640,920	\$455,078.02	\$71.00	\$466.08	(24)	603,993	\$423,578.65	\$70.13	\$417.32
Patronage Refunds			1,089.58					5,193.29		
Miscellaneous Income			1,229.82					905.58		
Livestock Futures			(7,678.52)					2,267.68		
OTHER INCOME			(\$5,359.12)	(\$0.84)	(\$5.49)			\$8,366.55	\$1.39	\$8.24
<b>GROSS INCOME</b>			<b>\$449,718.90</b>	<b>\$70.17</b>	<b>\$460.59</b>			<b>\$431,945.20</b>	<b>\$71.51</b>	<b>\$425.56</b>
<b>EXPENSES:</b>										
Labor Hired			\$9,060.56	\$1.41	\$9.28			\$16,800.21	\$2.78	\$16.55
General Machinery Repairs			7,800.60	1.22	7.99			10,537.87	1.74	10.38
Interest Paid			17,435.86	2.72	17.86			12,725.22	2.11	12.54
Feed Purchased			344,243.30	53.71	352.56			362,341.24	59.99	356.99
Machine Hire - Lease			5,772.51	0.90	5.91			1,319.80	0.22	1.30
Farm Org Fees / Travel / Publ			1,220.33	0.19	1.25			1,622.41	0.27	1.60
Vet Medicine / Drugs			11,542.79	1.80	11.82			14,137.83	2.34	13.93
Livestock Marketing / Breeding			8,938.84	1.39	9.15			12,083.50	2.00	11.90
Gas / Fuel / Oil			3,674.53	0.57	3.76			5,930.66	0.98	5.84
Personal Property Tax			461.49	0.07	0.47			565.41	0.09	0.56
General Farm Insurance			1,548.61	0.24	1.59			2,453.24	0.41	2.42
Utilities			1,933.40	0.30	1.98			2,618.82	0.43	2.58
Auto Expense			277.94	0.04	0.28			541.67	0.09	0.53
<b>TOTAL VARIABLE COSTS</b>			<b>\$413,910.78</b>	<b>\$64.58</b>	<b>\$423.92</b>			<b>\$443,677.88</b>	<b>\$73.46</b>	<b>\$437.12</b>
<b>RETURN ABOVE VARIABLE COSTS</b>			<b>\$35,808.11</b>	<b>\$5.59</b>	<b>\$36.67</b>			<b>(\$11,732.68)</b>	<b>(\$1.94)</b>	<b>(\$11.56)</b>
Depreciation			\$10,480.06	\$1.64	\$10.73			\$10,395.43	\$1.72	\$10.24
Real Estate Tax			985.76	0.15	1.01			1,203.07	0.20	1.19
Unpaid Operator Labor			11,776.16	1.84	12.06			18,768.16	3.11	18.49
Interest Charge *			52,096.27	8.13	53.36			52,183.75	8.64	51.41
<b>TOTAL FIXED COSTS</b>			<b>\$75,338.24</b>	<b>\$11.75</b>	<b>\$77.16</b>			<b>\$82,550.41</b>	<b>\$13.67</b>	<b>\$81.33</b>
<b>TOTAL EXPENSE</b>			<b>\$489,249.02</b>	<b>\$76.34</b>	<b>\$501.07</b>			<b>\$526,228.29</b>	<b>\$87.12</b>	<b>\$518.45</b>
<b>NET RETURN TO MANAGEMENT</b>			<b>(\$39,530.13)</b>	<b>(\$6.17)</b>	<b>(\$40.49)</b>			<b>(\$94,283.09)</b>	<b>(\$15.61)</b>	<b>(\$92.89)</b>
<b>NET RETURN TO LABOR-MGT</b>			<b>(\$18,693.40)</b>	<b>(\$2.92)</b>	<b>(\$19.15)</b>			<b>(\$58,714.72)</b>	<b>(\$9.72)</b>	<b>(\$57.85)</b>
<b>Factors:</b>										
<b>Feed Costs</b>				<b>\$53.71</b>	<b>\$352.56</b>			<b>\$59.99</b>	<b>\$356.99</b>	
<b>Nonfeed Costs</b>				<b>\$22.62</b>	<b>\$148.51</b>			<b>\$27.13</b>	<b>\$161.47</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.