

NC STATE UNIVERSITY
WHEAT ORGANIC PRODUCTION

ESTIMATED COSTS AND RETURNS PER ACRE
 37 BUSHEL YIELD, 2012

	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL PER ACRE	YOUR FARM
1. GROSS RECEIPTS					
WHEAT	BU.	37.00	\$9.50	\$351.50	_____
TOTAL RECEIPTS:				\$351.50	_____
2. VARIABLE COSTS					
SEED	BU.	2.50	\$22.00	\$55.00	_____
FERTILIZER					
LIME (PRORATED)	TON	0.33	\$50.00	\$16.50	_____
CHICKEN LITTER	TON	1.50	\$36.00	\$54.00	_____
TRACTOR/MACHINERY	ACRE	1.00	\$29.96	\$29.96	_____
DRYING	BU.	0.00	\$0.12	\$0.00	_____
COVER CROP	ACRE	0.00	\$48.00	\$0.00	_____
HAULING	BU.	37.00	\$0.35	\$12.95	_____
STORAGE	BU.	37.00	\$0.20	\$7.40	_____
LABOR	HRS	3.10	\$9.30	\$28.83	_____
INTEREST ON OP. CAP.	DOL.	42.48	5.00%	\$2.12	_____
TOTAL VARIABLE COSTS:				\$206.76	_____
3. INCOME ABOVE VARIABLE COSTS:				\$144.74	_____
4. FIXED COSTS					
TRACTOR/MACHINERY	ACRE	1.00	\$35.58	\$35.58	_____
*TRANSITION COST	ACRE	1.00	\$17.75	\$17.75	_____
**ORGANIC CERTIFICATION	ACRE	1.00	\$11.00	\$11.00	_____
TOTAL FIXED COSTS:				\$64.33	_____
6. TOTAL COSTS:				\$271.09	_____
7. NET RETURNS TO LAND, RISK AND MANAGEMENT:				\$80.41	_____

<u>BREAK-EVEN YIELD</u>		<u>BREAK-EVEN PRICE</u>	
VARIABLE COSTS	22 BU.	VARIABLE COSTS	\$5.59
TOTAL COSTS	29 BU.	TOTAL COSTS	\$7.33

PLEASE NOTE: THIS BUDGET IS FOR PLANNING PURPOSES ONLY.
 *TRANSITION COST IS THREE YEAR PERIOD OF CONVERSION
 FROM CONVENTION PRODUCTION TO ORGANIC AMORTIZED AT 5% FOR 10 YEARS
 **ORGANIC CERTIFICATION COSTS VARY BUT ESTIMATED TO BE \$11/ACRE

WHEAT ORGANIC PRODUCTION						
PER ACRE MACHINERY AND LABOR REQUIREMENTS FOR 37 BUSHEL WHEAT						
MONTH	OPERATION	TIMES OVER	LABOR HOURS	MACHINE HOURS	VARIABLE COSTS	FIXED COSTS
9	ROTARY MOWER 14'	1.00	0.12	0.11	\$2.02	\$2.13
10	HEAVY DISK 16'	2.00	0.26	0.24	\$9.04	\$7.68
11	GRAIN DRILL 16'	1.00	0.14	0.13	\$3.61	\$3.48
6	COMBINE W/ HEADER	1.00	0.33	0.30	\$13.85	\$20.29
6	TRUCK 1.5 TON	1.00	0.25	0.23	\$1.44	\$2.00
PER ACRE TOTALS FOR SELECTED OPERATIONS			1.10	1.01	29.96	35.58
UNALLOCATED LABOR(HRS./AC.)			2.00			

INCOME ABOVE VARIABLE COSTS AT DIFFERING YIELDS AND PRICES						
YIELD		PRICE (\$/bu.)				
BU.		\$8.55	\$9.03	\$9.50	\$9.98	\$10.45
33		\$77.96	\$93.77	\$109.59	\$125.41	\$141.23
35		\$93.77	\$110.47	\$127.17	\$143.86	\$160.56
37		\$109.59	\$127.17	\$144.74	\$162.32	\$179.89
39		\$125.41	\$143.86	\$162.32	\$180.77	\$199.22
41		\$141.23	\$160.56	\$179.89	\$199.22	\$218.56