

ENTERPRISE BUDGET

Classification	Agronomy	Province	Western Cape
Enterprise Budget Name	Hops (Establishment)	District	Garden Route
Land Size	1 Hectare	Area	George Area
Date Developed	15 June 2021	Latest update	15 June 2022
Developer	O'Brien Perel	Updater	O'Brien Perel
Soil Type	Sandy-Clay		

Use this enterprise budget as an aid in the planning process.

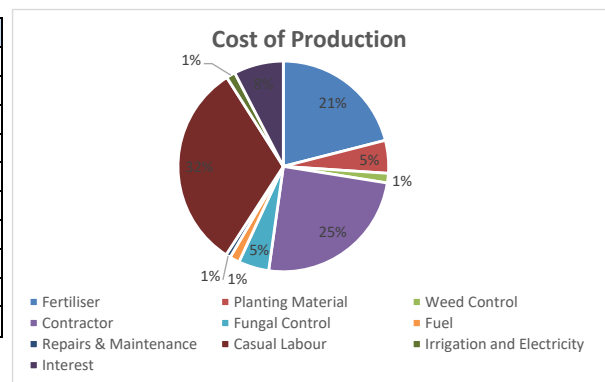
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			1,75	202 072,50	115 470,00
Product Income					
Hops	Ton	115 470,00	1,75	202 072,50	115 470,00
MARKETING COSTS Market					
GROSS INCOME minus MARKETING COSTS				202 072,50	115 470,00
TOTAL ALLOCATABLE VARIABLE COSTS				119 648,90	68 370,80
DIRECTLY ALLOCATABLE VARIABLE COSTS				116 764,18	66 722,39
A) PRE-HARVEST COST					
PLANTING MATERIAL				6 525,00	3 728,57
Hops	Plant	0,45	14 500,00	6 525,00	3 728,57
FERTILISER				27 221,88	15 555,36
1:0:0 (40)	Ton	21 062,25	0,50	10 531,13	6 017,79
Potassium Sulphate	Ton	31 878,00	0,22	7 013,16	4 007,52
Lime Ammonium Nitrate (28)	Ton	13 599,90	0,63	8 527,14	4 872,65
Dolomitic Lime	Ton	503,70	0,80	402,96	230,26
Gypsum Std Grade 66%	Ton	747,50	1,00	747,50	427,14
HERBICIDES				1 902,81	1 087,32
Paraquat	L	111,08	8,20	910,84	520,48
Glyphosate	L	190,92	3,20	610,95	349,12
Haloxyfop-r-methyl	L	686,70	0,40	274,68	156,96
Simazine 500 SC	L	154,10	0,69	106,33	60,76
FUNGICIDES				6 072,00	3 469,71
Benomyl	Kg	404,80	15,00	6 072,00	3 469,71
CASUAL LABOUR				20 639,10	11 793,77
Casual Labour Tree training/Hour	R/Manhour	23,19	381,00	8 835,39	5 048,79
Casual labour shovelling/Hour	R/Manhour	23,19	344,00	7 977,36	4 558,49
Casual labour stringing/Hour	R/Manhour	23,19	165,00	3 826,35	2 186,49
IRRIGATION & ELECTRICITY				1 800,00	1 028,57
Electricity	R/Ha	1 800,00	1,00	1 800,00	1 028,57
CONTRACTOR				32 000,00	18 285,71
Fencing	Ha	0,00	1,00	0,00	0,00
Soil preparation	Ha	32 000,00	1,00	32 000,00	18 285,71
B) HARVEST COST				20 603,39	11 773,36
Casual Labour Harvesting/Hour	R/Manhour	23,19	888,46	20 603,39	11 773,36
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				85 308,32	48 747,61

INDIRECTLY ALLOCATABLE VARIABLE COSTS			2 884,73	1 648,42
B) PRE-HARVEST COST				
Fuel	L	20,39	1 435,59	820,34
Repairs & Maintenance			554,99	317,14
C) HARVEST COSTS				
Fuel	L	20,39	520,99	297,71
Repairs & Maintenance			373,16	213,23
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			82 423,60	47 099,20
Interest on Working Capital			9 871,03	5 640,59
MARGIN ABOVE SPECIFIED COSTS			72 552,56	41 458,61

NOTES:	
Interest Rate	8,25%
Growing period of Crop (Months)	12
Tree replacement %	16

SENSITIVITY ANALYSIS					
YIELD (KG/ha)	PRICE (R/KG)				
YIELD CHANGE AT 10% INCREMENTS	LESS 10%	LESS 5%	ACTUAL	ADD 5%	ADD 10%
	R 103 923,00	R 109 696,50	R 115 470,00	R 121 243,50	R 127 017,00
1,40	R 15 972	R 24 055	R 32 138	R 40 221	R 48 304
1,58	R 34 159	R 43 252	R 52 345	R 61 439	R 70 532
1,75	R 52 345	R 62 449	R 72 553	R 82 656	R 92 760
1,93	R 70 532	R 81 646	R 92 760	R 103 874	R 114 988
2,10	R 88 718	R 100 843	R 112 967	R 125 091	R 137 216
BREAKEVEN YIELD (KG/ha)	1,25	1,18	1,12	1,07	1,02

Costs Of Production	R/Ha
Fertiliser	27 221,88
Planting Material	6 525,00
Weed Control	1 902,81
Contractor	32 000,00
Fungal Control	6 072,00
Fuel	1 956,58
Repairs & Maintenance	928,15
Casual Labour	41 242,49
Irrigation and Electricity	1 800,00
Interest	9 871,03



Disclaimer

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