Western Cape Government

AGRICULTURAL ECONOMIC SERVICES
Division: Production Economics
Tel: 021 808 5200
Private Bag X1, Elsenburg. 7607

ENTERPRISE BUDGET			
Classification	Vegetable	**Province**	Western Cape
Enterprise Budget Name	Watermelon (open field)	**District**	North West Coast
Land Size	1 Hectare	**Area**	Matzikama
Date Developed	27 November 2018	**Latest update**	03 June 2021
Developer	Mzwanele Lingani	**Updater**	Nontembeko Mbusi
Soil Type	Sandy		

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			**56,70**	**121 851,14**	**2 149,05**
Product Income					
Fruit- Watermelon²	Ton	2 149,05	56,70	121 851,14	2 149,05
MARKETING COSTS Market	0,13		7,09	15 231,39	268,63
GROSS INCOME minus MARKETING COSTS				**106 619,74**	**1 880,42**
TOTAL ALLOCATABLE VARIABLE COSTS				**119 764,66**	**2 112,25**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**109 773,88**	**1 936,05**
A) PRE-HARVEST COST					
PLANTING MATERIAL				**10 242,19**	**180,64**
Watermelon	Seedlings	1,09	9 375,00	10 242,19	180,64
FERTILISER				**25 176,49**	**444,03**
Ammonium Sulphate	Ton	17 657,10	0,15	2 648,57	46,71
Calcium Nitrate	Ton	12 375,92	0,15	1 856,39	32,74
Potassium Nitrate	Ton	33 544,35	0,15	5 031,65	88,74
Lime Ammonium Nitrate (28)	Ton	13 599,90	1,15	15 639,89	275,84
HERBICIDES				**333,24**	**5,88**
Paraquat	L	111,08	3,00	333,24	5,88
PESTICIDES/INSECTICIDES				**6 461,31**	**113,96**
Cadusafos	L	222,50	20,00	4 450,04	78,48
Lamda-cyhalothrin	L	161,38	3,60	580,97	10,25
Dimethoate 400 EC	L	175,25	3,60	630,89	11,13
Spinosad	L	204,98	3,90	799,41	14,10
FUNGICIDES				**1 031,30**	**18,19**
Mancozeb / Metalaxyl	KG	175,26	4,00	701,03	12,36
Penconazole	L	733,93	0,45	330,27	5,82
CASUAL LABOUR				**3 339,36**	**58,90**
Casual labour Drippers/Hour	R/Manhour	23,19	18,00	417,42	7,36
Casual Labour Planting/Hour	R/Manhour	23,19	36,00	834,84	14,72
Casual Labour Weeding/Hour	R/Manhour	23,19	90,00	2 087,10	36,81
IRRIGATION & ELECRICITY				**0,00**	**0,00**
B) HARVEST COSTS				**23 190,00**	**408,99**
Casual Labour Harvesting/Hour	R/Manhour	23,19	1 000,00	23 190,00	408,99
CONTRACT WORK				**40 000,00**	**705,47**
Transport to market	Trip	10 000,00	4,00	40 000,00	705,47
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**-3 154,14**	**-55,63**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**9 990,79**	**176,20**
C) PRE-HARVEST COST				
Fuel	L	20,39	1 425,07	25,13
Repairs & Maintenance			459,14	8,10
D) HARVEST COSTS				
Fuel	L	20,39	7 032,32	124,03
Repairs & Maintenance			1 074,26	18,95
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**-13 144,92**	**-231,83**
Interest on Working Capital			2 470,15	43,57
MARGIN ABOVE SPECIFIED COSTS			**-15 615,07**	**-275,40**

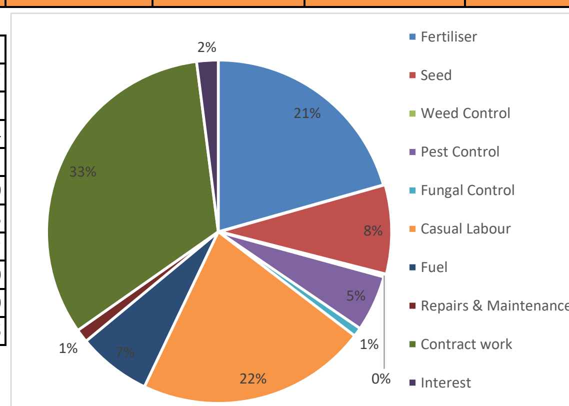
NOTES:

Interest Rate	8,25%
Growing period of Crop (Months)	3

Watermelon²- refers to the normal practice of producing watermelon.

SENSITIVITY ANALYSIS					
YIELD (Ton/Ha)	**PRICE (R/Ton)**				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 1 934,15	**R 2 041,60**	**R 2 149,05**	**R 2 256,50**	**R 2 363,96**
45	-R 49 733	-R 44 859	-R 39 985	-R 35 111	-R 30 237
51	-R 38 767	-R 33 283	-R 27 800	-R 22 317	-R 16 834
57	-R 27 800	-R 21 708	-R 15 615	-R 9 523	-R 3 430
62	-R 16 834	-R 10 132	-R 3 430	R 3 272	R 9 974
68	-R 5 867	R 1 444	R 8 755	R 16 066	R 23 377
BREAKEVEN YIELD (Ton/Ha)	**71**	**67**	**64**	**61**	**58**

Costs Of Production	**R/Ha**
Fertiliser	25 176,49
Seed	10 242,19
Weed Control	333,24
Pest Control	6 461,31
Fungal Control	1 031,30
Casual Labour	26 529,36
Fuel	8 457,39
Repairs & Maintenance	1 533,40
Contract work	40 000,00
Interest	2 470,15



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