

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	28 February 2023
Developer	Mzwanele Lingani	Updater	Nontembeko Mbusi
Soil Type	Sandy		

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

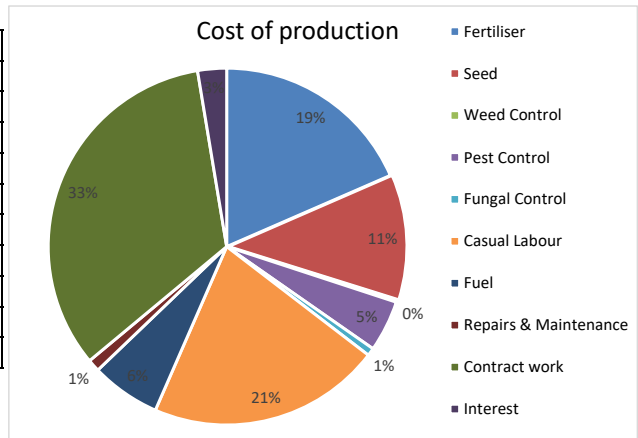
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			56,70	128 454,98	2 265,52
Product Income					
Fruit- Watermelon ²	Ton	2 265,52	56,70	128 454,98	2 265,52
MARKETING COSTS Market	0,13		7,09	16 056,87	283,19
GROSS INCOME minus MARKETING COSTS				112 398,11	1 982,33
TOTAL ALLOCATABLE VARIABLE COSTS				134 001,03	2 363,33
DIRECTLY ALLOCATABLE VARIABLE COSTS				123 808,38	2 183,57
A) PRE-HARVEST COST					
PLANTING MATERIAL				15 632,81	275,71
Watermelon	Seedlings	1,67	9 375,00	15 632,81	275,71
FERTILISER				25 410,25	448,15
Ammonium Sulphate	Ton	10 264,67	0,15	1 539,70	27,16
Calcium Nitrate	Ton	15 831,36	0,15	2 374,70	41,88
Potassium Nitrate	Ton	29 665,86	0,15	4 449,88	78,48
Lime Ammonium Nitrate (28)	Ton	14 822,58	1,15	17 045,97	300,63
HERBICIDES				298,77	5,27
Paraquat	L	99,59	3,00	298,77	5,27
PESTICIDES/INSECTICIDES				6 407,51	113,01
Cadusafos	L	224,77	20,00	4 495,35	79,28
Lamda-cyhalothrin	L	152,40	3,60	548,63	9,68
Dimethoate 400 EC	L	156,70	3,60	564,12	9,95
Spinosad	L	204,98	3,90	799,41	14,10
FUNGICIDES				978,56	17,26
Mancozeb / Metalaxyl	KG	177,56	4,00	710,24	12,53
Penconazole	L	596,28	0,45	268,32	4,73
CASUAL LABOUR				3 660,48	64,56
Casual labour Drippers/Hour	R/Manhour	25,42	18,00	457,56	8,07
Casual Labour Planting/Hour	R/Manhour	25,42	36,00	915,12	16,14
Casual Labour Weeding/Hour	R/Manhour	25,42	90,00	2 287,80	40,35
IRRIGATION & ELECRCITY				0,00	0,00
B) HARVEST COSTS				25 420,00	448,32
Casual Labour Harvesting/Hour	R/Manhour	25,42	1 000,00	25 420,00	448,32
CONTRACT WORK				46 000,00	811,29
Transport to market	Trip	11 500,00	4,00	46 000,00	811,29
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				-11 410,27	-201,24

INDIRECTLY ALLOCATABLE VARIABLE COSTS			10 192,65	179,76
C) PRE-HARVEST COST				
Fuel	L	20,88	1 459,08	25,73
Repairs & Maintenance			459,14	8,10
D) HARVEST COSTS				
Fuel	L	20,88	7 200,17	126,99
Repairs & Maintenance			1 074,26	18,95
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			-21 602,92	-381,00
Interest on Working Capital			3 601,28	63,51
MARGIN ABOVE SPECIFIED COSTS			-25 204,19	-444,52

NOTES:				
Interest Rate		10,75%		
Growing period of Crop (Months)		3		
Watermelon ² - 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 2 038,97	R 2 152,24	R 2 265,52	R 2 378,80	R 2 492,07
45	-R 61 172	-R 56 033	-R 50 895	-R 45 757	-R 40 619
51	-R 49 611	-R 43 830	-R 38 050	-R 32 269	-R 26 489
57	-R 38 050	-R 31 627	-R 25 204	-R 18 781	-R 12 359
62	-R 26 489	-R 19 424	-R 12 359	-R 5 294	R 1 771
68	-R 14 928	-R 7 220	R 487	R 8 194	R 15 901
BREAKEVEN YIELD (Ton/Ha)	75	71	68	65	62

Costs Of Production	R/Ha
Fertiliser	25 410,25
Seed	15 632,81
Weed Control	298,77
Pest Control	6 407,51
Fungal Control	978,56
Casual Labour	29 080,48
Fuel	8 659,25
Repairs & Maintenance	1 533,40
Contract work	46 000,00
Interest	3 601,28



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