

**ENTERPRISE BUDGET**

<b>Classification</b>	Agronomy	<b>Province</b>	Western Cape
<b>Enterprise Budget Name</b>	Hops (YR 3)	<b>District</b>	Garden Route
<b>Land Size</b>	1 Hectare	<b>Area</b>	George Area
<b>Date Developed</b>	15 June 2021	<b>Latest update</b>	09 June 2023
<b>Developer</b>	O'Brien Perel	<b>Updater</b>	O'Brien Perel
<b>Soil Type</b>	Sandy-Clay		

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

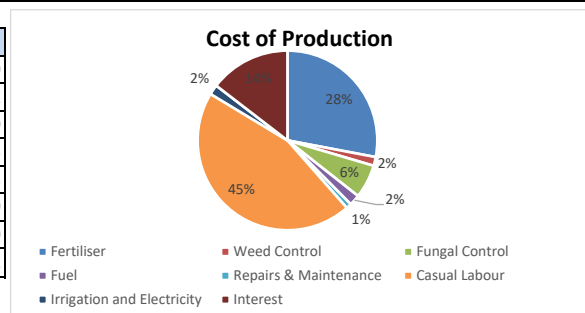
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
<b>GROSS INCOME</b>			<b>2,25</b>	<b>259 807,50</b>	<b>115 470,00</b>
<b>Product Income</b>					
Hops	Ton	115 470,00	2,25	259 807,50	115 470,00
<b>MARKETING COSTS Market</b>					
<b>GROSS INCOME minus MARKETING COSTS</b>				<b>259 807,50</b>	<b>115 470,00</b>
<b>TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>86 310,85</b>	<b>38 360,38</b>
<b>DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>83 404,43</b>	<b>37 068,63</b>
<b>A) PRE-HARVEST COST</b>					
<b>FERTILISER</b>				<b>28 025,30</b>	<b>12 455,69</b>
1:0:0 (40)	Ton	21 062,25	0,50	10 531,13	4 680,50
Potassium Sulphate	Ton	31 878,00	0,22	7 013,16	3 116,96
Lime Ammonium Nitrate (28)	Ton	14 822,58	0,63	9 293,76	4 130,56
Dolomitic Lime	Ton	549,70	0,80	439,76	195,45
Gypsum Std Grade 66%	Ton	747,50	1,00	747,50	332,22
<b>HERBICIDES</b>				<b>1 590,72</b>	<b>706,99</b>
Paraquat	L	99,59	8,20	816,64	362,95
Glyphosate	L	145,85	3,20	466,71	207,43
Haloxypop-r-methyl	L	502,61	0,40	201,04	89,35
Simazine 500 SC	L	154,10	0,69	106,33	47,26
<b>FUNGICIDES</b>				<b>6 072,00</b>	<b>2 698,67</b>
Benomyl	Kg	404,80	15,00	6 072,00	2 698,67
<b>CASUAL LABOUR</b>				<b>16 878,88</b>	<b>7 501,72</b>
Casual Labour Tree training/Hour	R/Manhour	25,42	381,00	9 685,02	4 304,45
Casual labour shovelling/Hour	R/Manhour	25,42	162,00	4 118,04	1 830,24
Casual labour stringing/Hour	R/Manhour	25,42	121,00	3 075,82	1 367,03
<b>IRRIGATION &amp; ELECRICITY</b>				<b>1 800,00</b>	<b>800,00</b>
Electricity	R/Ha	1 800,00	1,00	1 800,00	800,00
<b>B) HARVEST COST</b>				<b>29 037,52</b>	<b>12 905,56</b>
Casual Labour Harvesting/Hour	R/Manhour	25,42	1 142,31	29 037,52	12 905,56
<b>GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>176 403,07</b>	<b>78 401,37</b>

<b>INDIRECTLY ALLOCATABLE VARIABLE COSTS</b>			<b>2 906,42</b>	<b>1 291,74</b>
<b>B) PRE-HARVEST COST</b>				
Fuel	L	20,11	1 415,98	629,32
Repairs & Maintenance			554,99	246,66
<b>C) HARVEST COSTS</b>				
Fuel	L	20,11	538,99	239,55
Repairs & Maintenance			396,47	176,21
<b>GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS</b>			<b>173 496,65</b>	<b>77 109,62</b>
Interest on Working Capital			10 141,52	4 507,34
<b>MARGIN ABOVE SPECIFIED COSTS</b>			<b>163 355,13</b>	<b>72 602,28</b>

<b>NOTES:</b>	
Interest Rate	11,75%
Growing period of Crop (Months)	12
Tree replacement %	16

<b>SENSITIVITY ANALYSIS</b>					
<b>YIELD (Ton/ha)</b>	<b>PRICE (R/Ton)</b>				
<b>YIELD CHANGE AT 10% INCREMENTS</b>	<b>LESS 10%</b>	<b>LESS 5%</b>	<b>ACTUAL</b>	<b>ADD 5%</b>	<b>ADD 10%</b>
	<b>R 103 923,00</b>	<b>R 109 696,50</b>	<b>R 115 470,00</b>	<b>R 121 243,50</b>	<b>R 127 017,00</b>
<b>1,80</b>	R 90 609	R 101 001	R 111 394	R 121 786	R 132 178
<b>2,03</b>	R 113 992	R 125 683	R 137 374	R 149 066	R 160 757
<b>2,25</b>	R 137 374	R 150 365	R 163 355	R 176 346	R 189 336
<b>2,48</b>	R 160 757	R 175 046	R 189 336	R 203 625	R 217 915
<b>2,70</b>	R 184 140	R 199 728	R 215 317	R 230 905	R 246 494
<b>BREAKEVEN YIELD (Ton/Ha)</b>	<b>0,93</b>	<b>0,88</b>	<b>0,84</b>	<b>0,80</b>	<b>0,76</b>

<b>Costs Of Production</b>	<b>R/Ha</b>
Fertiliser	28 025,30
Weed Control	1 590,72
Fungal Control	6 072,00
Fuel	1 954,96
Repairs & Maintenance	951,46
Casual Labour	45 916,40
Irrigation and Electricity	1 800,00
Interest	10 141,52



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