Western Cape Government

AGRICULTURAL ECONOMIC SERVICES
Division: Production Economics
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ENTERPRISE BUDGET

Classification	Fruit	**Province**	Western Cape
Enterprise Budget Name	Olive Oil (Yr 1)	**District**	Garden Route/Little Karoo
Land Size	1 Hectare	**Area**	Kana/Oudtsh/P Albert
Date Developed	30 October 2015	**Date Updated**	12 March 2024
Developer	Mzwanele Lingani	**Updater**	Mzwanele Lingani
Soil Type	Sandy/Loam		

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			**0,00**	**0,00**	**0,00**
Product Income					
Olive Oil	Ton	9 000,00	0,00	0,00	0,00
MARKETING COSTS	Ton	0,00	0,00	0,00	0,00
GROSS INCOME minus MARKETING COSTS				**0,00**	**0,00**
TOTAL ALLOCATABLE VARIABLE COSTS				**135 317,42**	**0,00**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**133 935,67**	**0,00**
A) PRE-HARVEST COST					
PLANTING MATERIAL				**86 874,15**	**0,00**
Olive Oil Tree	Each	143,75	555,00	79 781,25	0,00
Stay Pole	Each	12,78	555,00	7 092,90	0,00
FERTILISER				**1 888,58**	**0,00**
Lime Ammonium Nitrate (28)	Ton	9 972,98	0,02	199,46	0,00
Nitrogen (N)	Ton	22 839,00	0,05	1 141,95	0,00
Potassium (K)	Ton	18 239,00	0,03	547,17	0,00
HERBICIDES				**286,72**	**0,00**
Glyphosate 360 SL	L	95,57	3,00	286,72	0,00
PESTICIDES				**6 303,67**	**0,00**
Azinphos-methyl	L	366,31	2,50	915,78	0,00
Demeton-s-methyl	L	421,26	1,00	421,26	0,00
Spinetoram 250 WG	Kg	8 277,71	0,60	4 966,63	0,00
FUNGICIDES				**4 304,25**	**0,00**
Mancozeb 800WP	Kg	111,00	4,00	444,01	0,00
Captab 50 SC	L	248,96	1,50	373,45	0,00
Cuprous oxide 86% WG	Kg	399,61	4,40	1 758,30	0,00
Copper Oxychloride	Kg	172,85	10,00	1 728,49	0,00
CASUAL LABOUR				**3 723,30**	**0,00**
Casual Labour Planting/Day	R/Manday	248,22	15,00	3 723,30	0,00
IRRIGATION & ELECRICITY				**1 350,00**	**0,00**
CONTRACTOR				**29 205,00**	**0,00**
Sub-Plough	Each	27 800,00	1,00	27 800,00	0,00
Survey of the Land	Each	550,00	1,00	550,00	0,00
Soil Analysis	Each	285,00	3,00	855,00	0,00
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**-133 935,67**	**0,00**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**1 381,75**	**0,00**
C) PRE-HARVEST COST				
Fuel	L	20,88	900,85	0,00
Repairs & Maintenance			480,90	0,00
D) HARVEST COSTS				
Fuel	L	20,88	0,00	0,00
Repairs & Maintenance			0,00	0,00
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**-135 317,42**	**0,00**
Interest on Working Capital			15 899,80	0,00
MARGIN ABOVE SPECIFIED COSTS			**-151 217,21**	**0,00**

NOTES:	
Interest Rate	11,75%
Intrarow Spacing (m)	3,75
Inter-row Spacing (m)	4,80
Growing period of Crop (Months)	12

SENSITIVITY ANALYSIS

YIELD (Ton/ha)	PRICE (R/Ton)				
YIELD CHANGE AT 10% INCREMENTS	LESS 10%	LESS 5%	ACTUAL	ADD 5%	ADD 10%
	R 8 100	**R 8 550**	**R 9 000**	**R 9 450**	**R 9 900**
0,00	-R 151 217	-R 151 217	-R 151 217	-R 151 217	-R 151 217
0,00	-R 151 217	-R 151 217	-R 151 217	-R 151 217	-R 151 217
0,00	-R 151 217	-R 151 217	-R 151 217	-R 151 217	-R 151 217
0,00	-R 151 217	-R 151 217	-R 151 217	-R 151 217	-R 151 217
0,00	-R 151 217	-R 151 217	-R 151 217	-R 151 217	-R 151 217
BREAKEVEN YIELD (Ton/Ha)	**18,67**	**17,69**	**16,80**	**16,00**	**15,27**

Costs Of Production	R/Ha
Fertiliser	1 888,58
Trees	86 874,15
Weed Control	286,72
Pest Control	6 303,67
Fungal Control	4 304,25
Labour	3 723,30
Fuel	900,85
Repairs & Maintenance	480,90
Irrigation	1 350,00
Interest	15 899,80
Contractor	29 205,00