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 4-6)	**District**	Garden/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			**5,70**	**51 300,00**	**9 000,00**
Product Income					
Olive Oil	Ton	9 000,00	5,70	51 300,00	9 000,00
MARKETING COSTS	Ton	0,00	5,70	0,00	0,00
GROSS INCOME minus MARKETING COSTS				**51 300,00**	**9 000,00**
TOTAL ALLOCATABLE VARIABLE COSTS				**36 478,46**	**6 399,73**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**34 676,33**	**6 083,57**
A) PRE-HARVEST COST					
FERTILISER				**8 511,17**	**1 493,19**
Lime Ammonium Nitrate (28)	Ton	9 972,98	0,05	498,65	87,48
Magnesium Sulphate	Ton	6 640,00	0,02	132,80	23,30
Nitrogen (N)	Ton	22 839,00	0,20	4 567,80	801,37
Potassium (K)	Ton	18 239,00	0,15	2 735,85	479,97
Solubor	L	63,43	1,20	76,12	13,35
Borax	Ton	34 533,12	0,01	172,67	30,29
Zinc Sulphate	Ton	32 729,00	0,01	327,29	57,42
HERBICIDES				**619,74**	**108,73**
Glyphosate 360 SL	L	95,57	3,00	286,72	50,30
Paraquat 200SL	L	166,51	2,00	333,01	58,42
PESTICIDES				**6 487,29**	**1 138,12**
Azinphos-methyl	L	366,31	2,50	915,78	160,66
Demeton-s-methyl	L	421,26	1,00	421,26	73,91
Spinetoram 250 WG	Kg	8 277,71	0,60	4 966,63	871,34
Bifenthrin(pyrethroid) 100g/L	L	306,05	0,60	183,63	32,22
FUNGICIDES				**4 304,25**	**755,13**
Mancozeb 800WP	Kg	111,00	4,00	444,01	77,90
Captab 50 SC	L	248,96	1,50	373,45	65,52
Cuprous oxide 86% WG	Kg	399,61	4,40	1 758,30	308,47
Copper Oxychloride	Kg	172,85	10,00	1 728,49	303,24
CASUAL LABOUR				**3 475,08**	**609,66**
Casual Labour Pruning/Day	R/Manday	248,22	14,00	3 475,08	609,66
IRRIGATION & ELECRICITY				**1 350,00**	**236,84**
B) HARVEST COSTS					
CASUAL LABOUR				**9 928,80**	**1 741,89**
Casual Labour Harvesting/Day	R/Manday	248,22	40,00	9 928,80	1 741,89
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**16 623,67**	**2 916,43**

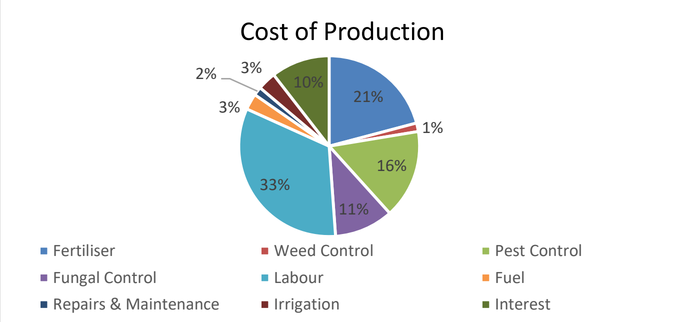
INDIRECTLY ALLOCATABLE VARIABLE COSTS			**1 802,13**	**316,16**
C) PRE-HARVEST COST				
Fuel	L	20,88	622,41	109,19
Repairs & Maintenance			373,47	65,52
D) HARVEST COSTS				
Fuel	L	20,88	554,22	97,23
Repairs & Maintenance			252,03	44,22
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**14 821,54**	**2 600,27**
Interest on Working Capital			4 286,22	751,97
MARGIN ABOVE SPECIFIED COSTS			**10 535,32**	**1 848,30**

NOTES:	
Interest Rate	11,75%
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**
4,56	-R 3 829	-R 1 777	R 275	R 2 327	R 4 379
5,13	R 788	R 3 097	R 5 405	R 7 714	R 10 022
5,70	R 5 405	R 7 970	R 10 535	R 13 100	R 15 665
6,27	R 10 022	R 12 844	R 15 665	R 18 487	R 21 308
6,84	R 14 639	R 17 717	R 20 795	R 23 873	R 26 951
BREAKEVEN YIELD (Ton/Ha)	**5,03**	**4,77**	**4,53**	**4,31**	**4,12**

Costs Of Production	R/Ha
Fertiliser	8 511,17
Weed Control	619,74
Pest Control	6 487,29
Fungal Control	4 304,25
Labour	13 403,88
Fuel	1 176,63
Repairs & Maintenance	625,50
Irrigation	1 350,00
Interest	4 286,22



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