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 7-8)	**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			**7,50**	**67 500,00**	**9 000,00**
Product Income					
Olive Oil	Ton	9 000,00	7,50	67 500,00	9 000,00
MARKETING COSTS	Ton	0,00	7,50	0,00	0,00
GROSS INCOME minus MARKETING COSTS				**67 500,00**	**9 000,00**
TOTAL ALLOCATABLE VARIABLE COSTS				**46 267,37**	**6 168,98**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**44 465,24**	**5 928,70**
A) PRE-HARVEST COST					
FERTILISER				**10 453,48**	**1 393,80**
Lime Ammonium Nitrate (28)	Ton	9 972,98	0,08	797,84	106,38
Magnesium Sulphate	Ton	6 640,00	0,02	132,80	17,71
Nitrogen (N)	Ton	22 839,00	0,24	5 481,36	730,85
Potassium (K)	Ton	18 239,00	0,19	3 465,41	462,05
Solubor	L	63,43	1,20	76,12	10,15
Borax	Ton	34 533,12	0,01	172,67	23,02
Zinc Sulphate	Ton	32 729,00	0,01	327,29	43,64
HERBICIDES				**619,74**	**82,63**
Glyphosate 360 SL	L	95,57	3,00	286,72	38,23
Paraquat 200SL	L	166,51	2,00	333,01	44,40
PESTICIDES				**6 487,29**	**864,97**
Azinphos-methyl	L	366,31	2,50	915,78	122,10
Demeton-s-methyl	L	421,26	1,00	421,26	56,17
Spinetoram 250 WG	Kg	8 277,71	0,60	4 966,63	662,22
Bifenthrin(pyrethroid) 100g/L	L	306,05	0,60	183,63	24,48
FUNGICIDES				**4 304,25**	**573,90**
Mancozeb 800WP	Kg	111,00	4,00	444,01	59,20
Captab 50 SC	L	248,96	1,50	373,45	49,79
Cuprous oxide 86% WG	Kg	399,61	4,40	1 758,30	234,44
Copper Oxychloride	Kg	172,85	10,00	1 728,49	230,46
CASUAL LABOUR				**3 475,08**	**463,34**
Casual Labour Pruning/Day	R/Manday	248,22	14,00	3 475,08	463,34
IRRIGATION & ELECRICITY				**1 750,00**	**233,33**
B) HARVEST COSTS					
CASUAL LABOUR				**17 375,40**	**2 316,72**
Casual Labour Harvesting/Day	R/Manday	248,22	70,00	17 375,40	2 316,72
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**23 034,76**	**3 071,30**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**1 802,13**	**240,28**
C) PRE-HARVEST COST				
Fuel	L	20,88	622,41	82,99
Repairs & Maintenance			373,47	49,80
D) HARVEST COSTS				
Fuel	L	20,88	554,22	73,90
Repairs & Maintenance			252,03	33,60
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**21 232,63**	**2 831,02**
Interest on Working Capital			5 436,42	724,86
MARGIN ABOVE SPECIFIED COSTS			**15 796,21**	**2 106,16**

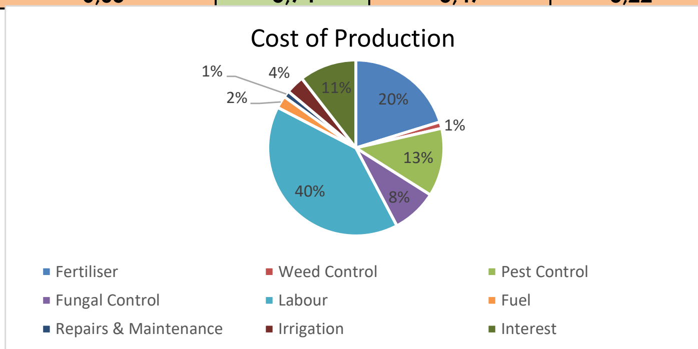
NOTES:

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**
6,00	-R 3 104	-R 404	R 2 296	R 4 996	R 7 696
6,75	R 2 971	R 6 009	R 9 046	R 12 084	R 15 121
7,50	R 9 046	R 12 421	R 15 796	R 19 171	R 22 546
8,25	R 15 121	R 18 834	R 22 546	R 26 259	R 29 971
9,00	R 21 196	R 25 246	R 29 296	R 33 346	R 37 396
BREAKEVEN YIELD (Ton/Ha)	**6,38**	**6,05**	**5,74**	**5,47**	**5,22**

Costs Of Production	**R/Ha**
Fertiliser	10 453,48
Weed Control	619,74
Pest Control	6 487,29
Fungal Control	4 304,25
Labour	20 850,48
Fuel	1 176,63
Repairs & Maintenance	625,50
Irrigation	1 750,00
Interest	5 436,42



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