Western Cape Government

AGRICULTURAL ECONOMIC SERVICES
Division: Production Economics
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ENTERPRISE BUDGET

Classification	Fynbos	**Province**	Western Cape
Enterprise Budget Name	Rooibos Organic- Yr 6	**District**	Overberg
Land Size	1 Hectare	**Area**	Bredasdorp
Date Developed	07-May-20	**Date Updated**	11 June 2024
Developer	Mzwanele Lingani	**Updater**	Mzwanele Lingani
Soil Type	Limestone		

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			**249,94**	**5 796,11**	**23,19**
Product Income					
Rooibos Tea Dried	Kg	23,19	249,94	5 796,11	23,19
MARKETING COSTS	Kg			0,00	0,00
GROSS INCOME minus MARKETING COSTS				**5 796,11**	**23,19**
TOTAL ALLOCATABLE VARIABLE COSTS				**13 600,39**	**54,41**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**3 999,56**	**16,00**
A) PRE-HARVEST COST					
CASUAL LABOUR				**1 241,10**	**4,97**
Casual Labour Weeding/Day	R/Manday	248,22	5,00	1 241,10	4,97
IRRIGATION & ELECRICITY				**0,00**	**0,00**
B) HARVEST COSTS					
CASUAL LABOUR				**1 208,83**	**4,84**
Casual Labour Harvesting/Day	R/Manday	248,22	4,87	1 208,83	4,84
DRYING & CUTTING COST				**1 549,63**	**6,20**
Rooibos drying and cutting	KG	6,20	249,94	1 549,63	6,20
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**1 796,55**	**7,19**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**9 600,83**	**38,41**
C) PRE-HARVEST COST				
Fuel	L	20,33	0,00	0,00
Repairs & Maintenance			0,00	0,00
D) HARVEST COSTS				
Fuel	L	20,33	6 427,80	25,72
Repairs & Maintenance			3 173,03	12,70
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**-7 804,28**	**-31,22**
Interest on Working Capital			1 598,05	6,39
MARGIN ABOVE SPECIFIED COSTS			**-9 402,33**	**-37,62**

NOTES:	
Interest Rate	11,75%
Growing period of Crop (months)	12
Plant spacing (m)	1.2m x 0.6m
Plantdensity	13 770 plants
Dry tea	50% of wet tea

SENSITIVITY ANALYSIS

YIELD (Kg/ha)	**PRICE (R/Kg)**				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 20,87	**R 22,03**	**R 23,19**	**R 24,35**	**R 25,51**
199,95	-R 11 025	-R 10 793	-R 10 562	-R 10 330	-R 10 098
224,95	-R 10 504	-R 10 243	-R 9 982	-R 9 721	-R 9 460
249,94	-R 9 982	-R 9 692	-R 9 402	-R 9 113	-R 8 823
274,93	-R 9 460	-R 9 142	-R 8 823	-R 8 504	-R 8 185
299,93	-R 8 939	-R 8 591	-R 8 243	-R 7 895	-R 7 548
BREAKEVEN YIELD (Kg/Ha)	**728,21**	**689,88**	**655,39**	**624,18**	**595,81**

Costs Of Production	**R/Ha**
Labour	2 449,9314
Drying & Cutting	1 549,63
Fuel	6 427,80
Repairs & Maintenance	3 173,03
Interest	1 598,05