Western Cape Government

AGRICULTURAL ECONOMIC SERVICES
Division: Production Economics
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ENTERPRISE BUDGET

Classification	*Crocus sativus*	**Province**	South Africa
Enterprise Budget Name	Saffron- Year 1	**District**	South Africa
Land Size	1 Hectare	**Area**	Calvinia/ Williston/Touwsriver
Date Developed	31 May 2022	**Latest update**	24 May 2024
Developer	Lingani, M/Mtshiselwa, Z	**Updater**	Ziyanda Poswa
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			**1 827,27**	**270 435,96**	**148,00**
Product Income					
Saffron	g	148,00	1 827,27	270 435,96	148,00
MARKETING COSTS Fresh Market	0,0%		0,00	0,00	0,00
GROSS INCOME minus MARKETING COSTS				**270 435,96**	**148,00**
TOTAL ALLOCATABLE VARIABLE COSTS				**2 062 505,67**	**1 128,74**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**2 058 411,61**	**1 126,50**
A) PRE-HARVEST COST					
PLANTING MATERIAL				**1 960 224,45**	**1 072,76**
Saffron corms	Corm	3,45	568 181,00	1 960 224,45	1 072,76
FERTILISER				**2 254,00**	**0,33**
Flamma	L	149,50	4,00	598,00	0,33
Flower Power	L	161,00	6,00	966,00	0,53
K-Phloem	L	115,00	6,00	690,00	0,38
HERBICIDES				**0,00**	**0,00**
PESTICIDES/INSECTICIDES				**0,00**	**0,00**
FUNGICIDES				**0,00**	**0,00**
CASUAL LABOUR				**55 849,50**	**30,56**
Casual Labour Planting/Hour	R/Manhour	27,58	2 025,00	55 849,50	30,56
B) HARVEST COSTS				**24 032,11**	**13,15**
Casual Labour Harvesting/Hour	R/Manhour	27,58	871,36	24 032,11	13,15
GRADING & TESTING				**2 000,00**	**1,09**
Harvest grading	R/Ha	2 000,00	1,00	2 000,00	1,09
PACKAGING MATERIAL				**94,30**	**0,00**
Glass Jar	Jar	23,575	4,00	94,30	0,00
ELECTRICITY COST				**13 957,25**	**0,00**
Electricity[1]	kWh	2,34	5 957,00	13 957,25	7,64
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**-1 787 975,65**	**-978,50**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**4 094,06**	**2,24**
C) PRE-HARVEST COST			**358,71**	**0,20**
Fuel	L	20,33	252,56	0,14
Repairs & Maintenance			106,15	0,06
D) HARVEST COSTS			**3 735,35**	**2,04**
Fuel	L	20,33	1 793,34	0,98
Repairs & Maintenance			1 942,01	1,06
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**-1 792 069,71**	**-980,74**
Interest on Working Capital			26 253,98	14,37
MARGIN ABOVE SPECIFIED COSTS			**-1 818 323,69**	**-995,10**

NOTES:	
Interest Rate	11,75%
Growing period of Crop (Month)	1,3
Plants spacing	15 cm between rows & 11.1cm between plants
Plant mortality	2%

SENSITIVITY ANALYSIS

YIELD (G/ha)	**PRICE (R/G)**				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 133,20	**R 140,60**	**R 148,00**	**R 155,40**	**R 162,80**
1 461,82	-1 894 046	-1 883 228	-1 872 411	-1 861 593	-1 850 776
1 644,54	-1 869 707	-1 857 537	-1 845 367	-1 833 198	-1 821 028
1 827,27	-1 845 367	-1 831 845	-1 818 324	-1 804 802	-1 791 280
2 010,00	-1 821 028	-1 806 154	-1 791 280	-1 776 406	-1 761 532
2 192,72	-1 796 689	-1 780 463	-1 764 236	-1 748 010	-1 731 784
BREAKEVEN YIELD (KG/Ha)	**15 681,38**	**14 856,04**	**14 113,24**	**13 441,18**	**12 830,22**

Costs Of Production	**R/Ha**
Fertiliser	2 254,00
Planting Material	1 960 224,45
Casual Labour	79 881,61
Harvest grading	2 000,00
Fuel	2 045,90
Repairs & Maintenance	2 048,16
Interest	26 253,98