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 3 | **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** | | | **11 172,00** | **1 653 456,00** | **148,00** |
| **Product Income** | | | | | |
| Saffron | g | 148,00 | 11 172,00 | 1 653 456,00 | 148,00 |
| **MARKETING COSTS Fresh Market** | 0,0% | | 0,00 | 0,00 | 0,00 |
| **GROSS INCOME minus MARKETING COSTS** | | | | **1 653 456,00** | **148,00** |
| | | | | | |
| **TOTAL ALLOCATABLE VARIABLE COSTS** | | | | **113 374,55** | **10,15** |
| **DIRECTLY ALLOCATABLE VARIABLE COSTS** | | | | **109 997,90** | **9,85** |
| **A) PRE-HARVEST COST** | | | | | |
| **FERTILISER** | | | | **2 254,00** | **0,06** |
| Flamma | L | 149,50 | 4,00 | 598,00 | 0,05 |
| Flower Power | L | 161,00 | 6,00 | 966,00 | 0,09 |
| K-Phloem | L | 115,00 | 6,00 | 690,00 | 0,06 |
| | | | | | |
| **HERBICIDES** | | | | **0,00** | **0,00** |
| **PESTICIDES/INSECTICIDES** | | | | **0,00** | **0,00** |
| **FUNGICIDES** | | | | **0,00** | **0,00** |
| | | | | | |
| **B) HARVEST COSTS** | | | | **91 220,85** | **8,17** |
| Casual Labour Harvesting/Hour | R/Manhour | 27,58 | 3 307,50 | 91 220,85 | 8,17 |
| | | | | | |
| **GRADING & TESTING** | | | | **2 000,00** | **0,18** |
| Harvest grading | R/Ha | 2 000,00 | 1,00 | 2 000,00 | 0,18 |
| | | | | | |
| **PACKAGING MATERIAL** | | | | **565,80** | **0,00** |
| Glass Jar | Jar | 23,575 | 24,00 | 565,80 | 0,00 |
| | | | | | |
| **ELECTRICITY COST** | | | | **13 957,25** | **0,00** |
| Electricity[1] | kWh | 2,34 | 5 957,00 | 13 957,25 | 1,25 |
| | | | | | |
| **GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS** | | | | **1 543 458,10** | **138,15** |

| | | | | |
|---|---|---|---|---|
| **INDIRECTLY ALLOCATABLE VARIABLE COSTS** | | | **3 376,65** | **0,30** |
| **C) PRE-HARVEST COST** | | | **0,00** | **0,00** |
| Fuel | L | 20,33 | 0,00 | 0,00 |
| Repairs & Maintenance | | | 0,00 | 0,00 |
| **D) HARVEST COSTS** | | | **3 376,65** | **0,30** |
| Fuel | L | 20,33 | 1 540,79 | 0,14 |
| Repairs & Maintenance | | | 1 835,86 | 0,16 |
| **GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS** | | | **1 540 081,45** | **137,85** |
| Interest on Working Capital | | | 1 443,16 | 0,13 |
| **MARGIN ABOVE SPECIFIED COSTS** | | | **1 538 638,29** | **137,72** |

**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** |
| **8 937,60** | 1 075 671 | 1 141 809 | 1 207 947 | 1 274 085 | 1 340 224 |
| **10 054,80** | 1 224 482 | 1 298 887 | 1 373 293 | 1 447 698 | 1 522 104 |
| **11 172,00** | 1 373 293 | 1 455 965 | 1 538 638 | 1 621 311 | 1 703 984 |
| **12 289,20** | 1 522 104 | 1 613 044 | 1 703 984 | 1 794 924 | 1 885 864 |
| **13 406,40** | 1 670 915 | 1 770 122 | 1 869 329 | 1 968 537 | 2 067 744 |
| **BREAKEVEN YIELD (KG/Ha)** | **861,99** | **816,63** | **775,80** | **738,85** | **705,27** |

| Costs Of Production | R/Ha |
|---|---|
| Fertiliser | 2 254,00 |
| Planting Material | 0,00 |
| Casual Labour | 91 220,85 |
| Harvest grading | 2 000,00 |
| Fuel | 1 540,79 |
| Repairs & Maintenance | 1 835,86 |
| Interest | 1 443,16 |
| | |
| | |
| | |
| | |