Western Cape Government

AGRICULTURAL ECONOMICS SERVICES
Division: Production Economics
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ENTERPRISE BUDGET

Classification	Vegetable	**Province**	Western Cape
Enterprise Budget Name	Spinach	**District**	Cape Metropole
Land Size	1 Hectare	**Area**	Kuilsriver/Kraaifontein
Date Developed	31 May 2015	**Latest update**	28 August 2024
Developer	Peliwe Mgudlwa	**Updater**	Ziyanda Poswa
Soil Type	Sandy		

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			**35,00**	**682 915,45**	**19 511,87**
Product Income					
Spinach	Ton	19 511,87	35,00	682 915,45	19 511,87
MARKETING COSTS Market	12,5%			85 364,43	2 438,98
GROSS INCOME minus MARKETING COSTS				**597 551,02**	**17 072,89**
TOTAL ALLOCATABLE VARIABLE COSTS				**156 372,65**	**4 467,79**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**153 141,11**	**4 375,46**
A) PRE-HARVEST COST					
PLANTING MATERIAL				**44 850,00**	**1 281,43**
Spinach Seedlings	Seedlings	0,75	60 000,00	44 850,00	1 281,43
FERTILISER				**50 992,61**	**1 456,93**
3:1:5 (38)	Ton	13 895,45	1,50	20 843,18	595,52
Lime Ammonium Nitrate (28)	Ton	9 972,98	1,93	19 247,85	549,94
Turbo-31 10:1:5	Ton	9 430,00	0,39	3 715,42	106,15
Potassium (K)	Ton	18 239,00	0,39	7 186,17	205,32
HERBICIDES				**1 061,13**	**30,32**
Paraquat 200SL	L	166,51	5,00	832,53	23,79
Diquat 80/Paraquat 120 SL	L	228,60	1,00	228,60	6,53
PESTICIDES/INSECTICIDES				**151,61**	**4,33**
Mevinphos 500 SL	L	721,05	0,15	108,16	3,09
Deltamethrin 25 EC	L	190,29	0,08	15,22	0,43
Buffer / alkylated phenol-ethylene oxide	L	47,05	0,60	28,23	0,81
FUNGICIDES				**152,90**	**4,37**
Tebuconazole 250 EW	L	611,60	0,25	152,90	4,37
CASUAL LABOUR				**2 702,84**	**77,22**
Casual Labour Planting/Hour	R/Manhour	27,58	96,00	2 647,68	75,65
Casual Labour Fertiliser Spread/Hour	R/Manhour	27,58	2,00	55,16	1,58
IRRIGATION & ELECRICITY					**0,00**
B) HARVEST COSTS				**52 980,08**	**1 513,72**
Casual Labour Harvesting/Day	R/Manday	248,22	213,44	52 980,08	1 513,72
PACKAGING MATERIAL				**249,95**	**7,14**
String	Kg	49,99	5	249,95	7,14
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**444 409,91**	**12 697,43**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**3 231,54**	**92,33**
C) PRE-HARVEST COST				
Fuel	L	20,33	1 838,98	52,54
Repairs & Maintenance			703,54	20,10
D) HARVEST COSTS				
Fuel	L	20,33	346,98	9,91
Repairs & Maintenance			342,04	9,77
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**441 178,37**	**12 605,10**
Interest on Working Capital			4 593,45	131,24
MARGIN ABOVE SPECIFIED COSTS			**436 584,92**	**12 473,85**

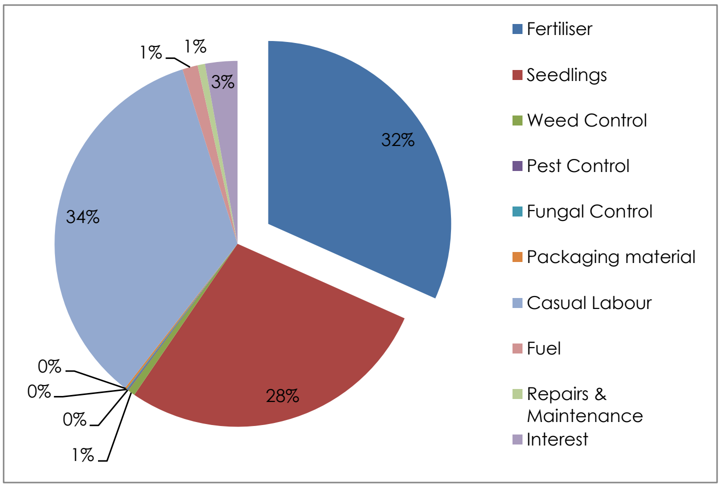
NOTES:

Interest Rate	11,75%
Growing period of Crop (Months)	3

SENSITIVITY ANALYSIS

YIELD (Ton/ha)	PRICE (R/Ton)				
YIELD CHANGE AT 10% INCREMENTS	LESS 10%	LESS 5%	ACTUAL	ADD 5%	ADD 10%
	R 17 560,68	**R 18 536,28**	**R 19 511,87**	**R 20 487,46**	**R 21 463,06**
28	R 245 369	R 272 685	R 300 002	R 327 318	R 354 635
32	R 306 831	R 337 562	R 368 293	R 399 025	R 429 756
35	R 368 293	R 402 439	R 436 585	R 470 731	R 504 876
39	R 429 756	R 467 316	R 504 876	R 542 437	R 579 997
42	R 491 218	R 532 193	R 573 168	R 614 143	R 655 118
BREAKEVEN YIELD (Ton/ha)	**14**	**13**	**13**	**12**	**11**

Costs Of Production	R/Ha
Fertiliser	50 992,61
Seedlings	44 850,00
Weed Control	1 061,13
Pest Control	151,61
Fungal Control	152,90
Packaging material	249,95
Casual Labour	55 682,92
Fuel	2 185,96
Repairs & Maintenance	1 045,58
Interest	4 593,45



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