Western Cape Government

AGRICULTURAL ECONOMICS SERVICES
Division: Production Economics
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ENTERPRISE BUDGET

Classification	Vegetables	**Province**	Western Cape
Enterprise Budget Name	Spring Onions	**District**	Cape Metropole
Land Size	1 Hectare	**Area**	Phillipi
Date Developed	30 June 2015	**Latest update**	28 August 2024
Developer	Nomfundo Nyembe	**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			**31,60**	**765 592,79**	**24 227,62**
Product Income					
Spring Onions Market	Ton	24 227,62	31,60	765 592,79	24 227,62
MARKETING COSTS Market	12,5%			95 699,10	3 028,45
GROSS INCOME minus MARKETING COSTS				**669 893,69**	**21 199,17**
TOTAL ALLOCATABLE VARIABLE COSTS				**205 773,11**	**6 511,81**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**201 789,51**	**6 385,74**
A) PRE-HARVEST COSTS					
PLANTING MATERIAL				**15 250,00**	**482,59**
Spring Onion	Kg	1 220,00	12,50	15 250,00	482,59
FERTILISER				**56 961,83**	**1 802,59**
Chicken manure	Ton	4 300,00	5,00	21 500,00	680,38
Lime Ammonium Nitrate (28)	Ton	9 972,98	0,60	5 983,79	189,36
3:1:5 (38)	Ton	13 895,45	1,60	22 232,72	703,57
1.0.1(36)	Ton	12 075,54	0,60	7 245,32	229,28
HERBICIDES				**8 745,12**	**276,74**
Oxadiazon	L	1 561,98	4,00	6 247,93	197,72
Clethodim (Cyclohexanedione)	L	261,65	1,00	261,65	8,28
Oxyfluorfen	L	388,51	0,75	291,39	9,22
Oxyfluorfen	L	388,51	0,80	310,81	9,84
Fluazifop-p-butyl	L	816,67	2,00	1 633,34	51,69
PESTICIDES/INSECTICIDES				**4 487,79**	**142,02**
Mevinphos 500 SL	L	721,05	3,00	2 163,15	68,45
Spinosad 480 SC	L	823,14	0,15	123,47	3,91
Methomyl	L	230,91	2,40	554,19	17,54
Cartap Hydrochloride	Kg	823,49	2,00	1 646,98	52,12
FUNGICIDES				**1 890,31**	**59,82**
Mancozeb 800WP	Kg	111,02	3,00	333,06	10,54
Tebuconazole 250 EW	L	611,60	0,70	428,12	13,55
Pyraclostrobin / boscalid	Kg	2 335,02	0,30	700,51	22,17
Chlorothalonil	L	214,31	2,00	428,63	13,56
CASUAL LABOUR				**24 822,00**	**785,51**
Casual Labour Planting/Hour	R/Manhour	27,58	900,00	24 822,00	785,51
B) HARVEST COSTS					
CASUAL LABOUR				**89 359,20**	**2 827,82**
Casual Labour Harvesting/Hour	R/Manhour	27,58	1 620,00	44 679,60	1 413,91
Casual Labour Packaging/Hour	R/Manhour	27,58	1 620,00	44 679,60	1 413,91
PACKAGING MATERIAL				**273,26**	**8,65**
String	Kg	43,70	6,00	262,20	8,30
Tag per bunch	Each	0,35	31,60	11,06	0,35
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**468 104,18**	**14 813,42**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**3 983,60**	**126,06**
C) PRE-HARVEST COST				
Fuel	L	20,33	1 645,42	52,07
Repairs & Maintenance			658,44	20,84
D) HARVEST COSTS				
Fuel	L	20,33	960,27	30,39
Repairs & Maintenance			719,47	22,77
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**464 120,58**	**14 687,36**
Interest on Working Capital			6 044,59	191,28
MARGIN ABOVE SPECIFIED COSTS			**458 076,00**	**14 496,08**

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

SENSITIVITY ANALYSIS

YIELD (Kg/ha)	**PRICE (R/kg)**				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 1,80	**R 1,90**	**R 24 228**	**R 25 439,00**	**R 26 650,38**
25	-R 307 471	-R 307 469	R 304 957	R 335 581	R 366 205
28	-R 307 466	-R 307 463	R 381 517	R 415 968	R 450 420
32	-R 307 460	-R 307 457	R 458 076	R 496 356	R 534 635
35	-R 307 454	-R 307 451	R 534 635	R 576 743	R 618 850
38	-R 307 449	-R 307 445	R 611 195	R 657 130	R 703 066
BREAKEVEN YIELD (Kg/ha)	**117 676**	**111 483**	**9**	**8**	**8**

Costs Of Production	**R/Ha**
Fertiliser	56 961,83
Seed	15 250,00
Weed Control	8 745,12
Pest Control	4 487,79
Fungal Control	1 890,31
Labour	114 181,20
Fuel	2 605,69
Repairs & Maintenance	1 377,92
Packaging	273,26
Interest	6 044,59