Western Cape Government

AGRICULTURAL ECONOMICS
DIVISION: Production Economics
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ENTERPRISE BUDGET

Classification	Vegetable	**Province**	Western Cape
Enterprise Budget Name	Garlic	**District**	Western Cape
Land Size	1 Hectare	**Area**	Western Cape
Date Developed	03 July 2021	**Latest update**	21 November 2024
Developer	Nontembeko Mbusi	**Updater**	Nontembeko Mbusi
Soil Type	Sandy/Clay		

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			**6 000,00**	**399 930,00**	**66,66**
Product Income					
Garlic (Fresh Market)	Kg	66,66	6 000,00	399 930,00	66,66
MARKETING COSTS Fresh Market	12,5%		750,00	49 991,25	8,33
GROSS INCOME minus MARKETING COSTS				**349 938,75**	**58,323125**
TOTAL ALLOCATABLE VARIABLE COSTS				**339 754,88**	**56,63**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**336 951,38**	**56,16**
A) PRE-HARVEST COST					
PLANTING MATERIAL				**240 350,00**	**40,06**
Garlic cloves	Each	2,40	100 000,00	240 350,00	40,06
FERTILISER				**10 350,21**	**1,73**
Chicken manure	Ton	4 300,00	0,50	2 150,00	0,36
Elfere Boron	L	151,80	1,50	227,70	0,04
Calcium Nitrate	Ton	9 640,00	0,25	2 410,00	0,40
Ammonium Nitrate 19% N	Ton	19 594,02	0,25	4 898,51	0,82
Magnesium Sulphate	Ton	6 640,00	0,10	664,00	0,11
HERBICIDES				**5 369,00**	**0,89**
Oxyfluorfen	L	388,51	1,50	582,77	0,10
Metamitron	L	1 662,27	1,00	1 662,27	0,28
Oxadiazon	L	1 561,98	2,00	3 123,97	0,52
PESTICIDES/INSECTICIDES				**3 500,65**	**0,58**
Cartap Hydrochloride	Kg	823,49	2,00	1 646,98	0,27
Mevinphos 500 SL	L	721,05	2,00	1 442,10	0,24
Spinosad 480 SC	L	823,14	0,50	411,57	0,07
FUNGICIDES				**2 901,94**	**0,48**
Pyraclostrobin / Boscalid	Kg	2 335,02	1,00	2 335,02	0,39
Chlorothalonil	L	283,46	2,00	566,93	0,09
CASUAL LABOUR				**11 914,56**	**1,99**
Casual Labour Seed Prep/Day	R/Manday	248,22	9,00	2 233,98	0,37
Casual Labour Planting/Day	R/Manday	248,22	27,00	6 701,94	1,12
Casual Labour Fertiliser Spread/Day	R/Manday	248,22	12,00	2 978,64	0,50
B) HARVEST COSTS				**22 091,58**	**3,68**
Casual Labour Harvesting/Day	R/Manday	248,22	36,00	8 935,92	1,49
Cutting, Sorting and Packaging	R/Manday	248,22	53,00	13 155,66	2,19
PACKAGING MATERIAL				**5 473,44**	**0,91**
Box (10KG) garlic	Each	12,00	180,00	2 160,00	0,36
Box (4KG) garlic	Each	7,30	375,00	2 738,44	0,46
Bag (3KG) garlic	Each	1,15	500,00	575,00	0,10
CONTRACTOR				**35 000,00**	**5,83**
Installation of drying facility				35 000,00	5,83
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**12 987,37**	**2,16**

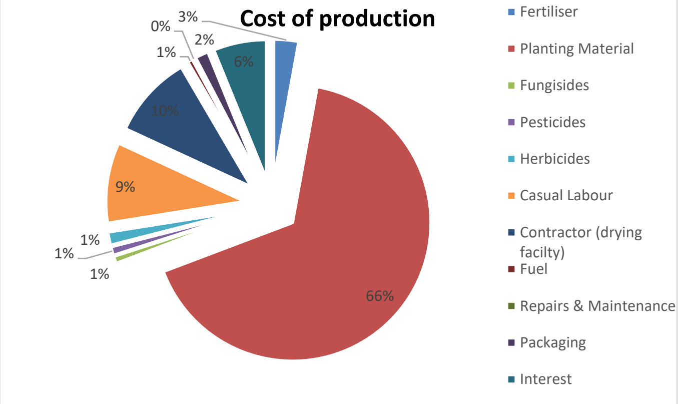
INDIRECTLY ALLOCATABLE VARIABLE COSTS			**2 803,50**	**0,47**
C) PRE-HARVEST COST				
Fuel	L	19,99	971,96	0,16
Repairs & Maintenance			349,68	0,06
D) HARVEST COSTS				
Fuel	L	19,99	983,95	0,16
Repairs & Maintenance			497,91	0,08
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**10 183,87**	**1,70**
Interest on Working Capital			22 296,41	3,72
MARGIN ABOVE SPECIFIED COSTS			**-12 112,54**	**-2,02**

NOTES:	
Interest Rate	11,25%
Growing period of Crop (Month)	7
Plants spacing	0.2m x 0.5m

SENSITIVITY ANALYSIS

YIELD (KG/ha)	**PRICE (R/KG)**				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 59,99	**R 63,32**	**R 66,66**	**R 69,99**	**R 73,32**
4 800,00	-124 093	-108 096	-92 099	-76 101	-60 104
5 400,00	-88 099	-70 102	-52 106	-34 109	-16 112
6 000,00	-52 106	-32 109	-12 113	7 884	27 880
6 600,00	-16 112	5 884	27 880	49 877	71 873
7 200,00	19 882	43 878	67 873	91 869	115 865
BREAKEVEN YIELD (KG/Ha)	**6 868,58**	**6 507,07**	**6 181,72**	**5 887,35**	**5 619,75**

Costs Of Production	**R/Ha**
Fertiliser	10 350,21
Planting Material	240 350,00
Fungisides	2 901,94
Pesticides	3 500,65
Herbicides	5 369,00
Casual Labour	34 006,14
Contractor (drying facilty)	35 000,00
Fuel	1 955,91
Repairs & Maintenance	847,59
Packaging	5 473,44
Interest	22 296,41



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