Western Cape Government

AGRICULTURAL ECONOMIC SERVICES
Division: Production Economics
Tel: 021 808 5317
Private Bag X1, Elsenburg. 7607

ENTERPRISE BUDGET

Classification	Fruit	**Province**	Western Cape
Enterprise Budget Name	Olive Oil (Yr 9+)	**District**	Garden Route/Little Karoo
Land Size	1 Hectare	**Area**	Kana/Oudtsh/P Albert
Date Developed	30 October 2015	**Date updated**	12 March 2025
Developer	Mzwanele Lingani	**Updater**	Mzwanele Lingani
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			**9,50**	**95 000,00**	**10 000,00**
Product Income					
Olive Oil	Ton	10 000,00	9,50	95 000,00	10 000,00
MARKETING COSTS	Ton	0,00	9,50	0,00	0,00
GROSS INCOME minus MARKETING COSTS				**95 000,00**	**10 000,00**
TOTAL ALLOCATABLE VARIABLE COSTS				**55 057,40**	**5 795,52**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**53 376,41**	**5 618,57**
A) PRE-HARVEST COST					
FERTILISER				**12 722,30**	**1 339,19**
Lime Ammonium Nitrate (28)	Ton	9 252,21	0,08	740,18	77,91
Magnesium Sulphate	Ton	7 232,58	0,02	144,65	15,23
Nitrogen (N)	Ton	25 371,39	0,24	6 089,13	640,96
Potassium (K)	Kg	26,45	190,00	5 025,85	529,04
Solubor	L	73,47	1,20	88,17	9,28
Borax	Kg	36,80	10,00	368,00	38,74
Zinc Sulphate	Kg	26,63	10,00	266,32	28,03
HERBICIDES				**426,12**	**44,85**
Glyphosate 360 SL	L	56,47	3,00	169,42	17,83
Paraquat 200SL	L	128,35	2,00	256,70	27,02
PESTICIDES				**7 229,71**	**761,02**
Azinphos-methyl	L	405,58	2,50	1 013,96	106,73
Demeton-s-methyl	L	379,50	1,00	379,50	39,95
Spinetoram 250 WG	Kg	9372,85	0,60	5 623,71	591,97
Bifenthrin(pyrethroid) 100g/L	L	354,24	0,60	212,55	22,37
FUNGICIDES				**5 651,95**	**594,94**
Mancozeb 800WP	Kg	107,81	4,00	431,25	45,39
Captab 50 SC	L	311,46	1,50	467,19	49,18
Cuprous oxide 86% WG	Kg	427,14	4,40	1 879,43	197,83
Copper oxychloride	Kg	287,41	10,00	2 874,08	302,53
CASUAL LABOUR				**3 627,54**	**381,85**
Casual Labour Pruning/Day	R/Manday	259,11	14,00	3 627,54	381,85
IRRIGATION & ELECRICITY				**2 990,00**	**314,74**
B) HARVEST COSTS					
CASUAL LABOUR				**20 728,80**	**2 181,98**
Casual Labour Harvesting/Day	R/Manday	259,11	80,00	20 728,80	2 181,98
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**41 623,59**	**4 381,43**

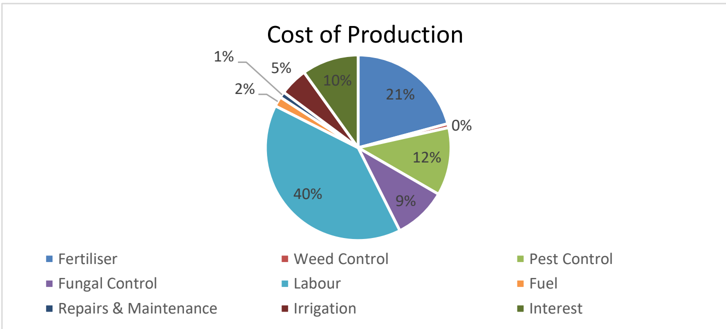
INDIRECTLY ALLOCATABLE VARIABLE COSTS			**1 680,99**	**176,95**
C) PRE-HARVEST COST				
Fuel	L	18,73	558,33	58,77
Repairs & Maintenance			373,47	39,31
D) HARVEST COSTS				
Fuel	L	18,73	497,16	52,33
Repairs & Maintenance			252,03	26,53
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**39 942,60**	**4 204,48**
Interest on Working Capital			6 056,31	637,51
MARGIN ABOVE SPECIFIED COSTS			**33 886,29**	**3 566,98**

NOTES:	
Interest Rate	11,00%
Growing period of Crop (Months)	12

SENSITIVITY ANALYSIS

YIELD (Ton/ha)	**PRICE (R/Ton)**				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 9 000	**R 9 500**	**R 10 000**	**R 10 500**	**R 11 000**
7,60	R 7 286	R 11 086	R 14 886	R 18 686	R 22 486
8,55	R 15 836	R 20 111	R 24 386	R 28 661	R 32 936
9,50	R 24 386	R 29 136	R 33 886	R 38 636	R 43 386
10,45	R 32 936	R 38 161	R 43 386	R 48 611	R 53 836
11,40	R 41 486	R 47 186	R 52 886	R 58 586	R 64 286
BREAKEVEN YIELD (Ton/Ha)	**6,79**	**6,43**	**6,11**	**5,82**	**5,56**

Costs Of Production	**R/Ha**
Fertiliser	12 722,30
Weed Control	426,12
Pest Control	7 229,71
Fungal Control	5 651,95
Labour	24 356,34
Fuel	1 055,49
Repairs & Maintenance	625,50
Irrigation	2 990,00
Interest	6 056,31



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