Western Cape Government

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

ENTERPRISE BUDGET

Classification	Fruit	**Province**	Western Cape
Enterprise Budget Name	Peaches (Yr 3)	**District**	Klein Karoo
Land Size	1 Ha	**Area**	Langkloof
Date Developed	01 March 2018	**Date Updated**	21 February 2024
Developer	Peliwe Mgudlwa	**Updater**	Nkhanedzeni Nedzungani
Soil Type	Clay-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			**18,00**	**333 882,00**	**18 549,00**
Product Income					
Peach	Ton	18 549,00	18,00	333 882,00	18 549,00
MARKETING COSTS	12,50%			**41 735,25**	**2 318,63**
GROSS INCOME minus MARKETING COSTS				**292 146,75**	**16 230,38**
TOTAL ALLOCATABLE VARIABLE COSTS				**143 109,98**	**7 950,55**
DIRECTLY ALLOCATABLE VARIABLE COSTS				**140 860,56**	**7 825,59**
A) PRE-HARVEST COST					
FERTILISER				**64 531,39**	**3 585,08**
Lime Ammonium Nitrate (28)	Ton	9 252,21	2,64	24 425,83	1 356,99
Maxiphos 20	Ton	15 191,50	2,64	40 105,56	2 228,09
INSECTICIDES				**765,41**	**42,52**
Alpha-cypermethrin	L	1 020,54	0,75	765,41	42,52
HERBICIDES				**1 260,40**	**70,02**
Elfer Boron	L	108,10	9,00	972,90	54,05
Chlorsulfuron	Kg	2 395,84	0,12	287,50	15,97
FUNGICIDES				**1 006,47**	**55,92**
Sulphur	Kg	48,21	0,75	36,16	2,01
Mancozeb 800WP	Kg	107,81	9,00	970,32	53,91
CASUAL LABOUR				**42 494,04**	**2 360,78**
Casual Labour Thinning/Day	R/Manday	259,11	20,00	5 182,20	287,90
Casual Labour Pruning/Day	R/Manday	259,11	80,00	20 728,80	1 151,60
Casual Labour Fertiliser Spread/Day	R/Manday	259,11	20,00	5 182,20	287,90
Casual Labour Weeding/Day	R/Manday	259,11	26,00	6 736,86	374,27
Casual Labour Irrigation/Day	R/Manday	259,11	18,00	4 663,98	259,11
IRRIGATION & ELECRICITY				**6 446,50**	**358,14**
Electricity[1]	kWh	2,99	2 000,00	5 980,00	332,22
Water Levy	R/ha	466,50	1,00	466,50	25,92
B) HARVEST COST					
CASUAL LABOUR				**24 356,34**	**1 353,13**
Casual Labour Pickers	R/Manday	259,11	30,00	7 773,30	431,85
Casual Labour Sorters	R/Manday	259,11	30,00	7 773,30	431,85
Casual Labour Quality Controllers	R/Manday	259,11	10,00	2 591,10	143,95
Casual Labour Forklift Operators	R/Manday	259,11	10,00	2 591,10	143,95
Casual labour Supervisors	R/Manday	259,11	10,00	2 591,10	143,95
Casual Labour Tractor driver/Day	R/Manday	259,11	4,00	1 036,44	57,58
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				**151 286,19**	**8 404,79**

INDIRECTLY ALLOCATABLE VARIABLE COSTS			**2 249,42**	**124,97**
C) PRE-HARVEST COST				
Fuel	L	18,73	330,04	18,34
Repairs & Maintenance			480,10	26,67
D) HARVEST COST				
Fuel	L	18,73	848,62	47,15
Repairs & Maintenance			590,66	32,81
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS			**149 036,77**	**8 279,82**
Interest on Working Capital			15 742,10	874,56
MARGIN ABOVE SPECIFIED COSTS			**133 294,67**	**7 405,26**

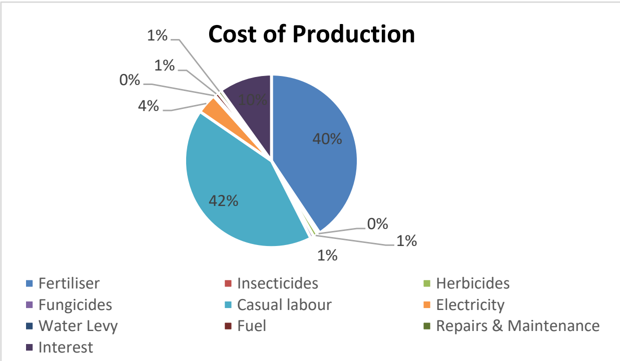
NOTES:

1. Interest Rate	11,00%
2. Growing period of Crop (months)	12

SENSITIVITY ANALYSIS

YIELD (Tons/ha)	PRICE (R/Ton)				
YIELD CHANGE AT 10% INCREMENTS	**LESS 10%**	**LESS 5%**	**ACTUAL**	**ADD 5%**	**ADD 10%**
	R 16 694,10	**R 17 621,55**	**R 18 549,00**	**R 19 476,45**	**R 20 403,90**
14,40	R 39 808	R 53 163	R 66 518	R 79 874	R 93 229
16,20	R 69 857	R 84 882	R 99 906	R 114 931	R 129 956
18,00	R 99 906	R 116 601	R 133 295	R 149 989	R 166 683
19,80	R 129 956	R 148 319	R 166 683	R 185 046	R 203 410
21,60	R 160 005	R 180 038	R 200 071	R 220 104	R 240 137
BREAKEVEN YIELD (Tons/Ha)	**12**	**11**	**11**	**10**	**10**

Costs Of Production	R/Ha
Fertiliser	64 531,39
Insecticides	765,41
Herbicides	1 260,40
Fungicides	1 006,47
Casual labour	66 850,38
Electricity	5 980,00
Water Levy	466,50
Fuel	1 178,66
Repairs & Maintenance	1 070,76
Interest	15 742,10



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