Western Cape Government

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

## ENTERPRISE BUDGET

| | | | |
|---|---|---|---|
| **Classification** | Vegetables | **Province** | Western Cape |
| **Enterprise Budget Name** | Leeks | **District** | Cape Metropole |
| **Land Size** | 1 Hectare | **Area** | Phillipi |
| **Date Developed** | 30 June 2015 | **Date updated** | 04 September 2025 |
| **Developer** | Nomfundo Nyembe | **Updater** | Sinovuyo Magqibelo |
| **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** | | | **28,00** | **233 948,12** | **8 355,29** |
| **Product Income** | | | | | |
| Leeks Market | Ton | 8 355,29 | 28,00 | 233 948,12 | 8 355,29 |
| **MARKETING COSTS Market** | 12,5% | | | 29 243,52 | 1 044,41 |
| **GROSS INCOME minus MARKETING COSTS** | | | | **204 704,61** | **7 310,88** |
| | | | | | |
| **TOTAL ALLOCATABLE VARIABLE COSTS** | | | | **309 236,06** | **11 044,15** |
| **DIRECTLY ALLOCATABLE VARIABLE COSTS** | | | | **305 178,15** | **10 899,22** |
| **A) PRE-HARVEST COSTS** | | | | | |
| **PLANTING MATERIAL** | | | | **112 500,00** | **4 017,86** |
| Leek | Seedlings | 0,75 | 150 000,00 | 112 500,00 | 4 017,86 |
| | | | | | |
| **FERTILISER** | | | | **57 033,05** | **2 036,89** |
| Chicken manure | Ton | 4 299,85 | 5,00 | 21 499,25 | 767,83 |
| Lime Ammonium Nitrate (28) | Ton | 9 252,21 | 0,60 | 5 551,33 | 198,26 |
| 3:1:5 (38) | Ton | 14 018,50 | 1,60 | 22 429,60 | 801,06 |
| 1:0:1(36) | Kg | 12,59 | 600,00 | 7 552,88 | 269,75 |
| | | | | | |
| **HERBICIDES** | | | | **8 992,08** | **321,15** |
| Oxadiazon | L | 1 685,64 | 4,00 | 6 742,56 | 240,81 |
| Clethodim (Cyclohexanedione) | L | 171,13 | 1,00 | 171,13 | 6,11 |
| Oxyfluorfen | L | 448,36 | 0,75 | 336,27 | 12,01 |
| Fluazifop-p-butyl | L | 871,06 | 2,00 | 1 742,11 | 62,22 |
| | | | | | |
| **PESTICIDES/INSECTICIDES** | | | | **4 300,62** | **153,59** |
| Mancozeb | L | 158,30 | 3,00 | 474,89 | 16,96 |
| Spinosad 480 SC | ml | 11,84 | 150,00 | 1 776,60 | 63,45 |
| Methomyl | L | 164,22 | 2,40 | 394,13 | 14,08 |
| Cartap Hydrochloride | Kg | 827,50 | 2,00 | 1 655,00 | 59,11 |
| | | | | | |
| **FUNGICIDES** | | | | **2 238,82** | **79,96** |
| Mancozeb 800WP | Kg | 107,81 | 3,00 | 323,44 | 11,55 |
| Pyraclostrobin / boscalid | Kg | 1 950,89 | 0,25 | 487,72 | 17,42 |
| Tebuconazole 250 EW | L | 547,62 | 1,25 | 684,53 | 24,45 |
| Chlorothalonil | L | 330,28 | 2,25 | 743,13 | 26,54 |
| | | | | | |
| **CASUAL LABOUR** | | | | **25 911,00** | **925,39** |
| Casual Labour Planting/Hour | R/Manhour | 28,79 | 900,00 | 25 911,00 | 925,39 |
| | | | | | |
| **B) HARVEST COSTS** | | | | | |
| **CASUAL LABOUR** | | | | **93 279,60** | **3 331,41** |
| Casual Labour Harvesting/Hour | R/Manhour | 28,79 | 1 620,00 | 46 639,80 | 1 665,71 |
| Casual Labour Packaging/Hour | R/Manhour | 28,79 | 1 620,00 | 46 639,80 | 1 665,71 |
| | | | | | |
| **PACKAGING MATERIAL** | | | | **922,99** | 32,96 |
| Trident Twine | Each | 184,60 | 5,00 | 922,99 | 32,96 |
| | | | | | |
| **GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS** | | | | **-100 473,55** | **-3 588,34** |

| | | | | |
|---|---|---|---|---|
| **INDIRECTLY ALLOCATABLE VARIABLE COSTS** | | | **4 057,91** | **144,93** |
| **C) PRE-HARVEST COST** | | | | |
| Fuel | L | 18,74 | 1 646,75 | 58,81 |
| Repairs & Maintenance | | | 715,16 | 25,54 |
| **D) HARVEST COSTS** | | | | |
| Fuel | L | 18,74 | 936,11 | 33,43 |
| Repairs & Maintenance | | | 759,88 | 27,14 |
| **GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS** | | | **-104 531,46** | **-3 733,27** |
| Interest on Working Capital | | | 8 117,45 | 289,91 |
| **MARGIN ABOVE SPECIFIED COSTS** | | | **-112 648,91** | **-4 023,18** |

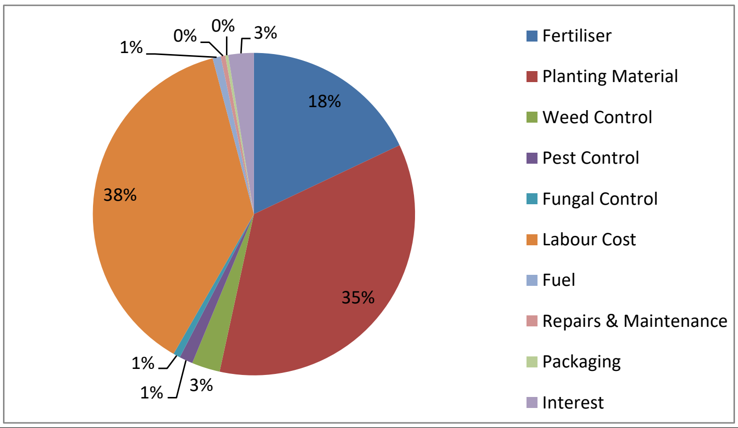
**NOTES:**

| | |
|---|---|
| Interest Rate | 10,50% |
| 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 7 519,76** | **R 7 937,53** | **R 8 355,29** | **R 8 773,05** | **R 9 190,82** |
| **22** | -R 178 154 | -R 168 796 | -R 159 439 | -R 150 081 | -R 140 723 |
| **25** | -R 157 099 | -R 146 571 | -R 136 044 | -R 125 516 | -R 114 988 |
| **28** | -R 136 044 | -R 124 346 | -R 112 649 | -R 100 951 | -R 89 254 |
| **31** | -R 114 988 | -R 102 121 | -R 89 254 | -R 76 387 | -R 63 520 |
| **34** | -R 93 933 | -R 79 896 | -R 65 859 | -R 51 822 | -R 37 786 |
| **BREAKEVEN YIELD (Ton/ha)** | **42** | **40** | **38** | **36** | **35** |

| Costs Of Production | R/Ha |
|---|---|
| Fertiliser | 57 033,05 |
| Planting Material | 112 500,00 |
| Weed Control | 8 992,08 |
| Pest Control | 4 300,62 |
| Fungal Control | 2 238,82 |
| Labour Cost | 119 190,60 |
| Fuel | 2 582,86 |
| Repairs & Maintenance | 1 475,05 |
| Packaging | 922,99 |
| Interest | 8 117,45 |

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