



# Southwest British Columbia Small-Scale Farm Enterprise Budget: **Tomato**



Institute for Sustainable Food Systems  
Kwantlen Polytechnic University

Technical Bulletin 2015-011  
[kpu.ca/isfs](http://kpu.ca/isfs)

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This enterprise budget presents costs and returns for a 0.07 acre of tomato grown on a small-scale mixed vegetable farm in southwest British Columbia, Canada. The sample values are typical of small-scale long season crop production using low-input growing methods and selling directly to consumers through venues such as farmers' markets. These values were derived from data gathering sessions with representative farmers from the region, but do not represent any particular farm, and should be used only as a guide. The actual costs of production may vary from farm to farm depending on production method and scale, machinery use and other input costs. This budget is also available as a dynamic MS Excel spreadsheet to facilitate more detailed planning for your own operation. Please refer to the "Institute for Sustainable Food Systems Enterprise Budget User Guide for assistance in tailoring the spreadsheet to your own farm.

## Assumptions:

- 1) The tomato crop area is 0.07 acre, consisting of eight beds, each measuring 4' x 100' (400 square feet per bed) grown on a small-scale mixed-vegetable farm.
- 2) Tomato takes eight months from seed to harvestable maturity.
- 3) An annual land rent of \$400 per acre is included in overhead charges.
- 4) Physical farm labourers (regular labour) are paid \$12 per hour.
- 5) Equipment operators (operator labour) are paid \$15 per hour.
- 6) The proportion of sales of tomato to the total annual sales of 20 crops, grown on a 3.85-acre mixed vegetable farm, is used to allocate marketing costs to the tomato enterprise.
- 7) The proportion of the farm's total cultivated acreage used to grow tomatoes is used to allocate fixed costs to the tomato enterprise.
- 8) Fuel cost is \$1.30 per liter.
- 9) The interest rate is fixed at 5%.
- 10) The annual fixed cost is estimated using the straight-line depreciation method.
- 11) Management time is not included as a cost. The net return over total cost may be considered as the return to management time.

The enterprise budgets project was generously funded by Vancouver City Savings Credit Union (Vancity). Support for this project does not necessarily imply Vancity's endorsement of the findings or contents here in.

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<b>REVENUE</b>					
<b>Item</b>	<b>Quantity per 0.07 Acre</b>	<b>Unit</b>	<b>\$ per unit</b>	<b>\$ per 0.07 Acre</b>	<b>\$ per 100' Bed</b>
Tomato	3,750.00	pounds	\$3.00	\$11,250.00	\$1,406.25

<b>ANNUAL VARIABLE COST</b>					
<b>Item</b>	<b>Quantity per 0.07 Acre</b>	<b>Unit</b>	<b>\$ per unit</b>	<b>\$ per 0.07 Acre</b>	<b>\$ per 100' Bed</b>
<b>Seeds and Plants</b>					
Seed	1000.00	plants	0.04	40.00	5.00
<b>Fertility and Nutrients</b>					
Compost	3.00	yards	40.00	120.00	15.00
Lime	1.25	pounds	1.60	2.00	0.25
<b>Other Materials</b>					
Compost tea (1:10 tea to water)	100.00	pounds	0.05	5.00	0.63
Potting mix			18.00	18.00	2.25
Trays	10.00	trays	1.20	12.00	1.50
Mulch				6.50	0.81
<b>Land Preparation</b>					
Prepare land (clearing, digging) – regular labour	8	hours	12.00	96.00	12.00
Apply pre-plant amendments (lime, compost) – regular labour	7	hours	12.00	84.00	10.50
Prepare for planting (form beds, lay plastic, drip tape, etc) – regular labour	5	hours	12.00	60.00	7.50
<b>Planting</b>					
Transplanting ( potting up, moving, transplanting) – regular labour	15	hours	12.00	180.00	22.50
<b>Pest Management</b>					
Weeding – regular labour	20	hours	12.00	240.00	30.00
Spraying compost tea – regular labour	4	hours	12.00	48.00	6.00
<b>Other Activities</b>					
Irrigating (set up) – regular labour	0.5	hours	12.00	6.00	0.75
Twining and pruning – regular labour	30	hours	12.00	360.00	45.00
<b>Post-Harvest Activities</b>					
Harvesting – regular labour	48	hours	12.00	576.00	72.00
Field clean up (remove of trellis) – regular labour	4.5	hours	12.00	54.00	6.75
<b>Miscellaneous Expenses</b>					
Repair and maintenance				1,033.68	129.21
Interest on working capital				98.04	12.25
Marketing				987.41	123.43
<b>TOTAL LABOUR COST</b>				<b>1,704.00</b>	<b>213.00</b>
<b>TOTAL MATERIAL COST</b>				<b>203.50</b>	<b>25.44</b>
<b>TOTAL MISCELLANEOUS COST</b>				<b>2,119.14</b>	<b>264.89</b>
<b>TOTAL VARIABLE COST</b>				<b>4,026.64</b>	<b>503.33</b>

<b>ANNUAL FIXED COST</b>		
<b>Item</b>	<b>\$ per 0.07 Acre</b>	<b>\$ per 100' Bed</b>
<b>Machinery</b>		
Rototiller	6.67	0.83
Delivery van	40.00	5.00
Pick-up truck	13.33	1.67
<b>Equipment and tools</b>	17.50	2.19
<b>Irrigation</b>	349.39	43.67
<b>Building and shelter</b>	1,819.98	227.50
<b>Overhead charges</b>		
Land rent	29.40	3.68
Soil test	1.91	0.24
Farm liability insurance	11.45	1.43
Motor vehicle insurance	38.18	4.77
Office expenses	19.09	2.39
Electricity	13.36	1.67
Water	19.09	2.39
Telephone and internet	9.55	1.19
Bookkeeping fees	114.55	14.32
Professional fees (accountant, lawyers, etc)	13.36	1.67
<b>TOTAL ANNUAL FIXED COST</b>	<b>2,516.81</b>	<b>314.60</b>

<b>TOTAL COST</b>	<b>\$ per 0.07 Acre</b>	<b>\$ per 100' Bed</b>
<b>TOTAL FIXED AND VARIABLE COST</b>	<b>6,543.45</b>	<b>817.93</b>

<b>NET RETURNS</b>		
<b>Item</b>	<b>\$ per 0.07 Acre</b>	<b>\$ per 100' Bed</b>
<b>Return Over Variable Cost</b>	<b>7,223.36</b>	<b>902.92</b>
<b>Return Over Fixed Cost</b>	<b>8,733.19</b>	<b>1,091.65</b>
<b>Return Over Total Cost</b>	<b>4,706.55</b>	<b>588.32</b>

<b>MACHINERY INFORMATION</b>				
<b>Item</b>	<b>Type</b>	<b>Purchase Price (\$)</b>	<b>Trade-in Value (\$)</b>	<b>Useful Life (Years)</b>
Tractor	25 HP (new)	23,000.00	0.00	20
Rototiller	48" (new)	4,000.00	0.00	15
Discer	used	3,000.00	0.00	30
Manure spreader	used	4,000.00	0.00	10
Sprayer	used	5,000.00	0.00	10
Delivery van	Isuzu 2002 (used)	24,000.00	0.00	15
Pick-up truck	used	8,000.00	0.00	15

### **ACKNOWLEDGMENTS**

The authors would like to express our sincere appreciation to all the farmers who contributed information used to develop this enterprise budget. We would also like to thank Chris Bodnar, co-owner of Close to Home Organics Ltd, and Heather Pritchard, farm program manager at Farm Folk City Folk, for helping us connect with experienced farmers. We would like to recognize Kwantlen Polytechnic University's Michael Bomford (Sustainable Agriculture & Food Systems) and Caitlin Dorward (Institute for Sustainable Food Systems) for their invaluable input to this document. Finally, we would like to acknowledge the financial support provided by Vancouver City Savings Credit Union (VanCity).