

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Dryland Canola - 640 Acres
Rolling Plains Extension District - 3

Crop Acres		640			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Canola	1,000.00	Pound	\$0.14	\$135.00	\$86,400.00
Total Revenue				\$135.00	\$86,400.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Canola Seed	5	Pound	\$5.80	\$29.00	\$18,560.00
Fertilizer					
Fertilizer (N)	50	Pound	\$0.45	\$22.50	\$14,400.00
Fertilizer (P)	25	Pound	\$0.40	\$10.00	\$6,400.00
Custom					
Insecticide Application	1	Acre	\$5.50	\$5.50	\$3,520.00
Swath	1	Acre	\$12.00	\$12.00	\$7,680.00
Combine	1	Acre	\$24.00	\$24.00	\$15,360.00
Hauling - Canola	1	Acre	\$3.50	\$3.50	\$2,240.00
Miscellaneous					
Insurance - Canola	1	Acre	\$14.00	\$14.00	\$8,960.00
Herbicide					
Roundup	3	Pint	\$2.00	\$6.00	\$3,840.00
Insecticide					
Pyrethroid	2	Pint	\$4.38	\$8.76	\$5,606.40
Machinery Labor					
Tractors/Self-Propelled	0.74	Hour	\$10.00	\$7.40	\$4,736.00
Diesel Fuel					
Tractors/Self-Propelled	1.76	Gallon	\$1.65	\$2.90	\$1,858.56
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$2.28	\$2.28	\$1,461.03
Implements	1	Acre	\$15.79	\$15.79	\$10,103.26
Interest on Credit Line			5.75%	\$3.00	\$1,918.64
Total Variable Costs				\$166.63	\$106,643.88
Planned Returns Above Variable Costs:				(\$31.63)	(\$20,243.88)
Breakeven Price to Cover Variable Costs			\$0.17	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$2.20	\$2.20	\$1,408.93
Implements	1	Acre	\$14.63	\$14.63	\$9,362.71
Equipment Investment					
Tractors/Self-Propelled	\$17.15	Dollars	5.50%	\$0.94	\$603.68
Implements	\$62.58	Dollars	5.50%	\$3.44	\$2,202.84
Cash Rent - Canola	1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs				\$53.22	\$34,058.15
Total Specified Costs				\$219.85	\$140,702.03
Returns Above Specified Costs				(\$84.85)	(\$54,302.03)
Breakeven Price to Cover Total Costs			\$0.22	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	750.00	\$0.22	\$0.29
90%	900.00	\$0.19	\$0.24
100%	1000.00	\$0.17	\$0.22
110%	1100.00	\$0.15	\$0.20
125%	1250.00	\$0.13	\$0.18

Developed by Stan Bevers, Professor and Extension Economist, Texas A&M AgriLife Extension Service.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.