

**ENTERPRISE BUDGET**

<b>Classification</b>	Pasture	<b>Province</b>	Western Cape
<b>Enterprise Budget Name</b>	Lucerne Hay (Irrigated)- Yr 1	<b>District</b>	West Coast/Cape Winelands
<b>Land Size</b>	1 Hectare	<b>Area</b>	Swartland/Drakenstein
<b>Date Developed</b>	14 June 2021	<b>Date Updated</b>	04 October 2022
<b>Developer</b>	Sinovuyo Magqibelo	<b>Updater</b>	Sinovuyo Magqibelo
<b>Soil Type</b>	Sandy-Clay/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
<b>GROSS INCOME</b>			<b>9,00</b>	<b>24 300,00</b>	<b>2 700,00</b>
<b>Product Income</b>					
Lucerne hay	Ton	2 700,00	9,00	24 300,00	2 700,00
<b>MARKETING COSTS</b>		<b>0,00</b>		<b>0,00</b>	<b>0,00</b>
<b>GROSS INCOME minus MARKETING COSTS</b>		<b>0,00</b>		<b>24 300,00</b>	<b>2 700,00</b>
<b>TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>71 724,23</b>	<b>7 969,36</b>
<b>DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>61 748,14</b>	<b>6 860,90</b>
<b>A) PRE-HARVEST COST</b>					
<b>PLANTING MATERIAL</b>				<b>4 432,89</b>	<b>492,54</b>
Lucerne	Kg	211,09	21,00	4 432,89	492,54
<b>FERTILISER</b>				<b>3 571,79</b>	<b>396,87</b>
MAP (35)	Kg	19,84	180,00	3 571,79	396,87
<b>HERBICIDES</b>				<b>381,85</b>	<b>42,43</b>
Glyphosate	L	190,92	2,00	381,85	42,43
<b>PESTICIDES/INSECTICIDES</b>				<b>284,92</b>	<b>31,66</b>
Biomectin	L	142,46	2,00	284,92	31,66
<b>IRRIGATION &amp; ELECTRICITY</b>				<b>52 560,00</b>	<b>5 840,00</b>
Irrigation system/Installation	Ha	49 500,00	1,00	49 500,00	5 500,00
Electricity cost		170,00	18,00	3 060,00	340,00
<b>B) HARVEST COSTS</b>					
<b>PACKAGING MATERIAL</b>				<b>516,70</b>	<b>57,41</b>
Twine Rope(1kg)	Each	258,35	2,00	516,70	57,41
<b>GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>-37 448,14</b>	<b>-4 160,90</b>
<b>INDIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>9 976,09</b>	<b>1 108,45</b>
<b>B) PRE-HARVEST COST</b>					
Fuel	L	21,73		396,29	44,03
Repairs & Maintenance				224,99	25,00
<b>C) HARVEST COSTS</b>					
Fuel	L	21,73		5 947,00	660,78
Repairs & Maintenance				3 407,81	378,65
<b>GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>-47 424,23</b>	<b>-5 269,36</b>
Interest on Working Capital				6 993,11	777,01
<b>MARGIN ABOVE SPECIFIED COSTS</b>				<b>-54 417,34</b>	<b>0,00</b>

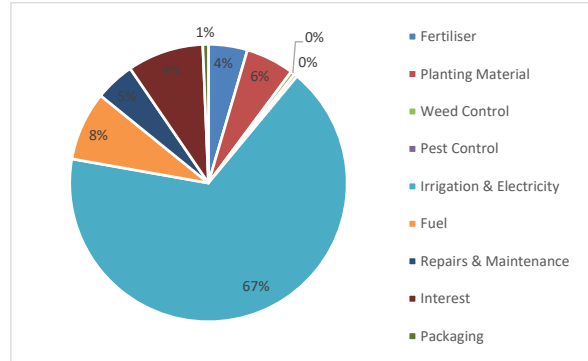
**NOTES:**

Interest Rate 9,75%  
 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%
		<b>R 2 430,00</b>	<b>R 2 565,00</b>	<b>R 2 700,00</b>	<b>R 2 835,00</b>	<b>R 2 970,00</b>
7,20		-R 61 221	-R 60 249	-R 59 277	-R 58 305	-R 57 333
8,10		-R 59 034	-R 57 941	-R 56 847	-R 55 754	-R 54 660
<b>9,00</b>		-R 56 847	-R 55 632	-R 54 417	-R 53 202	-R 51 987
9,90		-R 54 660	-R 53 324	-R 51 987	-R 50 651	-R 49 314
10,80		-R 52 473	-R 51 015	-R 49 557	-R 48 099	-R 46 641
<b>BREAKEVEN YIELD (KG/Ha)</b>		<b>32,39</b>	<b>30,69</b>	<b>29,15</b>	<b>27,77</b>	<b>26,50</b>

Costs Of Production	R/Ha
Fertiliser	3 571,79
Planting Material	4 432,89
Weed Control	381,85
Pest Control	284,92
Irrigation & Electricity	52 560,00
Fuel	6 343,29
Repairs & Maintenance	3 632,79
Interest	6 993,11
Packaging	516,70

**Disclaimer**

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