

**ENTERPRISE BUDGET**

<b>Classification</b>	Pasture	<b>Province</b>	Western Cape
<b>Enterprise Budget Name</b>	Lucerne Hay (Irrigated)- Yr 4	<b>District</b>	West Coast/Cape Winelands
<b>Land Size</b>	1 Hectare	<b>Area</b>	Swartland/Drakenstein
<b>Date Developed</b>	15 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>20,00</b>	<b>54 000,00</b>	<b>2 700,00</b>
<b>Product Income</b>					
Lucerne hay	Ton	2 700,00	20,00	54 000,00	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>54 000,00</b>	<b>2 700,00</b>
<b>TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>14 327,84</b>	<b>716,39</b>
<b>DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>4 351,75</b>	<b>217,59</b>
<b>A) PRE-HARVEST COST</b>					
<b>IRRIGATION &amp; ELECTRICITY</b>				<b>3 060,00</b>	<b>153,00</b>
Electricity cost		170,00	18,00	3 060,00	153,00
<b>B) HARVEST COSTS</b>					
<b>PACKAGING MATERIAL</b>				<b>1 291,75</b>	<b>64,59</b>
Twine Rope(1kg)	Each	258,35	5,00	1 291,75	64,59
<b>GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>49 648,25</b>	<b>2 482,41</b>
<b>INDIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>9 976,09</b>	<b>498,80</b>
<b>C) PRE-HARVEST COSTS</b>					
Fuel	L	21,73		396,29	19,81
Repairs & Maintenance				224,99	11,25
<b>D) HARVEST COSTS</b>					
Fuel	L	21,73		5 947,00	297,35
Repairs & Maintenance				3 407,81	170,39
<b>GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>39 672,16</b>	<b>1 983,61</b>
Interest on Working Capital				1 396,96	69,85
<b>MARGIN ABOVE SPECIFIED COSTS</b>				<b>38 275,20</b>	<b>0,00</b>

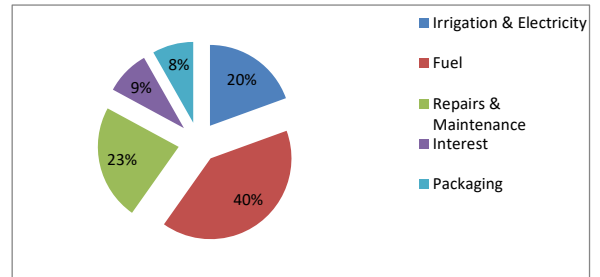
**NOTES:**

Interest Rate 9,75%  
 Growing period of Crop (Months) 12

**SENSITIVITY ANALYSIS**

YIELD (tons/ha)	PRICE (R/ton)				
	LESS 10%	LESS 5%	ACTUAL	ADD 5%	ADD 10%
YIELD CHANGE AT 10% INCREMENTS	<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>
16,00	R 23 155	R 25 315	R 27 475	R 29 635	R 31 795
18,00	R 28 015	R 30 445	R 32 875	R 35 305	R 37 735
20,00	R 32 875	R 35 575	R 38 275	R 40 975	R 43 675
22,00	R 37 735	R 40 705	R 43 675	R 46 645	R 49 615
24,00	R 42 595	R 45 835	R 49 075	R 52 315	R 55 555
<b>BREAKEVEN YIELD (KG/Ha)</b>	<b>6,47</b>	<b>6,13</b>	<b>5,82</b>	<b>5,55</b>	<b>5,29</b>

Costs Of Production	R/Ha
Irrigation & Electricity	3 060,00
Fuel	6 343,29
Repairs & Maintenance	3 632,79
Interest	1 396,96
Packaging	1 291,75

**Disclaimer**

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