

**ENTERPRISE BUDGET**

<b>Classification</b>	Pasture	<b>Province</b>	Western Cape
<b>Enterprise Budget Name</b>	Lucerne Hay (Irrigated)- Yr 5	<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>24,00</b>	<b>64 800,00</b>	<b>2 700,00</b>
<b>Product Income</b>					
Lucerne hay	Ton	2 700,00	24,00	64 800,00	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>64 800,00</b>	<b>2 700,00</b>
<b>TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>14 586,19</b>	<b>607,76</b>
<b>DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>4 610,10</b>	<b>192,09</b>
<b>A) PRE-HARVEST COST</b>					
<b>IRRIGATION &amp; ELECTRICITY</b>				<b>3 060,00</b>	<b>127,50</b>
Electricity cost		170,00	18,00	3 060,00	127,50
<b>B) HARVEST COSTS</b>					
<b>PACKAGING MATERIAL</b>				<b>1 550,10</b>	<b>64,59</b>
Twine Rope(1kg)	Each	258,35	6,00	1 550,10	64,59
<b>GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>60 189,90</b>	<b>2 507,91</b>
<b>INDIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>9 976,09</b>	<b>415,67</b>
<b>C) PRE-HARVEST COSTS</b>					
Fuel	L	21,73		396,29	16,51
Repairs & Maintenance				224,99	9,37
<b>D) HARVEST COSTS</b>					
Fuel	L	21,73		5 947,00	247,79
Repairs & Maintenance				3 407,81	141,99
<b>GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>50 213,81</b>	<b>2 092,24</b>
Interest on Working Capital				1 422,15	59,26
<b>MARGIN ABOVE SPECIFIED COSTS</b>				<b>48 791,66</b>	<b>0,00</b>

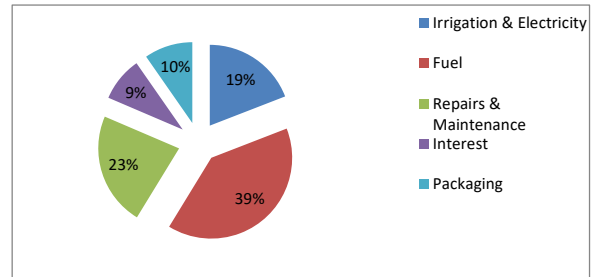
**NOTES:**

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>
19,20	R 30 648	R 33 240	R 35 832	R 38 424	R 41 016
21,60	R 36 480	R 39 396	R 42 312	R 45 228	R 48 144
<b>24,00</b>	R 42 312	R 45 552	R 48 792	R 52 032	R 55 272
26,40	R 48 144	R 51 708	R 55 272	R 58 836	R 62 400
28,80	R 53 976	R 57 864	R 61 752	R 65 640	R 69 528
<b>BREAKEVEN YIELD (KG/Ha)</b>	<b>6,59</b>	<b>6,24</b>	<b>5,93</b>	<b>5,65</b>	<b>5,39</b>

Costs Of Production	R/Ha
Irrigation & Electricity	3 060,00
Fuel	6 343,29
Repairs & Maintenance	3 632,79
Interest	1 422,15
Packaging	1 550,10

**Disclaimer**

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