

ENTERPRISE BUDGET

Classification	Pasture	Province	Western Cape
Enterprise Budget Name	Lucerne (Irrigated)- Yr 1	District	West Coast/Cape Winelands
Land Size	1 Hectare	Area	Swartland/Drakenstein
Date Developed	23 February 2021	Latest update	03 October 2022
Developer	Sinovuyo Magqibelo	Updater	Sinovuyo Magqibelo
Soil Type	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
GROSS INCOME			16,00	48 640,00	3 040,00
Product Income					
Lucerne -Sales (80%)	Ton	3 800,00	12,80	48 640,00	15 200,00
Lucerne - Feed (20%)	Ton	0,00	3,20	0,00	0,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		48 640,00	3 040,00
TOTAL ALLOCATABLE VARIABLE COSTS				66 609,55	4 163,10
DIRECTLY ALLOCATABLE VARIABLE COSTS				61 231,44	3 826,97
A) PRE-HARVEST COST					
PLANTING MATERIAL				4 432,89	277,06
Lucerne	Kg	211,09	21,00	4 432,89	277,06
FERTILISER				3 571,79	223,24
MAP (35)	Kg	19,84	180,00	3 571,79	223,24
HERBICIDES				381,85	23,87
Glyphosate	L	190,92	2,00	381,85	23,87
PESTICIDES/INSECTICIDES				284,92	17,81
Biomectin	L	142,46	2,00	284,92	17,81
IRRIGATION & ELECTRICITY				52 560,00	3 285,00
Irrigation system/Installation	Ha	49 500,00	1,00	49 500,00	3 093,75
Electricity cost		170,00	18,00	3 060,00	191,25
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				-12 591,44	-786,97
INDIRECTLY ALLOCATABLE VARIABLE COSTS				5 378,11	336,13
B) PRE-HARVEST COST					
Fuel	L	21,73		396,29	24,77
Repairs & Maintenance				224,99	14,06
C) HARVEST COSTS					
Fuel	L	21,73		3 397,21	212,33
Repairs & Maintenance				1 359,63	84,98
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				-17 969,55	-1 123,10
Interest on Working Capital				6 494,43	405,90
MARGIN ABOVE SPECIFIED COSTS				-24 463,98	-1 529,00

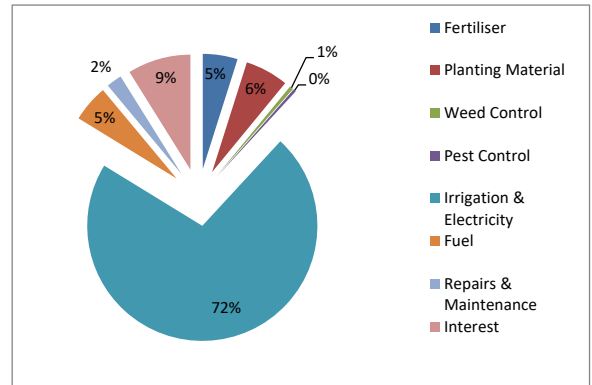
NOTES:

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%
		R 3 420,00	R 3 610,00	R 3 800,00	R 3 990,00	R 4 180,00
10,24		-R 38 083	-R 36 138	-R 34 192	-R 32 246	-R 30 301
11,52		-R 33 706	-R 31 517	-R 29 328	-R 27 139	-R 24 950
12,80		-R 29 328	-R 26 896	-R 24 464	-R 22 032	-R 19 600
14,08		-R 24 950	-R 22 275	-R 19 600	-R 16 925	-R 14 250
15,36		-R 20 573	-R 17 654	-R 14 736	-R 11 818	-R 8 899
BREAKEVEN YIELD (KG/Ha)		21,38	20,25	19,24	18,32	17,49

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	3 793,50
Repairs & Maintenance	1 584,61
Interest	6 494,43

**Disclaimer**

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