

**ENTERPRISE BUDGET**

<b>Classification</b>	Pasture	<b>Province</b>	Western Cape
<b>Enterprise Budget Name</b>	Lucerne (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>	01 March 2021	<b>Latest update</b>	03 October 2022
<b>Developer</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>30,00</b>	<b>91 200,00</b>	<b>3 040,00</b>
<b>Product Income</b>					
Lucerne -Sales (80%)	Ton	3 800,00	24,00	91 200,00	15 200,00
Lucerne - Feed (20%)	Ton	0,00	6,00	0,00	0,00
<b>MARKETING COSTS</b>		0,00		0,00	0,00
<b>GROSS INCOME minus MARKETING COSTS</b>		0,00		<b>91 200,00</b>	<b>3 040,00</b>
<b>TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>7 816,84</b>	<b>260,56</b>
<b>DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>3 060,00</b>	<b>102,00</b>
<b>A) PRE-HARVEST COST</b>					
<b>IRRIGATION &amp; ELECTRICITY</b>				<b>3 060,00</b>	<b>102,00</b>
Electricity cost		170,00	18,00	3 060,00	102,00
<b>GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>88 140,00</b>	<b>2 938,00</b>
<b>INDIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>4 756,84</b>	<b>158,56</b>
<b>B) PRE-HARVEST COST</b>					
Fuel	L	21,73		0,00	0,00
Repairs & Maintenance				0,00	0,00
<b>C) HARVEST COSTS</b>					
Fuel	L	21,73		3 397,21	113,24
Repairs & Maintenance				1 359,63	45,32
<b>GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>83 383,16</b>	<b>2 779,44</b>
Interest on Working Capital				762,14	25,40
<b>MARGIN ABOVE SPECIFIED COSTS</b>				<b>82 621,02</b>	<b>2 754,03</b>

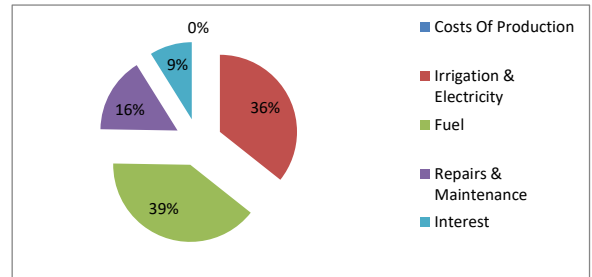
**NOTES:**

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 3 420,00</b>	<b>R 3 610,00</b>	<b>R 3 800,00</b>	<b>R 3 990,00</b>	<b>R 4 180,00</b>
19,20	R 57 085	R 60 733	R 64 381	R 68 029	R 71 677
21,60	R 65 293	R 69 397	R 73 501	R 77 605	R 81 709
<b>24,00</b>	R 73 501	R 78 061	R 82 621	R 87 181	R 91 741
26,40	R 81 709	R 86 725	R 91 741	R 96 757	R 101 773
28,80	R 89 917	R 95 389	R 100 861	R 106 333	R 111 805
<b>BREAKEVEN YIELD (KG/Ha)</b>	<b>2,51</b>	<b>2,38</b>	<b>2,26</b>	<b>2,15</b>	<b>2,05</b>

Costs Of Production	R/Ha
Irrigation & Electricity	3 060,00
Fuel	3 397,21
Repairs & Maintenance	1 359,63
Interest	762,14

**Disclaimer**

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