

ENTERPRISE BUDGET

Classification	Pasture	Province	Western Cape
Enterprise Budget Name	Lucerne Hay (Irrigated)- Yr 1	District	West Coast/Cape Winelands
Land Size	1 Hectare	Area	Swartland/Drakenstein
Date Developed	14 June 2021	Date Updated	16 November 2023
Developer	Sinovuyo Magqibelo	Updater	Sinovuyo Magqibelo
Soil Type	Sandy-Clay/Clay-Loam		

Use this enterprise budget as an aid in the planning process.

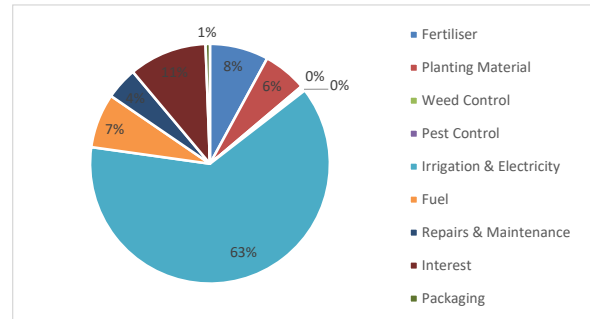
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			9,00	24 300,00	2 700,00
Product Income					
Lucerne hay	Ton	2 700,00	9,00	24 300,00	2 700,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		24 300,00	2 700,00
TOTAL ALLOCATABLE VARIABLE COSTS				75 008,17	8 334,24
DIRECTLY ALLOCATABLE VARIABLE COSTS				65 228,62	7 247,62
A) PRE-HARVEST COST					
PLANTING MATERIAL				4 955,58	550,62
Lucerne	Kg	235,98	21,00	4 955,58	550,62
FERTILISER				6 636,42	737,38
MAP (35)	Kg	36,87	180,00	6 636,42	737,38
HERBICIDES				291,70	32,41
Glyphosate	L	145,85	2,00	291,70	32,41
PESTICIDES/INSECTICIDES				284,92	31,66
Biomectin	L	142,46	2,00	284,92	31,66
IRRIGATION & ELECTRICITY				52 560,00	5 840,00
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) HARVEST COSTS					
PACKAGING MATERIAL				500,00	55,56
Twine Rope (1kg)	Each	250,00	2,00	500,00	55,56
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				-40 928,62	-4 547,62
INDIRECTLY ALLOCATABLE VARIABLE COSTS				9 779,56	1 086,62
B) PRE-HARVEST COST					
Fuel	L	21,06		384,01	42,67
Repairs & Maintenance				224,99	25,00
C) HARVEST COSTS					
Fuel	L	21,06		5762,75	640,31
Repairs & Maintenance				3407,81	378,65
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				-50 708,17	-5 634,24
Interest on Working Capital				8 813,46	979,27
MARGIN ABOVE SPECIFIED COSTS				-59 521,63	0,00

NOTES:

Interest Rate 11,75%
 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 2 430,00	R 2 565,00	R 2 700,00	R 2 835,00	R 2 970,00
7,20	-R 66 326	-R 65 354	-R 64 382	-R 63 410	-R 62 438
8,10	-R 64 139	-R 63 045	-R 61 952	-R 60 858	-R 59 765
9,00	-R 61 952	-R 60 737	-R 59 522	-R 58 307	-R 57 092
9,90	-R 59 765	-R 58 428	-R 57 092	-R 55 755	-R 54 419
10,80	-R 57 578	-R 56 120	-R 54 662	-R 53 204	-R 51 746
BREAKEVEN YIELD (Ton/Ha)	34,49	32,68	31,05	29,57	28,22

Costs Of Production	R/Ha
Fertiliser	6 636,42
Planting Material	4 955,58
Weed Control	291,70
Pest Control	284,92
Irrigation & Electricity	52 560,00
Fuel	6 146,76
Repairs & Maintenance	3 632,79
Interest	8 813,46
Packaging	500,00

**Disclaimer**

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