

ENTERPRISE BUDGET			
Classification	Pasture	Province	Western Cape
Enterprise Budget Name	Lucerne Hay (Irrigated)- Yr 2	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.

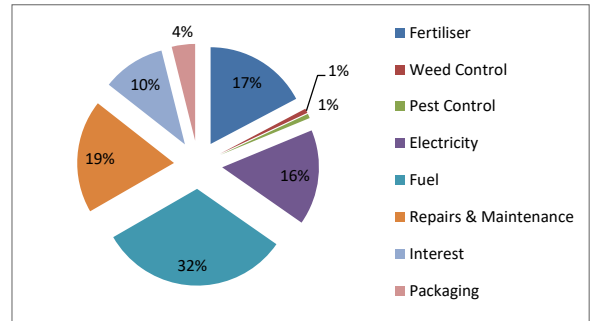
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			12,00	32 400,00	2 700,00
Product Income					
Lucerne hay	Ton	2 700,00	12,00	32 400,00	2 700,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		32 400,00	2 700,00
TOTAL ALLOCATABLE VARIABLE COSTS				17 196,08	1 433,01
DIRECTLY ALLOCATABLE VARIABLE COSTS				7 416,52	618,04
A) PRE-HARVEST COST					
FERTILISER				3 318,21	276,52
MAP (35)	Kg	36,87	90,00	3 318,21	276,52
HERBICIDES				145,85	12,15
Glyphosate	L	145,85	1,00	145,85	12,15
PESTICIDES/INSECTICIDES				142,46	11,87
Biomectin	L	142,46	1,00	142,46	11,87
IRRIGATION & ELECTRICITY				3 060,00	255,00
Electricity cost		170,00	18,00	3 060,00	255,00
B) HARVEST COSTS					
PACKAGING MATERIAL				750,00	62,50
Twine Rope (1kg)	Each	250,00	3,00	750,00	62,50
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				24 983,48	2 081,96
INDIRECTLY ALLOCATABLE VARIABLE COSTS				9 779,56	814,96
C) PRE-HARVEST COST					
Fuel	L	21,06		384,01	32,00
Repairs & Maintenance				224,99	18,75
D) HARVEST COSTS					
Fuel	L	21,06		5 762,75	480,23
Repairs & Maintenance				3 407,81	283,98
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				15 203,92	1 266,99
Interest on Working Capital				2 020,54	168,38
MARGIN ABOVE SPECIFIED COSTS				13 183,39	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
9,60	R 4 111	R 5 407	R 6 703	R 7 999	R 9 295
10,80	R 7 027	R 8 485	R 9 943	R 11 401	R 12 859
12,00	R 9 943	R 11 563	R 13 183	R 14 803	R 16 423
13,20	R 12 859	R 14 641	R 16 423	R 18 205	R 19 987
14,40	R 15 775	R 17 719	R 19 663	R 21 607	R 23 551
BREAKEVEN YIELD (Ton/Ha)	7,91	7,49	7,12	6,78	6,47

Costs Of Production	R/Ha
Fertiliser	3 318,21
Weed Control	145,85
Pest Control	142,46
Electricity	3 060,00
Fuel	6 146,76
Repairs & Maintenance	3 632,79
Interest	2 020,54
Packaging	750,00

**Disclaimer**

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