

ENTERPRISE BUDGET

Classification	Pasture	Province	Western Cape
Enterprise Budget Name	Lucerne Hay (Irrigated)- Yr 3	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.

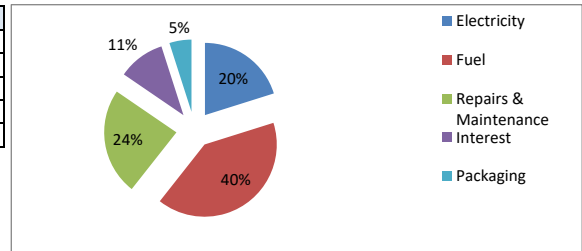
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			16,00	43 200,00	2 700,00
Product Income					
Lucerne hay	Ton	2 700,00	16,00	43 200,00	2 700,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		43 200,00	2 700,00
TOTAL ALLOCATABLE VARIABLE COSTS				13 589,56	849,35
DIRECTLY ALLOCATABLE VARIABLE COSTS				3 810,00	238,13
A) PRE-HARVEST COST					
IRRIGATION & ELECTRICITY				3 060,00	191,25
Electricity cost		170,00	18,00	3 060,00	191,25
B) HARVEST COSTS					
PACKAGING MATERIAL				750,00	46,88
Twine Rope (1kg)	Each	250,00	3,00	750,00	46,88
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				39 390,00	2 461,88
INDIRECTLY ALLOCATABLE VARIABLE COSTS				9 779,56	611,22
C) PRE-HARVEST COSTS					
Fuel	L	21,06		384,01	24,00
Repairs & Maintenance				224,99	14,06
D) HARVEST COSTS					
Fuel	L	21,06		5 762,75	360,17
Repairs & Maintenance				3 407,81	212,99
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				29 610,44	1 850,65
Interest on Working Capital				1 596,77	99,80
MARGIN ABOVE SPECIFIED COSTS				28 013,67	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
12,80	R 15 918	R 17 646	R 19 374	R 21 102	R 22 830
14,40	R 19 806	R 21 750	R 23 694	R 25 638	R 27 582
16,00	R 23 694	R 25 854	R 28 014	R 30 174	R 32 334
17,60	R 27 582	R 29 958	R 32 334	R 34 710	R 37 086
19,20	R 31 470	R 34 062	R 36 654	R 39 246	R 41 838
BREAKEVEN YIELD (Ton/Ha)	6,25	5,92	5,62	5,36	5,11

Costs Of Production	R/Ha
Electricity	3 060,00
Fuel	6 146,76
Repairs & Maintenance	3 632,79
Interest	1 596,77
Packaging	750,00

**Disclaimer**

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