

ENTERPRISE BUDGET			
Classification	Pasture	Province	Western Cape
Enterprise Budget Name	Lucerne Hay (Irrigated)- Yr 5	District	West Coast/Cape Winelands
Land Size	1 Hectare	Area	Swartland/Drakenstein
Date Developed	15 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.

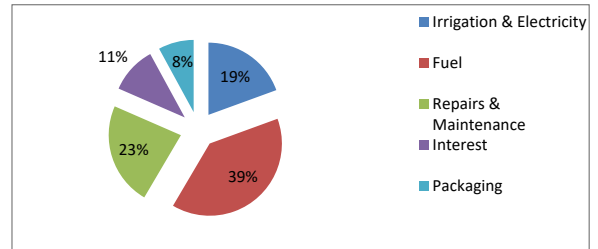
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			24,00	64 800,00	2 700,00
Product Income					
Lucerne hay	Ton	2 700,00	24,00	64 800,00	2 700,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		64 800,00	2 700,00
TOTAL ALLOCATABLE VARIABLE COSTS				14 339,56	597,48
DIRECTLY ALLOCATABLE VARIABLE COSTS				4 560,00	190,00
A) PRE-HARVEST COST					
IRRIGATION & ELECTRICITY				3 060,00	127,50
Electricity cost		170,00	18,00	3 060,00	127,50
B) HARVEST COSTS					
PACKAGING MATERIAL				1 500,00	62,50
Twine Rope (1kg)	Each	250,00	6,00	1 500,00	62,50
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				60 240,00	2 510,00
INDIRECTLY ALLOCATABLE VARIABLE COSTS				9 779,56	407,48
C) PRE-HARVEST COSTS					
Fuel	L	21,06		384,01	16,00
Repairs & Maintenance				224,99	9,37
D) HARVEST COSTS					
Fuel	L	21,06		5 762,75	240,11
Repairs & Maintenance				3 407,81	141,99
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				50 460,44	2 102,52
Interest on Working Capital				1 684,90	70,20
MARGIN ABOVE SPECIFIED COSTS				48 775,54	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
19,20	R 30 632	R 33 224	R 35 816	R 38 408	R 41 000
21,60	R 36 464	R 39 380	R 42 296	R 45 212	R 48 128
24,00	R 42 296	R 45 536	R 48 776	R 52 016	R 55 256
26,40	R 48 128	R 51 692	R 55 256	R 58 820	R 62 384
28,80	R 53 960	R 57 848	R 61 736	R 65 624	R 69 512
BREAKEVEN YIELD (Ton/Ha)	6,59	6,25	5,93	5,65	5,40

Costs Of Production	R/Ha
Irrigation & Electricity	3 060,00
Fuel	6 146,76
Repairs & Maintenance	3 632,79
Interest	1 684,90
Packaging	1 500,00

**Disclaimer**

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