

**ENTERPRISE BUDGET**

<b>Classification</b>	Pasture	<b>Province</b>	Western Cape
<b>Enterprise Budget Name</b>	Lucerne (Irrigated)- Yr 1	<b>District</b>	West Coast/Cape Winelands
<b>Land Size</b>	1 Hectare	<b>Area</b>	Swartland/Drakenstein
<b>Date Developed</b>	23 February 2021	<b>Latest update</b>	15 November 2023
<b>Developer</b>	Sinovuyo Magqibelo	<b>Updater</b>	Sinovuyo Magqibelo
<b>Soil Type</b>	Sandy-Clay/Clay-Loam		

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

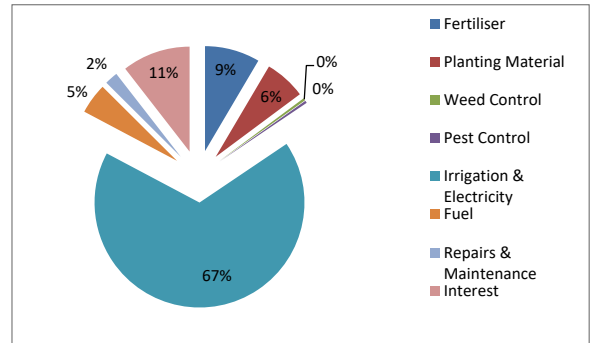
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
<b>GROSS INCOME</b>			<b>16,00</b>	<b>64 000,00</b>	<b>4 000,00</b>
<b>Product Income</b>					
Lucerne -Sales (80%)	Ton	5 000,00	12,80	64 000,00	20 000,00
Lucerne - Feed (20%)	Ton	0,00	3,20	0,00	0,00
<b>MARKETING COSTS</b>		0,00		0,00	0,00
<b>GROSS INCOME minus MARKETING COSTS</b>		0,00		<b>64 000,00</b>	<b>4 000,00</b>
<b>TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>69 989,20</b>	<b>4 374,32</b>
<b>DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>64 728,62</b>	<b>4 045,54</b>
<b>A) PRE-HARVEST COST</b>					
<b>PLANTING MATERIAL</b>				<b>4 955,58</b>	<b>309,72</b>
Lucerne	Kg	235,98	21,00	4 955,58	309,72
<b>FERTILISER</b>				<b>6 636,42</b>	<b>414,78</b>
MAP (35)	Kg	36,87	180,00	6 636,42	414,78
<b>HERBICIDES</b>				<b>291,70</b>	18,23
Glyphosate	L	145,85	2,00	291,70	18,23
<b>PESTICIDES/INSECTICIDES</b>				<b>284,92</b>	<b>17,81</b>
Biomectin	L	142,46	2,00	284,92	17,81
<b>IRRIGATION &amp; ELECTRICITY</b>				<b>52 560,00</b>	<b>3 285,00</b>
Irrigation system/Installation	Ha	49 500,00	1,00	49 500,00	3 093,75
Electricity cost		170,00	18,00	3 060,00	191,25
<b>GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>-728,62</b>	<b>-45,54</b>
<b>INDIRECTLY ALLOCATABLE VARIABLE COSTS</b>				<b>5 260,58</b>	<b>328,79</b>
<b>B) PRE-HARVEST COST</b>					
Fuel	L	21,06		384,01	24,00
Repairs & Maintenance				224,99	14,06
<b>C) HARVEST COSTS</b>					
Fuel	L	21,06		3 291,96	205,75
Repairs & Maintenance				1 359,63	84,98
<b>GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS</b>				<b>-5 989,20</b>	<b>-374,32</b>
Interest on Working Capital				8 223,73	513,98
<b>MARGIN ABOVE SPECIFIED COSTS</b>				<b>-14 212,93</b>	<b>-888,31</b>

**NOTES:**

Interest Rate 11,75%  
 Growing period of Crop (Months) 12

<b>SENSITIVITY ANALYSIS</b>					
<b>YIELD (Tons/ha)</b>	<b>PRICE (R/Ton)</b>				
<b>YIELD CHANGE AT 10% INCREMENTS</b>	<b>LESS 10%</b>	<b>LESS 5%</b>	<b>ACTUAL</b>	<b>ADD 5%</b>	<b>ADD 10%</b>
	<b>R 4 500,00</b>	<b>R 4 750,00</b>	<b>R 5 000,00</b>	<b>R 5 250,00</b>	<b>R 5 500,00</b>
<b>10,24</b>	-R 32 133	-R 29 573	-R 27 013	-R 24 453	-R 21 893
<b>11,52</b>	-R 26 373	-R 23 493	-R 20 613	-R 17 733	-R 14 853
<b>12,80</b>	-R 20 613	-R 17 413	-R 14 213	-R 11 013	-R 7 813
<b>14,08</b>	-R 14 853	-R 11 333	-R 7 813	-R 4 293	-R 773
<b>15,36</b>	-R 9 093	-R 5 253	-R 1 413	R 2 427	R 6 267
<b>BREAKEVEN YIELD (Ton/Ha)</b>	<b>17,38</b>	<b>16,47</b>	<b>15,64</b>	<b>14,90</b>	<b>14,22</b>

<b>Costs Of Production</b>	<b>R/Ha</b>
Fertiliser	6 636,42
Planting Material	4 955,58
Weed Control	291,70
Pest Control	284,92
Irrigation & Electricity	52 560,00
Fuel	3 675,97
Repairs & Maintenance	1 584,61
Interest	8 223,73

**Disclaimer**

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