

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	23 November 2024
Developer	Sinovuyo Magqibelo	Updater	Sinovuyo Magqibelo
Soil Type	Sandy-Clay/Clay-Loam		

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

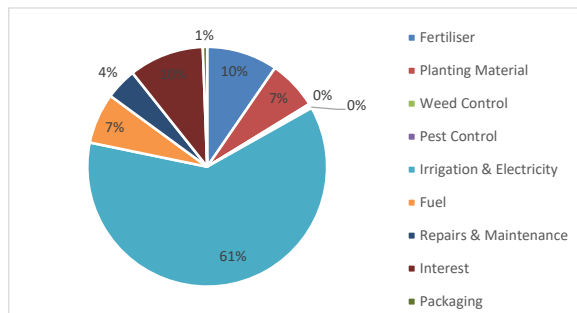
Description	Unit	Price Per Unit	Quantity	Per Ha	Value Per Yield Unit
GROSS INCOME			9,00	27 000,00	3 000,00
Product Income					
Lucerne hay	Ton	3 000,00	9,00	27 000,00	3 000,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		27 000,00	3 000,00
TOTAL ALLOCATABLE VARIABLE COSTS				76 944,14	8 549,35
DIRECTLY ALLOCATABLE VARIABLE COSTS				67 476,23	7 497,36
A) PRE-HARVEST COST					
PLANTING MATERIAL				5 690,16	632,24
Lucerne	Kg	270,96	21,00	5 690,16	632,24
FERTILISER				8 203,41	911,49
MAP (35)	Kg	45,57	180,00	8 203,41	911,49
HERBICIDES				314,70	34,97
Glyphosate	L	157,35	2,00	314,70	34,97
PESTICIDES/INSECTICIDES				203,32	22,59
Biomectin	L	101,66	2,00	203,32	22,59
IRRIGATION & ELECTRICITY				52 564,64	5 840,52
Irrigation system/Installation	Ha	49 500,00	1,00	49 500,00	5 500,00
Electricity ¹	kWh	2,34	1 308,00	3 064,64	340,52
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				-40 476,23	-4 497,36
INDIRECTLY ALLOCATABLE VARIABLE COSTS				9 467,91	1 051,99
B) PRE-HARVEST COST					
Fuel	L	19,99		364,54	40,50
Repairs & Maintenance				224,99	25,00
C) HARVEST COSTS					
Fuel	L	19,99		5470,58	607,84
Repairs & Maintenance				3407,81	378,65
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				-49 944,14	-5 549,35
Interest on Working Capital				8 656,22	961,80
MARGIN ABOVE SPECIFIED COSTS				-58 600,36	0,00

NOTES:

Interest Rate 11,25%
 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 2 700,00	R 2 850,00	R 3 000,00	R 3 150,00	R 3 300,00
7,20	-R 66 160	-R 65 080	-R 64 000	-R 62 920	-R 61 840
8,10	-R 63 730	-R 62 515	-R 61 300	-R 60 085	-R 58 870
9,00	-R 61 300	-R 59 950	-R 58 600	-R 57 250	-R 55 900
9,90	-R 58 870	-R 57 385	-R 55 900	-R 54 415	-R 52 930
10,80	-R 56 440	-R 54 820	-R 53 200	-R 51 580	-R 49 960
BREAKEVEN YIELD (Ton/Ha)	31,70	30,04	28,53	27,17	25,94

Costs Of Production	R/Ha
Fertiliser	8 203,41
Planting Material	5 690,16
Weed Control	314,70
Pest Control	203,32
Irrigation & Electricity	52 564,64
Fuel	5 835,12
Repairs & Maintenance	3 632,79
Interest	8 656,22
Packaging	500,00

**Disclaimer**

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