

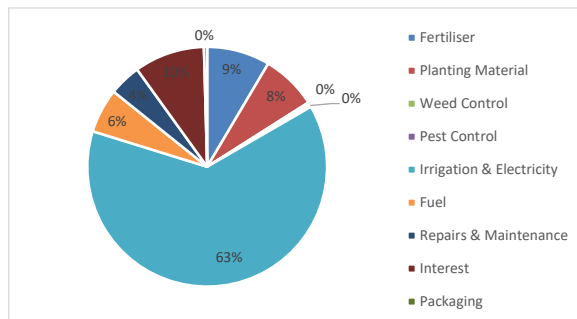
ENTERPRISE BUDGET					
Classification	Pasture	Province	Western Cape		
Enterprise Budget Name	Lucerne Hay (Irrigated)- Yr 1	District	West Coast/Cape Winelands		
Land Size	1 Hectare	Area	Swartland/Drakenstein		
Date Developed	14 June 2021	Date Updated	17 November 2025		
Developer	Sinovuyo Magqibelo	Updater	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	30 600,00	3 400,00
Product Income					
Lucerne hay	Ton	3 400,00	9,00	30 600,00	3 400,00
MARKETING COSTS		0,00		0,00	0,00
GROSS INCOME minus MARKETING COSTS		0,00		30 600,00	3 400,00
TOTAL ALLOCATABLE VARIABLE COSTS				76 560,01	8 506,67
DIRECTLY ALLOCATABLE VARIABLE COSTS				67 867,92	7 540,88
A) PRE-HARVEST COST					
PLANTING MATERIAL				6 339,38	704,38
Lucerne	Kg	301,88	21,00	6 339,38	704,38
FERTILISER				7 197,39	799,71
MAP (35)	Kg	39,99	180,00	7 197,39	799,71
HERBICIDES				243,01	27,00
Glyphosate	L	121,50	2,00	243,01	27,00
PESTICIDES/INSECTICIDES				308,03	34,23
Biomectin	L	154,02	2,00	308,03	34,23
IRRIGATION &ELECTRICITY				53 410,92	5 934,55
Irrigation system/Installation	Ha	49 500,00	1,00	49 500,00	5 500,00
Electricity¹	kWh	2,99	1 308,00	3 910,92	434,55
B) HARVEST COSTS					
PACKAGING MATERIAL				369,20	41,02
Trident Twine	Each	184,60	2,00	369,20	41,02
GROSS MARGIN ABOVE DIRECTLY ALLOCATABLE VARIABLE COSTS				-37 267,92	-4 140,88
INDIRECTLY ALLOCATABLE VARIABLE COSTS				8 692,09	965,79
B) PRE-HARVEST COST					
Fuel	L	17,33		316,07	35,12
Repairs & Maintenance				224,99	25,00
C) HARVEST COSTS					
Fuel	L	17,33		4743,22	527,02
Repairs & Maintenance				3407,81	378,65
GROSS MARGIN ABOVE TOTAL ALLOCATABLE VARIABLE COSTS				-45 960,01	-5 106,67
Interest on Working Capital				8 038,80	893,20
MARGIN ABOVE SPECIFIED COSTS				-53 998,81	0,00

NOTES:

Interest Rate 10,50%
 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 3 060,00	R 3 230,00	R 3 400,00	R 3 570,00	R 3 740,00
7,20	-R 62 567	-R 61 343	-R 60 119	-R 58 895	-R 57 671
8,10	-R 59 813	-R 58 436	-R 57 059	-R 55 682	-R 54 305
9,00	-R 57 059	-R 55 529	-R 53 999	-R 52 469	-R 50 939
9,90	-R 54 305	-R 52 622	-R 50 939	-R 49 256	-R 47 573
10,80	-R 51 551	-R 49 715	-R 47 879	-R 46 043	-R 44 207
BREAKEVEN YIELD (Ton/Ha)	27,65	26,19	24,88	23,70	22,62

Costs Of Production	R/Ha
Fertiliser	7 197,39
Planting Material	6 339,38
Weed Control	243,01
Pest Control	308,03
Irrigation & Electricity	53 410,92
Fuel	5 059,29
Repairs & Maintenance	3 632,79
Interest	8 038,80
Packaging	369,20

**Disclaimer**

The enterprise budgets developed by the Western Cape Department of Agriculture are done to reflect accuracy and relevance of information. However, as each enterprise budget contains data from various sources its correctness cannot be guaranteed. Therefore, any person using this information will be doing so at own risk as the said organisation or other party will under no circumstances be responsible for any loss suffered by any person/ organisation using the information contained in this document.