

Agricultural Business Plan and Viability Statement

Pinkhurst Stud Smallholding Enterprise

Pinkhurst Lane, Slinfold, Nr. Horsham, West Sussex RH13 0QR

Prepared for Mr & Mrs Richard Bell



The objective for rural business is to sustain a balanced outcome, a delicate relationship between productive activity which includes farming and rural enterprise and the conservation of the environment both historic and landscape needs to be maintained. The rural economy is a constantly changing paradigm and should be nurtured, supported and promoted because it forms the core of the nation.

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AND VIABILITY STATEMENT

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1. Executive Summary

This document provides a **comprehensive agricultural business plan and financial viability assessment** for the enterprise at Pinkhurst Stud.

The purpose of this plan is to demonstrate that:

- The agricultural enterprise is **financially viable**
- The enterprise can support **at least one full-time rural worker**
- The nature of the enterprise creates a **functional need for on-site accommodation**

The proposed enterprise is a **diversified mixed agricultural smallholding** combining:

- Equine breeding
- Poultry egg production
- Goat breeding
- Pig production
- Sheep production
- Agricultural services
- Small-scale agricultural by-product sales

This diversification reduces economic risk while providing **year-round income streams**.

The enterprise builds upon **previously proven production levels achieved by the applicants** and expands those operations within the larger holding at Pinkhurst Stud.

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Financial projections demonstrate that the business will reach **full operational profitability within three years**.

2. Policy Context – Rural Worker Accommodation

The **National Planning Policy Framework (NPPF)** supports sustainable rural development and the diversification of agricultural enterprises.

Planning guidance recognises that a rural worker dwelling may be justified where:

1. There is a **clear functional need for a worker to live on site**
2. The agricultural enterprise has **sound financial prospects**

The Pinkhurst Stud enterprise meets both criteria.

The livestock enterprises require continuous monitoring including:

- Foaling supervision
- Livestock births
- Veterinary care
- Protection of animals from theft or predation

These operational requirements create a **clear functional need for a rural worker to live on the holding.**

3. Strategic Role of Small Farms and Food Security

Modern food systems face increasing uncertainty due to:

- Global economic instability
- Supply chain disruptions
- Environmental pressures

Recent events such as **Brexit and the COVID-19 pandemic** have highlighted vulnerabilities in large centralised food systems.

Diversified small farms therefore play an increasingly important role in:

- Local food production
- Regional supply chains
- Rural employment
- Agricultural resilience

Enterprises such as Pinkhurst Stud contribute directly to **regional food security and rural economic sustainability.**

4. Overview of the Agricultural Enterprise

The holding operates as a **diversified mixed livestock enterprise** combining breeding livestock, egg production and agricultural services.

Primary enterprises include:

- Equine breeding (broodmares producing foals)
- Poultry egg production (chickens, ducks, quail and geese)
- Hatching egg sales
- Sale of point-of-lay pullets
- Goat breeding and stud services
- Companion goat sales
- Pig breeding

- Sheep production
- Agricultural services for neighbouring farms
- Sale of manure and agricultural by-products

Diversification across multiple enterprises ensures **economic resilience and stable income streams**.

5. Existing Livestock and Enterprise Structure

Current livestock associated with the enterprise includes:

Equines

- Three broodmares currently in foal

These animals form the foundation of the equine breeding enterprise.

Goats

The goat herd currently includes:

- 12 breeding does
- 2 breeding bucks

One buck has already generated income through external stud services.

Poultry

The poultry enterprise includes:

- Chickens
- Ducks
- Quail
- Geese

Numbers will expand gradually as infrastructure develops.

Pigs

Two pigs currently form the basis of the pig breeding enterprise.

Sheep

A small sheep flock will produce lambs annually.

6. Proven Production from Previous Smallholding

The applicants previously operated a highly productive **three-acre smallholding**.

Production included:

Poultry

Up to **300 chickens** were maintained at peak production.

Typical smaller flocks of 40-50 birds produced:

- Over **200 eggs per week**

Eggs were sold locally for approximately:

£3.50 per dozen

Generating around **£2,900 annually**.

Demand consistently exceeded supply.

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Ducks

Approximately **20 ducks** produced around **15 eggs per day**.

Duck eggs sold for approximately:

£3 per six eggs

Quail

Approximately **50 quail** produced eggs sold for:

£2.50 per dozen

Geese

Seasonal production produced:

2–3 eggs per day during laying season

7. Enterprise Income Streams

Income is generated through multiple diversified sources.

Egg Production

Chicken eggs: £2,900

Duck eggs: £2,700

Quail eggs: £1,500

Geese eggs: £400

Poultry Sales

Hatching eggs: £350

Point-of-lay pullets: £750

Goat Enterprise

Stud services: £1,250

Companion goat sales: £400

Livestock Sales

Piglets: £600 per litter

Lamb sales: £650 annually

Equine Breeding

Three broodmares producing foals annually.

Estimated sale value per foal:

£3,500

Total projected income:

£10,500 per year

Agricultural Services

Local agricultural contracting work generates approximately:

£11,000 annually

8. Three-Year Enterprise Growth Strategy

Livestock numbers will expand gradually over a three-year establishment period.

Year 1 – Establishment

- Three broodmares maintained
 - Goat breeding herd established
 - Poultry enterprise established
 - Agricultural services operating
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Year 2 – Expansion

- First foals produced and sold
 - Expansion of poultry flock
 - Increased goat breeding
-

Year 3 – Mature Enterprise

- Full equine breeding cycle established
 - Poultry enterprise expanded toward previous production levels
 - Stable diversified income streams
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9. Financial Projections

Estimated annual income:

Year Estimated Income

Year 1 £30,000

Year 2 £38,000

Year 3 £48,000

The enterprise therefore demonstrates **strong financial growth during the establishment period.**

9A. Financial Projections and Profitability Assessment

A detailed financial assessment has been undertaken to demonstrate that the agricultural enterprise at Pinkhurst Stud will achieve **financial viability and generate sufficient income to support a full-time rural worker.**

The projections below are based on conservative estimates derived from:

- previously demonstrated production levels
- current livestock numbers
- realistic market prices for livestock and agricultural products
- local demand for eggs and livestock

The financial model also reflects the **gradual expansion of the enterprise during the three-year establishment period.**

9A.1 Income Projections

Estimated annual income streams are summarised below.

Enterprise	Estimated Annual Income
Equine foal sales (3 foals @ £3,500)	£10,500
Chicken egg sales	£2,900
Duck egg sales	£2,700
Quail egg sales	£1,500

Enterprise	Estimated Annual Income
Geese eggs	£400
Hatching egg sales	£350
Point-of-lay pullets	£750
Goat stud services	£1,250
Companion goat sales	£400
Piglets	£600
Lamb sales	£650
Agricultural services	£11,000
Manure sales / by-products	£1,000

Total Estimated Annual Income

£33,000 – £35,000 (Year 1 baseline)

This figure increases as livestock numbers expand and the equine breeding enterprise matures.

9A.2 Three-Year Financial Forecast

Projected revenue growth reflects the gradual development of livestock enterprises.

Year Estimated Gross Income

Year 1 £30,000 – £33,000

Year 2 £38,000 – £41,000

Year 3 £48,000 – £52,000

Growth is driven primarily by:

- expansion of the poultry enterprise
- first foal sales
- increased goat breeding activity

- continued agricultural services

9A.3 Operating Costs

Estimated annual operating costs are summarised below.

Expense	Estimated Annual Cost
Livestock feed	£7,200
Veterinary costs	£1,200
Bedding and livestock supplies	£1,000
Equipment and machinery maintenance	£1,500
Fencing and land maintenance	£1,200
Insurance and utilities	£1,200
Miscellaneous operational costs	£1,200
Total Estimated Operating Costs	
£13,000 – £14,500 per year	

9A.4 Profit and Loss Projection

Projected profitability of the enterprise is summarised below.

Year	Gross Income	Operating Costs	Net Profit
Year 1	£30,000	£14,000	£16,000
Year 2	£38,000	£15,000	£23,000
Year 3	£48,000	£16,000	£32,000

These projections demonstrate **clear profitability within the establishment period.**

9A.5 Cashflow Forecast

A simplified annual cashflow forecast demonstrates that the enterprise generates **sufficient operating cash to sustain the business.**

Year	Income	Costs	Net Cashflow
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Year 1	£30,000	£14,000	£16,000
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Year 2	£38,000	£15,000	£23,000
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Year 3	£48,000	£16,000	£32,000
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The enterprise therefore generates **positive cashflow from Year 1 onwards.**

9A.6 Agricultural Wage Comparison

The agricultural sector provides a useful benchmark for assessing whether an enterprise can support a full-time rural worker.

Typical UK agricultural wages are approximately:

£22,000 – £26,000 per year

By Year 3 the enterprise is projected to generate:

Net income

£32,000 per year

This exceeds the typical full-time agricultural wage and therefore demonstrates that the enterprise is capable of **supporting at least one full-time rural worker.**

9A.7 Financial Resilience

The enterprise benefits from a **diversified income structure**, which significantly reduces financial risk.

Income streams include:

- livestock breeding
- egg production
- animal sales

- agricultural contracting
- by-product sales

This diversification provides resilience against fluctuations in any single agricultural market.

9A.8 Financial Conclusion

The financial projections demonstrate that the Pinkhurst Stud enterprise:

- will achieve profitability within the establishment period
- will generate **sustainable income streams**
- will produce **net income exceeding typical agricultural wage levels**

The enterprise therefore has **clear prospects of long-term financial viability** and is capable of supporting **at least one full-time rural worker living on the holding**.

10. Operating Costs

Primary operating costs include livestock feed.

Estimated feed costs:

£600 per month

Equivalent to:

£7,200 per year

Additional costs include:

- Veterinary care
- Bedding
- Fencing maintenance
- Utilities
- Insurance
- Equipment maintenance

Estimated total annual operating costs:

£12,000 – £15,000

11. Agricultural Labour Requirement

Livestock enterprises require continuous labour inputs including:

- Feeding and watering animals
- Egg collection and sales
- Health monitoring
- Pasture management
- Breeding supervision
- Foaling supervision
- Livestock security

Equine breeding alone generates approximately:

3,293 labour hours annually

Equivalent to:

1.48 full-time labour units

When combined with other livestock enterprises, the holding clearly supports **at least one full-time agricultural worker**.

12. Risk Management

Diversification across multiple enterprises reduces exposure to market volatility.

Income streams include:

- Egg production
- Livestock breeding
- Animal sales
- Agricultural services
- By-product sales

This diversified structure provides **financial resilience**.

13. Environmental Land Management

The enterprise promotes sustainable land management through:

- Mixed grazing systems
- Rotational pasture management
- Low-intensity livestock production

These practices support:

- Soil health
 - Biodiversity
 - Long-term land productivity
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14. Conclusion

This business plan demonstrates that the agricultural enterprise at Pinkhurst Stud:

- Is **financially viable**
- Supports **at least one full-time rural worker**
- Has **clear prospects for long-term sustainability**

The enterprise builds upon proven production levels previously achieved by the applicants and expands those activities within a diversified agricultural system.

The evidence clearly demonstrates that **on-site accommodation for a rural worker is functionally necessary for the effective management of the enterprise.**