

Lauriston Farm Ltd

Five Year Business Plan

1. Executive Summary

Lauriston Farm is situated on the Blackwater Estuary, close to the village of Goldhanger in Essex, and the farm business operates on 210 acres of farmland and salt marsh. This business plan describes a project to take the last thirteen years of developing the practical application of anthroposophy at Lauriston Farm forward into a Charitable Community Benefit Society in order to;

- expand the biodynamic farming and conservation work undertaken to increase the outputs in terms of public environmental goods and the resulting farm produce;
- provide day experiences for adults with mild to moderate learning difficulties to participate in all aspects of the farm including animal care, gardening, wool processing, cooking and sales;
- offer farm based educational opportunities to all ages.

People inspired by the practical application of anthroposophy will lead the project to create a business that stands alone financially to reduce the dependence on for agri-environment grant support to cover running costs. There will be a high duty of care to all the people working on the project. A large warmth body will be created around the project generating a supportive atmosphere. The business will be dynamic and respond quickly to adversity and be resilient by having a diverse basket of income streams.

The Charitable CBS is currently being registered with the FCA under Cooperative UK's model rules. This will enable Lauriston Farm Ltd to run a community share offer in February-March 2017. This will confirm Lauriston Farm Ltd as a membership-led organisation run for the benefit of the community it serves, and will raise the funding needed to match the grant and loan available through Just Growth.

The Higher Tier Countryside Stewardship Agreement started on 1st January 2017 although formal paperwork is yet to arrive and an initial application for LEADER funding will be submitted later in the same month which, if successful, will assist with capital items. In April 2017 with Just Growth funding in place we will be able to commence the development of the farm. Production will be increased with the introduction of chickens for eggs and meat, pigs for meat and an increase in the horticultural production to field scale vegetables.

The social farming will be expanded and help to cross subsidise the farm production and will see a maximum of thirty participants by the end of March 2018 whereby adults with mild to moderate learning difficulties will work alongside co-workers processing wool, growing vegetables, looking

after the animals, cooking and helping with sales work. Finally, educational activities will increase with on and off farm biodynamic training, further engagement with local schools and the continued development of a Steiner Parent and Child Group leading onto the founding of an on-farm kindergarten in the future. Within five years any loans will be repaid.

2. The story so far

Evolution of the farm landscape and the SSSI

Lauriston Farm sits on the north coast of the Blackwater Estuary in Essex, a couple of miles east of the small village of Goldhanger - maps can be found in the annex. Human settlement of the area dates back to Neolithic times with the remains of seven Neolithic round houses within four miles of the farm. Until the 1400s and the beginnings of the sea wall, the vast majority of the current holding was salt marsh within which Romans produced salt in an area on the farm today known as a 'Red Hill' which is now listed as an ancient monument. The Anglo Saxons also used the site for salt production and were well known for grazing the salt marshes with sheep. As the sea wall rose, the salt marsh slowly drained and many salt loving plants adapted to fresh water conditions. These gave rise to an undulating landscape ideal for grazing which retained the profile of the salt marsh and were evocatively named as 'sea meadows'.

In the 1600s a decoy pond was excavated in one such meadow and was used for trapping migrating wildfowl until the 1850s. In its heyday, 20,000 birds a year were caught and today it is listed as an ancient monument. Towards the end of the 1800s the then owner of the farm, a Mr Laurie, excavated gravel from a shingle spit on the seaward side of the wall and this is where the farm's current name, Lauriston, came from.

The sea meadows existed until 1972 at which time agricultural improvement grants were available to flatten the marshes, lay drainage pipes and ditches thus converting them to arable crop production. However, a 30-acre parcel of sea meadow escaped the arable conversion and it now exists as a rare glimpse of a landscape that evolved over almost six hundred years. In addition, despite the stone excavations and the sea wall development, 25 acres of salt marsh still exists.

Protection of these habitats began in the 1950s under the 1949 National Parks and Access to the Countryside Act and later as SSSI under the 1981 Wildlife and Countryside Act. By the end of the 1980's the improved fields were partly cropped and partly used for set-aside.

Involvement of the Christy Family

In 1987 Robert and Marion Christy moved from the Blackwater Estuary market town of Maldon to the farmhouse and seven acres of Lauriston Farm. It was the peace and tranquillity of the environment that the house was located in that attracted them. The 260 acres of land associated with the house remained in the ownership of the previous house owner who continued to farm it with arable cropping and fattening of beef steers. Five years later, the farmer decided to sell this land and concentrate on his new holding near Colchester which immediately generated interest from industrial developers. Plans for industrial units, a sawmill and even a light aircraft landing strip were put forward and this prompted Robert and Marion to take the courageous step of raising a mortgage to purchase the farm land.

The purchase was completed in 1993 and by the end of the following year 122 acres of the improved arable land under cereals and set-aside were formally notified as SSSI. Permanent pasture was recreated on the cropped part in 1995 and the land was entered into the Essex Coast ESA scheme with a Section 15 management agreement. The sea meadow mentioned earlier was grazed with

cattle by the previous owner until the foot and mouth outbreak of 2001. The other fields were topped to provide overwintering grounds for Brent Geese and other waders.

This meant that 180 of the 260 acres were now designated as SSSI – a great relief to Robert and Marion and a wonderful gesture to the flora and fauna of the Blackwater Estuary.

In 2003, Robert and Marion had to sell 135 acres, leaving a total of 125 acres in their ownership, with no mortgage, of which only 15 acres are not SSSI.

The following year, their son Spencer moved to the farm to start developing his own farm business and after two years enrolled the entire 125 acres into the High Level Stewardship Scheme with organic conversion. The holding was prepared for livestock with significant investment in fences, gates, water troughs and livestock handling facilities before Shetland cattle and North Ronaldsay sheep arrived. Some of the pasture had not been grazed for forty years and within a year the insect life began to form and the following year the bird life started to return.

In addition, 4000 hedging plants were planted, a new wildlife pond installed and in 2007 the first biodynamic field sprays were applied. In 2008, Spencer started renting 85 acres of the improved pasture SSSI previously owned by Robert and Marion. Organic certification was completed in the same year with biodynamic certification being achieved in 2010. All the land drains have now been removed so the fields can hold water over winter like the sea meadows and provide habitat for ground nesting birds and some two thousand overwintering Brent Geese, other wildfowl and waders.

The current situation

From this small beginning the holding now has a herd of 30 cattle, a flock of 270 sheep, five natural honey bee colonies and hosts around 300 visitors each year for education farm walks looking into the conservation work being undertaken.

In 2012 the farm was runner up in the Essex FWAG Farm Conservation Award and has been used by Natural England for farmer visits as a good example of organic pasture managed for conservation.

Further funding has enabled the building of three meeting rooms, a disabled toilet block and wheelchair access to over one kilometre of the farm. In the financial year 2015/16 the sole trader business made a profit of a little over £4,000 with a positive balance sheet of £31,000. This supports Spencer with his parents receiving the Single Payment and other access payments. Some photographs of the farm can be seen in the annex.

The meat is sold locally with sheepskins and other wool based products sold more widely often through the farm's website and Etsy. There are currently about a dozen volunteers who help with all day to day aspects of the farm with Robert and Marion also involved quite extensively.

The farm has taken local school students for eight years and in the last four years social farming projects have begun with the Department of Works and Pensions and long term unemployed people as well as individuals suffering from mental illnesses.

For three years the farm has run biodynamic workshops and also a Steiner Parent and Child Group. A business plan has been written for the development of a Steiner kindergarten on the farm.

The following mission statement for the farm was written in 2013 – it summarises what the farm has enabled and will continue to enable:

To create and maintain
A safe and protective environment
For the evolution of
The spiritual hierarchies
The four kingdoms of nature and
The elemental world
Through the practical application of
Anthroposophy

The farm is now at a point where more people are getting involved to expand the existing enterprises and fresh injections of capital are being sought for the development of new enterprises. Since October 2014 work has been under way to produce a future vision for the farm which encompasses farm succession.

3. The Future Vision

The overall vision for the future is to protect and improve the biodiversity of the farmland and secure the farm's future by increasing and diversifying production and using social farming to cross subsidise food and farming activities. This blend of different activities will make the whole enterprise viable in the long term. It will build on the pioneering foundations of the work undertaken by Spencer Christy as a sole trader and broaden it out to a more inclusive, non-traditional community orientated business through the Charitable Community Benefit Society model. Putting the farm business into community ownership is the first step in addressing the issue of farm succession and gives a vehicle to secure the farm and the land in perpetuity for the benefit of the community.

Biodiversity will remain centre to farm's activities and the wild estuarine flora and fauna will be supported together with many other threatened species including the honey bee. The number of habitats will be increased and existing habitats enhanced through careful management. It will be an oasis of protection to the most threatened farmland wildlife species and a beacon of good environmental practice in the area.

The farm will continue to practice Biodynamic principles and ensure certification is maintained every year. The farming activity will expand into pigs, chickens, crops and enlarge the cattle herd to create a more self-sustaining farm organism. We shall endeavour to become a centre of Biodynamic excellence and share our experience through workshops, training days and the land based diploma programme.

The farm will also develop further its social farming strand to help make the farm viable and resilient. By this we mean the farm remains intrinsically a working farm but invites people to participate in the day to day activities of the farm, leading to social outcomes such as:

- Economic participation and integration of vulnerable or disadvantaged groups
- Provision of new skills and self-appreciation
- Opportunities for rural employment

The farm will eventually provide thirty day placements a week to give adults with mild to moderate learning difficulties a chance to work alongside the staff undertaking the day to day activities that the farm requires.

Educational opportunities will be available to all ages using the Steiner Waldorf principles and the rich mix of natural and farmed habitats found at Lauriston. These will remain small scale and person centred to allow each participant to express their individuality as fully as possible. The farm will become a hub for anthroposophical understanding and learning about sustainable practices of farming and gardening as well as cookery and traditional crafts.

The Charitable Community Benefit Society will have a board of trustees comprising three existing volunteers with relevant experience, one or two directors from outside the farm and the Farm Director as an ex-officio member of the Board. The Board will meet six times a year as well as holding the AGM (at which they will be appointed or re-appointed by the Society's members) and any other general meetings of members. Advisors to the Board will be co-opted as required.

Initially there will be six paid members of staff, three full-time and three part-time delivering this vision. These include a farm director, a livestock farmer, a farming/horticulture co-worker, a social farming co-worker, a craft co-worker and a cookery co-worker. There will be additional roles for volunteers supporting these paid roles. An accountant has already been found.

How the planned activities will contribute to our mission

To achieve the farm's mission, the practical application of Anthroposophy is required. This is already reflected in the Biodynamic method of agriculture and through the structuring of educational activities in accordance with the Steiner/Waldorf method. This then requires some individuals to have prior training in these methods such as the current livestock farmer who undertook a Biodynamic apprenticeship at Tablehurst Farm in Sussex before joining Lauriston.

The prominence given to nature conservation creates a rich, diverse flora and fauna which, together with the Biodynamic preparations, produces a warm and tranquil atmosphere to the farm. From this, individuals have experienced great therapeutic benefits, often connecting with childhood memories or just finding a quite space to sit and listen to nature.

Whilst there is a wide diversity of core activities, they are all on a small scale and generally require hand work instead of machine work. Thus we are aiming to work on a human scale with minimal use of machines and electricity. This direct human involvement in caring for the soil, the plants, the animals and each other as human beings is of great interest to the spiritual world, enabling these beings to evolve at the same time.

Anthroposophy is not dogmatic, instead it flourishes in a setting with a variety of points of view which will be achieved as the farm opens up to more people on a daily basis and through membership of the CCBS. There will be the opportunity for individuals to explore more deeply the work of Rudolf Steiner through a study group, guest speakers and workshops.

Choice of legal structure

The Charitable aspect of the legal structure was chosen as the core activities of the farm - nature conservation, community involvement, education and therapeutic care are all charitable in nature. Outwardly and inwardly it will give an immediate and clear understanding of the nature of the work being undertaken with the assurance that we are operating solely on a not-for-profit basis. The requirement of a Board separate from employees is very useful and healthy in ensuring the society keeps to its objectives. It also gives an extra layer of help in resolving problems and bringing fresh ideas and inputs to the organisation.

The Community Benefit Society model fits perfectly with the desire of the farm to open up more and reach out into the local community and further afield, developing a substantial body of warmth around the day to day activities. The equality in voting is important to the farm and the balance between being responsible to the farm but also the members, wherever they live, feels a healthy and freeing gesture. We hope the structure enables those hundreds of people who have visited and/or traded with the farm over the last thirteen years to deepen their relationship to our work.

By the end of January 2017, Lauriston Farm Ltd will be formally registered with the FCA as a Charitable CBS under Cooperative UK's model rules. The charitable objects enshrined in Lauriston's rules are as follows.

"The objects of the Society shall be to carry on any business for the benefit of the community by undertaking wholly charitable activities that are based on the principles, methods and practice of anthroposophy as initiated by Dr. Rudolf Steiner (as summarised in the Appendix to these Rules), in particular but not limited to the following:

(a) By advancing the education of people with a learning disability, and other people deemed to be in need, by the establishment and operation of a farm, that provides training and farm based educational facilities with the object of improving the conditions of life of the beneficiaries.

(b) By relieving sickness, promoting and advancing good health, providing care and support to people with a learning disability and other people deemed to be in need.

(c) By furthering the conservation maintenance and protection of the farm's wildlife, its habitats and its historical, archaeological and scientific interest.

The Society shall be owned and controlled by its Members on a fair and equitable basis."

Relationship Between Lauriston Farm Limited and the Landowners

Lauriston Farm Limited CCBS will enter into a License with Robert and Marion Christy, the landowners, to rent the land and buildings known as Lauriston Farm. Initially this will be for a five year period with a review after three years to establish its continuation for a further five years. The license will state the agricultural activities the CCBS are required and permitted to undertake, an access agreement covering permitted use of the site, the responsibilities of both parties, what to do in the event of a dispute and an inventory of the site. A copy of the license will be held by all parties as well as with the solicitor. To ensure good co-operation between the two parties the Board of the CCBS will always have a representative of the landowners on it.

4. Foundations of the Business

There are seven inter-dependent strands to the business:

- Biodynamic livestock and conservation
- Biodynamic crop production
- Wool processing
- Cookery
- Social farming
- Education
- Natural bee guardianship/Demeter hive management

This section looks at each one of these activities to define how it fits within the overall farm operation, its growth potential, where investment is needed to deliver that growth, and how that investment will contribute to the viability of the farm.

4.1 Biodynamic Livestock and Conservation

The area of land managed by Lauriston Farm Ltd is currently 210 acres, all of which has been certified to Demeter (Biodynamic) standards, which covers all the organic standards as well, since 2010. The certifying body is the Biodynamic Agricultural Association (BDAA). This farming method is an ideal fit for conservation farming as required by the Site of Special Scientific Interest, Special Area of Conservation, international wetlands RAMSAR site and Historic England designations which cover over 80% of the total area and for the remaining non-designated 20%.

The aim of the agriculture system at the farm is to protect the habitats that make up most of the land. This includes providing nesting for estuarine birds (target species are snipe, lapwing, curlew and redshank) and for overwintering waders and waterfowl including some two thousand Brent geese. To achieve this, 30 rare breed Shetland cattle and 250 North Ronaldsay sheep are used with participation in the ten year (2006-2016) High Level Environmental Stewardship scheme from Natural England giving guidelines on detailed management prescriptions. These include water management, hedgerows and trees.

This activity forms the bedrock of Lauriston Farm Limited and, aside from the environmental benefits, outputs of beef, lamb, hay, compost, biodynamic preparations, educational walks, wool, training, employment, volunteering and therapeutic life experiences all come.

Potential for growth

Lauriston Farm has applied and been verbally accepted into the five year (2017-2021) Countryside Stewardship Higher Tier scheme to cover all existing work and increase the farm's habitats through scrub creation over three acres and improving the twenty five acres of saltmarsh by introducing sheep grazing. There is also an extensive hedging and tree planting programme as well as payments for social farming visits. At time of writing the final agreement has not been raised by Natural England but we have been informed to manage the land in accordance with the agreement from January 1st 2017 and the agreement will follow later in January.

There is the opportunity to increase the cattle herd from the current level of 30 animals to 45. This will bring an enhanced grassland habitat for target species, produce 50% more compost and nearly double the beef sales.

A four acre area of low conservation value is to be put into pig production with the introduction of one sow and one boar from of rare breed Berkshire pigs. The aim is to produce two litters per year and for the animals to be fed from farm crops to enable the meat to be sold with Demeter (Biodynamic) certification. This will require the development of an outdoor rotation of cropping for the pigs to 'graze'.

The one acre woodland planted in 1987 by Robert and Marion will be home to rare breed Ixworth hens. The farm has used this breed on a very small scale for over five years as they are good egg and meat producers and an increase to forty hens with five cockerels is planned with sufficient feed coming from the farm to enable Demeter (Biodynamic) certification of eggs and meat.

Required investment

Investment is needed to increase the productivity of the farming system. This comes in the form of a second hand four wheel drive tractor with loader and various implements (bale spike, forks, bucket, muck grapple, trailer). This will enable a reduction in the use of contractors and improve the timing of operations. As production increases, a small refrigerated van with diesel engine for delivery would enable larger quantities of meat to be transported greater distances.

For the pigs, one sow and one boar are needed plus two pig arks with drinkers, permanent and electric fencing and modifications (windows and drainage) to the farrowing house. A conservative estimate of achieving fifty kilograms of butchered meat per animals and charging £6/kg for it gives a turnover of £300 per pig and with two litters per year giving twenty piglets in total gives a turnover of £6,000 per year. Feed costs need to be established as we aim to produce the feed from our own crops.

The chicken expansion requires five houses with drinking and feed troughs, electric netting, purchase of two cockerels and twenty hens, twenty bantam hens and a supplementary hatching unit. Fifty table birds a year at £20 each plus ten dozen eggs for thirty weeks yields a turnover of £2,200. Feed costs need to be established as we aim to produce the feed from our own crops.

4.2 Biodynamic Crop Production

There is currently a wheelchair accessible vegetable and fruit garden with twelve raised beds and two poly tunnels measuring ten foot by thirty foot. This produces basic seasonal vegetables on a small scale for the current farm workers and volunteers to consume. Previously, Spencer Christy had run a small box scheme for the local village and sold vegetables weekly at a market in Maldon.

Potential for growth

The garden sits in a half acre field and there is the potential to produce on most of the area and put another larger poly tunnel up. In addition, there is a new two acre field being created on the edge of the SSSI. This will enable the growing of field scale vegetables, seeds for the Seed Co-Operative CBS, flowers for the Shrill Carder Bee and crops for the pig and chicken feeds. Enquiries have already

been put out locally for an additional 25 acres of rotational cropping land to further expand these activities.

Required investment

Investment is needed for purchase one large poly tunnel to increase the variety and quantity of covered crops grown. Basic cultivation implements for the tractor are required – rotovator, seed drill and roller – and these can be rented or borrowed from a neighbour. A small cold store would enable produce to be stored for sale over winter.

4.3 Wool Processing

There are currently some two hundred and forty North Ronaldsay sheep on the farm which yields approximately two hundred and fifty kilograms of raw fleece each year. Half of this is processed into knitting yarn by the Natural Fibre Company in Cornwall to organic standards and this is sold locally, via the website and through Etsy. The other half is held back for cleaning, carding, spinning and weaving on the farm.

Potential for growth

New products to be sold are raw fleece, washed fleece and washed and carded fleece. We have experimented with weaving the raw fleece to good effect and this produces table mats, wall hangings and small rugs. There is also the desire to produce ‘Lauriston Tweed’ which could be woven at the farm probably from yarn spun at the Natural Fibre Company. The processing of the wool on the farm needs cross-subsidisation from social farming.

Required investment

Investment is needed for the purchase of two large sinks for washing the wool, two drum carders, three knitters looms with stands. This will enable this social farming days to operate with six participants and this will contribute to the development of the tweed and other items for sale.

4.4 Cookery

Currently farm produce is processed by Marion Christy in her kitchen on a small scale. Daily cooking for lunches for the staff is shared between herself, Spencer and the volunteers. Farm produce is used as much as possible as well as that bought from other local farms. Supermarket ingredients are organic as far as possible.

Potential for growth

Increase production of jams, chutneys, cakes and pies to Demeter and organic standards and the provision of daily lunches for all workers on the farm each day. This activity lends itself very strongly to social farming.

Required investment

We have already received funding from Essex County Council to upgrade the farm kitchen to food hygiene standards. Once the CCBS is formed we will be able to draw down these funds and anticipate the kitchen being ready by March 2017.

4.5 Social Farming

Since 2007, the farm has hosted 14-16 year old students from the Maldon Plume Academy on work experience placements for one or two days a week during term time. They work closely with the farmer and learn many skills and normally initiate their own project in their second year on the farm.

Over 2014 and 2015, for nine months the farm hosted up to twenty local long-term unemployed people two days a week as part of a DWP project to re-socialise the participants. A smaller group continued to volunteer on the farm and at time of writing two still come weekly. There were many positive outcomes from this project.

In addition, there have also been long-term volunteers attending with mental health issues, depression and anxiety, both of whom have now been able taken on more responsibility in their own lives. There have also been a number of charities visit over the years and the farm has often been categorised as a setting offering tranquillity.

Through the Higher Level Stewardship Scheme, funding enabled the building of three meeting rooms, full kitchen facilities, disabled access toilets and hand washing facilities, raised vegetable beds for wheelchair gardening, one kilometre of decking paths round the farm and a concrete area for offloading wheelchairs.

Potential for growth

All the previous operations described will integrate an element of social farming within their work. This means that for one day a week the person responsible for each operation will host six adults with mild to moderate learning difficulties. The day's tasks will be organised in such a way that there is meaningful work for everyone and these will only be changed from week to week if they are not appropriate. This repetition of activity will enable the participants to learn a skill and over time maybe undertake it with less supervision, thus increasing their self- confidence and independence. All the tasks will be real in the sense that they contribute to the daily work required on the farm.

As a major area of growth, we are aiming to offer thirty day places a week with six people per day attending. Each day will focus on one of the farm operations but this can move a little as we discover where the most interest is. Using their personalised care budgets, each participant will pay £54 per day for the experience and this will include lunch. We are aiming to have all the places filled by March of 2018.

A second area will be engaging with charities associated with mental health problems. The farm will offer the space for two or three people to experience the tranquillity and peacefulness of the farm whilst undergoing therapy as required.

Required investment

The increased level of human and commercial activity will require an investment in physical infrastructure. The existing office space needs equipping with a modern computer, photocopier/printer/scanner, telephone and internet. The space above the kitchen and toilet block can be enclosed making two new rooms. One room will be a craft room for the larger looms and

storage of other materials and the other room will be a 'workers mess room' for tea breaks and changing boots and outdoor clothing.

To assist with participation in social farming an eight person people carrier will be needed for transporting participants to the farm as it is located one mile off the main road. Buses do stop on the main road and others are only a two mile journey away. It also allows the farm to collect people from their houses for a charge if they are in need of such a service. It is envisaged that this vehicle will be leased for two years initially.

In addition to these physical items, there will need to be an investment in staff wages in year one to assist with the start up. This includes one year of part time work (two days per week) for the social farming project, one day per week for the craft co-worker and up to five half days per week for the cook/nutritionist co-worker and three days per week for the vegetable co-worker.

There are also various start-up costs such as insurance, risk assessments, DBS checks, training, creation of the CCBS, marketing of the project and costs associated with running a membership share offer for the CCBS.

4.6 Education

Over the last ten years the farm has successfully run a weekly Parent and Child Group, developed a sound business plan for a Steiner Kindergarten on the farm, hosted pupils from the Plume Academy in Maldon, undertaken some two hundred educational farm walks, run various farm related workshops (including crafts and honey bees) and written and delivered a one day and Seven Day Introduction to Biodynamics course. All of these activities follow anthroposophical ideas also known as Waldorf education.

Potential for growth

There is the scope for running two Seven Day biodynamic courses per year, reintroducing the Parent and Child Group, starting a 'Farm Kids' program for seven to fourteen year olds, expanding the range of workshops we offer and putting the kindergarten business plan into reality. We would also like to offer a Biodynamic Apprentice place, now known as a Land Based Diploma Student.

Required investment

The investments outlined in the other operations of the farm will contribute to the delivery of the education mentioned above. We are not seeking funding at this stage for the kindergarten.

4.7 Natural Bee Guardianship/Demeter Hive Management

The farm has had six honey bee hives on it since 2007. After one year of using conventional methods of hive management they were all physically changed to embrace the Biodynamic Production Standards for honey bee hives. After this a close working relationship developed with the Natural Beekeeping Trust (NBKT) and since 2012 no honey has been harvested aside for medicinal purposes. Spencer Christy of Lauriston Farm is a listed swarm collector for the local area and has run NBKT workshops on the farm as well given talk on Demeter/Natural Bee Guardianship to local gardening and beekeeping groups. The gardens have been planted up to more honey bee friendly plants.

Potential for growth

A two acre field has been set aside for many more bee hives and there is the desire to integrate more bee flowers into the hedgerows to provide food in the winter months. The farm has permission to build Sun Hives and there is a plan to do this as a social farming activity and also for people wanting to build their own hives and then have swarm placed in it either from the farm or from the locality.

Required investment

Investment is needed in the supply of plants for the farm and the setting up of Sun Hive making facility in the craft room. Participation in honey-bee workshops has been very high and often yields other sales of farm produce which can lead into further investment in the honey bees and when the honey bees are healthy, the whole farm is healthy.

5. Operations

This section explains how the farm will be run, and by whom, and how we intend to integrate the work streams.

Biodynamic Livestock and Conservation

There are currently three people involved in this enterprise. Looking after the full time day to day management of the livestock is Eelco Visser who undertakes all the basic animal husbandry tasks and associated capital works such as fencing and water troughs. Eelco has spent two and a half years on Tablehurst Farm in Sussex undertaking the Biodynamic Apprenticeship Training.

Helping him for two days a week from Goldhanger is Andy Stock, who has recently finished a degree in Conservation at Writtle College in Essex.

Overseeing the whole farm management is Farm Director Spencer Christy, and he gives advice on all aspects of the sheep and cattle and how the habitat is created and needs to be managed. Spencer also helps out with practical work as required and is responsible for all produce sales.

Biodynamic Crop Production

The same staff used for the agriculture would also run the crop production. The small scale vegetable and fruit growing will receive help from long term volunteers and also daily volunteers. When the additional twenty five acres are found then an additional full-time employee and seasonal labour will be needed.

Wool processing

Sally Ure Reid will run this activity with assistance from a variety of local crafters with expertise in a variety of fields. She is also leading the project to create Lauriston Tweed.

Cookery

One person will have overall responsibility for the kitchen and will be responsible for hosting the social farming day but there could be more than one cook during the week. Ideally the cook needs a strong interest or even formal training in nutrition.

Social farming

Overseeing the start-up of the social farming initiative will be Zoe Greening (Social Farming Project Leader), developing policies, risk assessments, health and safety and other legal documents required and also focus on the infrastructure. There will be meetings with potential participants and other relevant organisations to promote the initiative and attract participants. Sally Ure Reid will also contribute to this process as she has developed many useful contacts.

In consultation with Zoe, each farm worker will be asked to design one day a week for this initiative keeping the day within the normal tasks performed on the farm. These will be reviewed regularly and adapted as required.

Education

Spencer Christy leads the Seven Day Biodynamic Course with the help of guest speakers and would co-ordinate the land based diploma student. Sally Ure Reid organises the craft workshops and training programs. All staff, volunteers and Board members contribute to the general workshop program. There is the need to find a trained Steiner teacher to re-establish the Parent and Child Group, run Farm Kids days and develop the kindergarten project.

Natural Bee Guardianship/Demeter Hive Management

Spencer currently looks after the bees but the whole farm team will take this on including the cultivation of bee plants crops.

6. Marketing

In this section we explain, for each strand of the business, our marketing strategy, evidence of the markets that already exist and those we intend to develop.

Biodynamic Livestock and Conservation

The meat is advertised on the farm's website and by direct marketing to existing customers. For new customers, the best marketing is to allow people to see the farm and this is done through having an open door and the educational farm tours. Other marketing occurs through Facebook, trade organisations and local shows. There will be activities for members of the CCBS which will involve sampling the farm's produce.

There is already a reliable local customer base and they will likely take the pork, chicken and eggs as well. There is a very high demand locally for organic chicken meat and previously with one hundred laying birds all eggs were sold without any difficulty. The additional beef will likely need a local restaurant or pub and we have previously been successful in achieving these connections. There is an emphasis on keeping sales local but there is always a good demand for Demeter produce in London and this is under one hour away from the farm.

Biodynamic Crop Production

Most of the produce will be used within the farm for animal feed, lunches, and processing for sale and for animal feed. Surplus produce can be promoted to customers of the meat and through direct sales combined with the meat marketing strategy.

The weekly Country Market in Maldon has been used in the past and there exists there a good turnover for small quantities. Any larger quantities would be sold to another biodynamic farm which has already confirmed its interest.

Wool processing

Promotion of finished goods will draw on their origins within social farming initiative through the website, Etsy and when people visit the farm. The tweed will be aimed at small, artisan fashion designers.

As evidence of markets, Acorn Village, a special needs community near Colchester, produces many simple rag rugs each year and they all sell well. For the tweed, the fashion industry is embracing natural wool and traditional methods of processing the wool.

Cookery

Finished goods for sale will be sold from the farm and follow the same marketing routes as the meat.

We have previously supplied the Maldon Country market with preserves for over two years. There are currently no organically certified preserves available locally.

Social farming

Much of our marketing strategy will involve developing partnerships with other organisations, some we have already had conversations with such as The Maldon Pioneers, All in the Making CIC, the DWP, Shared Lives, MIND, Abberton Rural Training and Writtle College. In addition, contacts in the NHS, Essex Cares, and local residential facilities such as Acorn Village near Colchester will be established. Taster sessions and farm walks will be organised for professionals in these organisations to show what we can offer. Literature, the farm web site and Facebook page will be developed to support these face to face interactions. We shall also join likeminded organisations such as the Camphill Association.

Initial conversations with Shared Lives, MIND and the Maldon Pioneers indicate a strong interest in our proposals. There is currently a waiting list at the main local CARE farm in Abberton which is only twenty minutes away and there is very little provision of this type within the catchment of the River Blackwater which includes Chelmsford, Colchester, Basildon and Braintree. Essex is just starting a social prescription procedure for individuals who may benefit from such an experience.

Education

Educational opportunities are marketed through the website, Facebook page and by linking to other forms of social media such as Twitter, Linked In and Pinterest. Relevant organisations such as The BDAA, the Natural Beekeeping Trust and the Permaculture Association also advertise our courses. Links with local home educators and parents help to develop interest in the early years provision.

The Parent and Child Group ran successfully for three years mainly because there are no other farm based settings or Steiner/Waldorf settings in our locality. This has not changed. The adult courses are also rare for this area and do attract attendees from London, Cambridge and even Sussex but this can be variable. The educational walks have resulted in more than three hundred people a year coming through the farm and this is likely to continue even though we will need to charge in the future.

Natural Bee Guardianship/Demeter Hive Management

Educational opportunities will be marketed through the website, the Facebook page, the NBKT and other beekeeping groups.

7. Community engagement and partnerships

By becoming a Charitable Community Benefit Society, Lauriston Farm Ltd will seek to develop a strong membership base of individuals and organisations supporting our ethos and mission. We will hold quarterly events for members which we hope will engender a feeling of community among them. We will personally invite all our current trading partners to become members of the CCBS.

We are confident of engaging the local community through volunteering opportunities.

We also intend to reach out to the local community through local partnerships – for example, we intend to develop a partnership with a chicken abattoir and there are two locally. The kitchen will seek to use additional produce from links with other local producers. The wool processing will encourage the involvement of local craft experts. We shall encourage participation by local interest groups such as beekeepers and gardeners.

The social farming opportunities within the animal husbandry, horticulture, wool processing and cookery initiatives will all engage the local community.

Local community engagement and nurturing local partnerships will be key to the success of the early years' educational operations. It is only for adult courses that people come from much further afield. Partnerships with the Steiner Waldorf Fellowship, Essex County Council, Ofsted, local schools and home schooling groups have been fruitful in the past.

8. SWOT analysis

Biodynamic Livestock and Conservation

The Higher Tier Countryside Stewardship Scheme guarantees £21,000 each year for five years and we have an excellent track record of delivering to the scheme requirements. It is uncertain what funding will be available after this but there is a strong likelihood something will be available. However, it is an important part of this business plan to diversify over the next five years to enable the farm to continue without being so dependent on such funding. Social farming will integrate very well with the increased diverse mix of animals and therefore tasks.

The farms current produce sales are pretty robust with a strong local customer base. However, increasing them as planned will involve significantly more time and money. Local restaurants, a weekly market, shop development and maybe looking into London for outlets will be required.

With animal produce there is always the chance, albeit small, of a notifiable disease outbreak which would seriously disrupt the business plan.

Our rental agreement on eighty five acres of grass is on an annual basis but our very close relationship with the land owning body makes this a more permanent agreement than the annual nature suggests.

Biodynamic Crop Production

Small scale vegetable growing has been very successful over the years with a good local market but low prices. There is only small scale growing experience on the farm but advice from other farmers and the Seed Co-Operative CBS is available. This scale of vegetable growing cannot stand alone financially but with some cross subsidy from the opportunities it offers for social farming it can be sustainable.

Wool processing

We have a very creative and experienced designer on board who has a background in working with adults with learning difficulties. There are already many craft items and a room available on the farm. We will need to hire a teacher for the finer weaving. There has been a resurgence of interest in woollen fashion which we are hoping to tap into with the tweed. Like crop production, this activity will require some cross-subsidy from social farming.

Cookery

The farm has a good supply of fresh produce, a kitchen that can be converted to food standards and a number of people interested in cooking. There is a high level of paperwork required for the kitchen and the risk of food related illnesses and hygiene issues. It could lead to further cookery activities such as sausage making and allows farm visitors to pay for a meal or tea and cake.

Social farming

The farm has a track record of delivering good life experiences for adults with mental health problems, resocialisation needs and mild to moderate learning difficulties. There are a number of

people involved with the farm with experience of working with adults in these sectors. However, we have not undertaken such activities every day of the week and on the proposed scale before so we will, in a sense, be learning as we go along. There are many people we can draw support and advice from as we prepare for the opening. The project brings the opportunity for adults in our target group to undertake meaningful daily work in small team, share lunch and build community. The farm will benefit from this social interaction and also from the cross subsidisation of the core production and processing activities on the farm by social farming. The main threat comes from changes or cuts in government funding for our target group which could prevent the project from running. We also have to be fully aware that we will be working with vulnerable adults and be sensitive and accommodating to their individual needs.

Education

The farm's diversity of habitat –salt marsh, beach, sea wall, woodland, grazing fields and gardens – offer many educational opportunities as does the diversity of rare breeds, the production method and the conservation work. We have struggled to find Steiner Waldorf trained teachers in our locality and the nearest Steiner school is Cambridge or London so the knowledge of the method is not prolific locally. There is significant interest in it and also great interest in learning whilst being located on a working farm. However, the small scale of each educational offer means that it is quite difficult for a teacher to be able to commit to it.

Natural Bee Guardianship/Demeter Hive Management

There is enormous interest in the plight of the honey bee and a natural understanding of the Demeter approach to hive management. There are a large number of swarms to be collected in swarming season (May to July) in the locality. Regulation could prove a challenge to the Demeter method of beekeeping. The supply of Demeter rye straw for building the Sun Hives is limited and so the farm may need to grow it.

Uncertainty and risk

The following is a list of risk factors to the business we have identified and how we will mitigate against them.

- A drop in government funding for adults with learning difficulties – keep abreast of the developments in social care policy, respond quickly to any planned changes.
- An accident or incident at the farm involving a special needs participant – ensure all insurance, risk assessments and policies are in place for dealing with such an event
- Funding sought is not achieved – take stock and review business plan, look for new funding sources and phase in the plan over a longer time period.
- Cash flow problems as business develops – arrange overdraft facility with bank in advance
- Staff leaving – have regular meeting with all staff to keep abreast of any issues or plans for change

9. Management and people

Since the farm sole trader business began in 2004, a great many number people have come through the farm to help or just visit. In the early years these were pioneering people who engaged with a new project and were not put off by the blank canvas. After about seven years, once much of the infrastructure was in place and the farm was ticking along, a new, less pioneering and more maintaining type of person was attracted. It is from this latter pool of people that this business plan incorporates.

The board of the CBS comprises of five individuals with a wide and varied range of skill sets and experience.



From left to right: Kai Lange, Christiane Mills, Spencer Christy, Marion Christy and Jane Corbey

The Chair is Christiane Mills who has been volunteering on the farm for over three years helping in the celestial garden and with the animals. Christiane was born in Paris and worked there as a primary school teacher. She moved to Yorkshire after marrying where she taught French in Adult education. She came to Essex in 1984 and taught French at the Colchester Adult Education centre until 1998 and then became a Reiki Master and developed her own Reiki practice. In 2005 she helped to run a charitable therapeutic centre in Colchester of which she became the Chair. Christiane currently runs various workshops in Colchester including a self-development group and is an active member of the Colchester anthroposophical study group.

The CBS Secretary is Jane Corbey who has been volunteering on the farm for four years mainly helping with administration. Jane was brought up in Swansea, moved to London in 1968 where she married before moving to Essex in 1988. Over forty years of working life was spent in various administrative roles at a variety of companies including Philips, the Consumers' Association and the University of Essex's history department. She has always had a love for and keen interest in nature and the respectful care of the countryside and feels fortunate to be involved with such an enterprise. Now retired, Jane is involved with the Tiptree Garden Club, the Friends of Tiptree Heath, and also volunteers in a local charity shop. She undertook the farm's seven day biodynamic course and is attempting to pursue this method in her own garden.

Marion Christy is a Director with the CBS and represents the landowners of the farm. Marion was born in Loughborough in 1940 and after marrying moved to Goldhanger, Essex in 1968. As a fully qualified secretary she had various roles and in 1976 started helping her husband Robert develop his own engineering business. Marion has over twenty five years retail experience through her own pioneering natural products shop in Maldon as well as thirty years of experience of personnel management. Now retired, Marion helps out in numerous ways on the farm especially with the yarn production and has been instrumental along with Robert and Spencer in developing a succession plan for the farm. She is also a regular attendee at the Maldon Quaker Meeting.

Another director is Kai Lange (pictured below) who first met Spencer when they both served as Trustees with the Biodynamic Agricultural Association (BDAA) in 2011. Kai was born in Germany in 1964 and undertook the four year biodynamic apprenticeship training at three farms in south and north Germany. He then went on to found a biodynamic market garden in Denmark, which was very successful before moving to England in 2000 to work at the Camphill Community at Oaklands Park, Gloucestershire. Kai spent eight years then working at Ruskin Mill College in Nailsworth, Gloucestershire with the role of land-skills tutor. He is currently course-leader at the Biodynamic Agricultural College and co-ordinates the works work based diploma in biodynamic farming and gardening, as well as running a variety of land based workshops at his home near Nailsworth.

Spencer Christy sits on the Board as an ex-officio member due to his position of Farm Director. Spencer was born in Maldon, Essex in 1968 and schooled in the town before taking 'A' levels at St Christopher School in Letchworth. He then went on to undertake a BSc in Environmental Science at UEA which led him into research agricultural conservation policy at Wye College in Kent for the Ministry of Agriculture. After nine years working in the family engineering business Spencer travelled for nine months undertaking voluntary conservation work and returned to Essex in 2004 to start the farm using biodynamics and permaculture. He has served in the BDAA Council on and off for seven years and is the current Vice Chairman, is an active member of the anthroposophical society helping with the local study group and giving talks at Steiner House in London. A regular attendee at the Maldon Quaker Meeting and in 2015 completed a diploma in Intuitive Colour Counselling.



From left to right - Andy, Eelco, Christiane, Jane, Sally, Zoe and Spencer

The farm is also very fortunate to have a highly experienced and committed executive team which is overseen by Spencer as the Farm Director.

Eelco Visser joined the farm in May of 2016 having completed two and a half years training at Tablehurst Farm studying the biodynamic work based diploma. Born in Arnhem in the Netherlands in 1977, Eelco studied journalism and film making after leaving school which gave him a successful career in film making and editing and writing for the local newspaper. During all this Eelco also spent about two years driving a special needs taxi van for vulnerable adults. In 2010 he decided to change track and worked in a company building natural ecological swimming ponds. This outdoor activity led him through a friend to Tablehurst Farm in Sussex where he fell in love with biodynamic farming. Eelco is now the full time livestock farmer at Lauriston, living on the farm whilst keeping a close connection to Tablehurst and the Forest Row area. He has recently launched and runs the farm's Facebook page and will be helping with the promotional videos for the share offer.

Zoe Greening was been volunteering for over five years at the helping with all aspects of the farm and garden work. She was born in England but as a young child moved to the continent where she went to school. After school she spent time volunteering in a Camphill Community in Germany having been aware of the work of Rudolf Steiner and the biodynamic method from a young age. Moving to England she studied agriculture, then after 'A' Levels completed a German degree and then a Masters in social work . Twenty years of social work then followed, working with children with disabilities. Over this time she helped to set up an after school and holiday club for teenagers with learning difficulties. She then moved to Essex where she now works part time as an assessor of

potential foster parents. On the farm, Zoe will be the project manager for the expansion of the social farming work with adults with learning difficulties.

Sally Ure Reid came across Lauriston two years ago when designing a re-socialisation project for long term unemployed people, funded by the Department of Works and Pensions. As a young adult, Sally lived close to Forest Row and was inspired by the Steiner Architecture, flow forms, biodynamic food and agriculture. She went on to study Art and Dance at Goldsmiths College in London and became a busy designer and maker of interior design accessories. She also started an arts based therapy organisation for adults with special needs in Leigh on Sea, Essex before opening her own design shop in Brighton. After relocating to France in 2001 to care for her parents, Sally began to explore living simply and self-sufficiently alongside nature. At this time, she discovered the benefits of nature-based healing while at the same time realising the potential for turning unused natural and raw materials into successful products to support local business and training centres. In 2012 she started Allinthemaking CIC which helps disadvantaged individuals learn life and craft skills to better their health and well-being. At Lauriston, Sally now heads up the craft work focusing on the processing of the sheep's wool and designing the Lauriston Tweed.

Andy Stock first engaged with Lauriston during the winter of 2015 when he undertook his Conservation Management BSc dissertation on the farm, comparing bird diversity and abundance at Lauriston compared to a conventional farm nearby. Andy was born in Chelmsford, Essex in 1984 and grew up in Goldhanger village. He worked for nine years at Essex County Council in Colchester in adult social care and then started his degree in 2012. He is a keen bird watcher and writes songs, sings and plays guitar in a local band. Andy started working part time and volunteering at Lauriston in the Summer of 2016 to gain experience of practical conservation work and help with the celestial garden.

In addition to the Board and Executive, Lauriston has a further engagement with a number of other people who provide certain services or volunteer on the farm.

Emily Walter is a fine art graduate who worked in community arts before moving into publishing. She has fifteen years' editorial and design experience, for much of this time as a Managing Editor for publishing companies that produce arts and lifestyle magazines. Emily lives in Hertfordshire and has been helping out on occasion with the work of the farm since 2014. In particular she designed and developed the farm's online Etsy shop, part of the farm's website and produced some wonderful artwork to accompany the meat sales. Emily is very happy to help with the publicity material needed for the share offer, business plan and to run social media campaigns.



Lizzy Conder first visited the farm in 2014 and fell in love with the North Ronaldsay sheep. She is a Fellow of the Institute of Chartered Accountants of England and Wales and a Chartered Tax Adviser. Lizzy has a strong background in finance, tax, corporate governance and risk management gained in the charity and commercial sectors. She currently works as Deputy Finance Director for the University of London. A keen folk dancer, Lizzy is currently training to be a qualified Scottish Country Dance teacher and she is a member of the Finance & Governance Panel and Youth Services Committee of the Royal Scottish Country Dance Society, a Scottish charity. She is the accountant for the CCBS.



Volunteers come and go but there are currently two long term volunteers helping out every week on the farm.

Chris Pundey lives in Colchester and found the farm through the DWP project for long term unemployed people. He enjoys the flexibility of helping with the animals and vegetable growing whilst also developing his own style of creative expression with yarn.

Jenny Wilson lives in Maldon and has been volunteering for three years in the celestial garden, helping with the parent and child group and working with the animals. She is an adult support worker for a small company in Maldon working with adults with learning difficulties and has worked as a cook in a care home. She also practices yoga and is an occasional attendee at the Maldon Quaker Meeting.

10. Finance and funding

Trading Performance

The table below shows the profit and loss forecast for the first five years. It is possible to see how the initial funding to expand production and increase the social farming initiative enables a profitable business to be formed which performs well year on year afterwards. The positive net profit enables some reinvestment into the business and some contingency in case of poor performance.

Revenue account					
	Year1	Year 2	Year 3	Year 4	Year 5
Sales	85,693	134,416	142,455	149,099	156,942
Cost of sales	30,014	33,224	36,760	38,598	40,528
Gross profit	55,679	101,192	105,695	110,500	116,414
<i>Overheads</i>					
Start-up revenue costs	46,264	-	-	-	-
Salaries etc	30,440	68,976	73,197	77,420	79,514
Administration	2,100	2,163	2,228	2,295	2,364
Premises	1,800	1,854	1,947	2,044	2,146
Other overheads	16,420	16,793	17,389	18,014	18,669
Total overheads	97,024	89,786	94,761	99,773	102,692
Operating profit	-41345	11,406	10,934	10,728	13,721
Depreciation	- 38,480	4,968	4,471	4,024	3,622
Share interest	-	-	-	-	-
Members' dividends	-	-	-	-	-
Loan interest	1,600	1,600	1,200	800	400
Net profit	- 4,465	4,838	5,263	5,904	9,700
Capital grants, gifts received	4,320	4,320	4,320	4,320	4,320
Revenue grants, gifts received	11,300	-	-	-	-
Donations made	-	-	-	-	-
Corporation tax	-	-	-	-	-
Profit transferred to reserves	11,155	9,158	9,583	10,224	14,020

The wages rates for all staff aside from the Social Farming P.M. are based on the current National Living Wage and the desired increase as set out by the government in 2016. They include NI contributions and pension provision. The costs of sales and other overheads are drawn from the actual figures for the previous three years of sole trading at Lauriston Farm and extrapolated upwards for the increased activity.

At this point in time there is no plan to offer interest to shareholders. The shares will be sold on the understanding that they will yield the holder an environmental and social dividend. The rules of the CCBS do allow for interest on shares to be paid in case it is deemed appropriate in the future. There is no corporation tax payable as the CBS has charitable exemptions.

Tangible Fixed Assets

The opening tangible fixed assets of £11,200 comprise of one 1990 Land Rover Defender (£3,000), one Lfor Williams livestock trailer (£3,000), one rug weaving loom (£1,500), one drum carder (£350), six empty bee hives (£1,800) and various other miscellaneous items such as two poly tunnels, tools and kitchen equipment (£1,550). These assets are currently owned by Spencer Christy and the proposed arrangement for the purchase of these items by the CCBS is as follows.

There will be two transactions. The first being the sale of the equipment and stock to the CBS and the second being the use of the proceeds to purchase shares. The end result is the CCBS has the assets and Spencer will have shares, but to be prudent the decision making should address each step individually.

If the CCBS is offered equipment/stock, and it is satisfied that (a) they are adequate to the task at hand and (b) they represent good value for money compared to other possible suppliers, then that is a sensible and prudent purchase to make.

The purchase of shares by Spencer will be subject to the usual terms as other shareholders, that the money is invested at the same risk, and if there is a period in which the shares are tied in (ie. five years) then they would not be able to withdraw before that date. In addition, as the share value would exceed the maximum individual shareholding, there would be a written guarantee from Spencer stating that he would not be able to apply to withdraw any shares until he leaves the office of Farm Director, whichever date is the later, unless a force majeure occurs and then it would be subject to Board agreement.

If the two stages are both ok, then it seems reasonable to say that in practice they can be carried out concurrently as a single process at the end of the share offer. The fixed assets would go straight to the balance sheet as shown above.

The accumulation of reserves forecasted will enable the Board to set a suitable amount for the charity reserves policy.

Net Current Assets

The Society will commence trading with no net current assets. However, it will have access to the existing herd of thirty Shetland cattle, two hundred and thirty North Ronaldsay sheep and three bee colonies the replacement value of which totals £14,800. These animals are all owned by Spencer Christy and a rental agreement will be drawn up in which he will lend these animals to the CCBS for an annual peppercorn rent. The CCBS will be fully responsible for the upkeep of these animals and will own any offspring born from them after April 6th 2017.

In the event of the Society going into dissolution, there will be a priority relating to animals owned by the CCBS in order to enable the continued day to day running of the farm.

Year One Cash Flow

The initial input of investment funds enables a positive cash flow to remain throughout with the only dip occurring around the time of heavy capital expenditure in July 2017 as shown in the table below.

Cash flow (year one)													
	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
Opening balance	3,000	43,184	38,768	37,138	6,540	45	290	7,991	5,956	1,780	-	441	335
cash in													
Share capital	35,000												35,000
Loans	20,000												20,000
Grants, gifts,	20,000			12,900									32,900
Social Farming sales	-	-	360	720	1,080	1,800	2,520	3,240	2,970	3,308	5,108	6,908	28,013
Other sales	1,367	1,567	1,667	1,911	2,411	4,811	13,051	2,451	4,118	2,784	2,951	14,851	58,392
VAT on sales	40	60	132	204	276	420	592	736	682	750	1,110	1,470	6,471
Total cash in	76,778	1,998	2,530	15,735	4,138	7,402	16,534	6,798	8,141	7,212	9,539	23,599	180,404
cash out													
Fixed asset purchases	10,850	-	-	30,750	-	-	-	-	-	-	-	-	41,600
VAT on fixed assets	2,170	-	-	6,150	-	-	-	-	-	-	-	-	8,320
Cost of goods sold	2,000	2,000	4,000	2,000	3,000	6,500	1,500	1,500	4,000	2,000	2,000	3,114	33,614
VAT on cost of goods sold	400	400	800	400	600	1,300	300	300	800	400	400	623	6,723
Overheads	18,309	4,009	4,369	6,525	6,525	6,525	6,525	6,525	6,525	6,525	6,525	6,525	85,412
VAT on overheads	2,399	-	461	-	389	42	42	42	42	42	42	42	1,926
VAT due to HMRC	-	-	-	5,086	-	-	7,676	-	-	484	-	-	1,780
Loan interest payment	133	133	133	133	133	133	133	133	133	133	133	133	1,596
Loan capital repayment	333	333	333	333	333	333	333	333	333	333	333	333	3,996
Total cash out	36,594	6,414	4,159	46,333	10,633	7,157	8,833	8,833	12,317	9,433	9,433	12,550	172,689
Closing balance	43,184	38,768	37,138	6,540	45	290	7,991	5,956	1,780	-	441	-	335

Note: The bank loan is assumed to be over five years at an interest rate of 8%

The spike in income in October 2017 and March 2018 reflect the half year payments for the Countryside Stewardship Scheme. The costs of sales show spikes as well which reflect one trip to abattoir with either three bullocks (June 2017) or fifty rams (August and September). As the butchered meat is frozen on the farm and then sold, the sales of these are typically spread over the next nine months. The September spike in costs covers hay making which is a one off event with sales not arriving until the winter and the smaller December spike in costs covers the cost of straw bedding for the cattle in the barn over winter.

This positive cash flow in year one is replicated over the first five years as shown below. This table includes provision for a limited withdrawal of share capital from year four onwards.

Cash flow (years 1-5)					
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening balance	3000	14,686	29,555	44,545	58,069
<i>cash in</i>					
Share capital	35,000	1,050	1,082	1,114	1,092
Loans	20,000	-	-	-	-
Grants & gifts	32,900	-	-	-	-
Sales	86,405	134,416	142,455	149,099	156,942
VAT on sales	6,471	15,656	16,126	16,609	17,108
Total cash in	180,775	151,122	159,662	166,822	175,141
<i>cash out</i>					
Fixed asset purchases	41,600	-	-	-	-
VAT on fixed assets	8,320	-	-	-	-
Cost of goods sold	30,014	33,224	36,760	38,598	40,528
VAT on cost of goods sold	6,723	6,645	7,352	7,720	8,106
Overheads	85,412	81,769	86,586	91,434	94,182
VAT on overheads	1,926	2,944	3,117	3,292	3,391
VAT due to HMRC	- 10,499	6,067	5,656	5,598	5,611
Loan interest payment	1,596	1,600	1,200	800	400
Loan capital repayment	3,996	4,004	4,000	4,000	4,000
Share interest & dividends paid out		-	-	-	-
Share capital withdrawals	-	-	-	1,857	1,819
Charitable donations	-	-	-	-	-
Corporation tax	-	-	-	-	-
Total cash out	169,089	136,253	144,672	153,298	158,038
Closing balance	14,686	29,555	44,545	58,069	75,172

Investment Required

To ensure this business plan succeeds, significant funding is required at the outset which is summarised in the table below. This is all needed in the first financial year running 6th April 2017 to 5th April 2018.

Start-up funding			
	Minimum target	Optimum target	Maximum target
Funding requirements			
Purchase of fixed assets	41,600	41,600	41,600
Start-up revenue costs	46,264	46,264	46,264
Working capital (cash flow)	-	-	-
Contingency	-	-	-
Total	87,864	87,864	87,864
Funded by:			
Community shares	20,000	35,000	60,000
Loans	20,000	20,000	20,000
Revenue grants and gifts	11,300	11,300	11,300
Capital grants & gifts	21,600	21,600	21,600
Total	72,900	87,900	112,900

Sources of Funding

The table below gives a summary of our current identified funding sources and how they are apportioned between revenue and capital costs:

Funding Source	Revenue	Capital	Total
Community Shares	£35,000	£0	£35,000
Just Growth Loan	£0	£20,000	£20,000
Just Growth Grant	£11,300	£8,700	£20,000
LEADER Grant	£0	£12,900	£12,900
Total:	£46,300	£41,600	£87,900

Details of these sources are as follows:

Just Growth Program

Just Growth is a funding programme designed to encourage the growth of community based food and farming projects with the aim of supporting social enterprises that are producing food in an environmentally and socially just way. We have been accepted onto this program and have already received business planning advice for the production of this report. The first step to achieve this funding is to have this business planned approved by Community and Co-Operative Finance (CCF). Then we launch a community share offer (see section 7) in February 2017 with a target of raising £35,000. Once we achieve £20,000 in community shares a loan of £20,000 from CCF and a grant of £20,000 from Esmee Fairbairn are secured.

LEADER

LEADER is a European Union funded rural grant programme designed to support local businesses. This project has been discussed with the local project manager and it qualifies as an application as it generates significant new employment in the locality. LEADER funding is up to forty percent of fixed asset capital costs which equates to £12,900. Our provisional application will be submitted in January 2017 then the full application will be submitted in April 2017. For the full application we need to show evidence that we have the remaining sixty percent of the capital available either in written loans or as cash in the bank. The final decision on our application will be made in June 2017 at which time we can commence the purchase of the fixed assets.

Itemised Funding Requirements

Fixed Assets

The fixed assets required for each farm operation have been listed earlier in this report. The following is an itemisation of these assets and their individual costs. Work on the LEADER funded items will commence in June 2017 and all other work will commence in April 2017.

Capital Item	
Craft room and workers mess*	£18,000
PC & copier/printer/scanner	£1,500
Telephone & Internet cables	£400
Poly tunnel *	£2,250
Cold store *	£1,500
Gardening hand tools	£550
Tractor, loading arms & bucket*	£6,500
Tractor implements*	£4,000
Sinks	£900
Pigs	£2,000
Chickens	£2,000
Eight seat people carrier	£2,000
Total	£41,600
* = 40% LEADER	

Start Up Revenue Costs and Wages

Most of these costs have been itemised in previous sections of the report. They refer to the start-up of the social farming initiative covering all the set up costs of the CCBS, the publicity and document production needed for the share offer and the start-up and development of the social farming activity itself. Much of these expenses are wages giving the Project Manager one year at two days a week to develop the business and other staff will be funded for six months to pay to bridge the gap until social farming participants are attending.

Start-Up Revenue Costs	
Professional Fees	£2,000
Insurance	£1,200
Risk Assessments	£750
DBS	£400
Accounts software	£350
Co-op creation	£600
Marketing	£3,000
Crowd Funder fee	£3,000
Web site development	£1,000
Share offer video	£1,000
Share offer literature	£1,000
Total:	£14,300
Start-Up Wages	
Social Farming P.M.	£11,520
Craft co-worker	£2,340
Farm co-worker	£11,700
Social Farming cook	£4,290
NIC/PAYE	£1,517
Pension	£597
Total:	£31,964
Start-Up Revenue and Wages Total:	<u>£46,264</u>

7. Share Offer and Community Ownership

Lauriston Farm Ltd is seeking to raise £35,000 by the issue of shares with a value of £1 each. In addition, we are looking to obtain £52,900 by way of grants and loans, and the share capital will act as the necessary match funding to lever the Just Growth portion of this investment. Taken together these will cover the purchase price of capital items and, the acquisition costs, refurbishment, initial stock, and provide the necessary working capital as described in the Finance section of this plan.

Share Offer

The share offer will run for six weeks from mid-February to the end of March, and is designed to give our supporters the opportunity to contribute financially, on a long-term basis, to the business known as Lauriston Farm Ltd. We expect a good proportion of shareholders to come from the local community but will welcome contributors from further afield.

The value of each share will be £1, with a minimum subscription of 100 shares up to a maximum per individual of 750, i.e. £7,500. The purchase of a single share confers membership in the society. The value of a share in Lauriston Farm Ltd cannot increase beyond the nominal value of £1 and could even decrease if liabilities exceed assets.

The optimum amount we wish to raise from the share offer is £35,000, and the maximum amount is £60,000 with the additional £25,000 funding accommodation for long term volunteers, a refrigerated van for deliveries, tractor implements for field scale cropping, a four wheel drive gator and create a workshop space above the existing common room . The minimum amount we need to raise through shares to act as match funding is £20,000. We reserve the right to extend the share offer by a further four weeks but will keep investors fully informed.

If, within a reasonable time frame the offer does not reach the minimum target then the board will consider whether there is an alternative viable scheme – and investors will be consulted on this before their investment is drawn down.

Shares will be allocated on a first come, first served basis. These shares cannot be sold or transferred.

Interest Policy

The Society is obliged to re-invest profits not needed for the development of the business, for the benefit of the community, but it is also allowed to pay interest to its investors based on the amount invested.

We have assumed that no interest will be paid in the first few years. This investment must therefore be considered an opportunity to contribute financially to the community with the expectation of a social dividend rather than a financial reward. That is not to preclude the possibility, should profits allow and capital investment is not required and no other grant is offered to another local social business, at some stage in the future an interest rate will be proposed by the Board at the AGM and agreed by the membership.

Benefits of Ownership

The following benefits will apply for our shareholders:

- They will be part of a pioneering project for the locality, inspired by anthroposophy which brings together care for the environment through biodynamic farming and conservation with social farming initiatives for disadvantaged people and farm based education for all ages.
- They will be able to directly contribute through the volunteering program.
- They will be playing a vital part in ensuring the long term survival of this business as each activity helps to cross subsidise another, thus creating a resilient business model.
- There will be regular social and volunteering member's days at the farm together with discounts available on all the farms revenue generating outputs including produce, workshops and crafts goods.
- They have the possibility of receiving interest on their investment
- They have the right to vote on the election of the directors and on all resolutions put to the Members by the Board, on the basis of one member one vote, no matter how large or small their shareholding.
- They can put themselves forward for election to the Board.

Share Liquidity

We hope that people will buy shares in Lauriston Farm as a long term investment, to keep the farm safe for future generations. However, people's financial circumstances might change and they may wish to withdraw their funds from the Society.

The first Management Board is stipulating that in order to ensure that the Society has time to make a profit and build up some financial reserves, shareholders will not be able to withdraw capital within the first three years, except in exceptional circumstances, after which time they can apply in writing according to the Rules of the Society. The board will also have the right to set a cap on how many shares can be withdrawn each year. In the event of the death of a member, the intention would be to make an earlier repayment, if requested, subject to funds being available.

The Board will consider all such requests in the order in which they are submitted, but they are obliged to consider the financial security of the Society. If withdrawing shares would leave the Society unable to meet its financial commitments, and result in inadequate level of financial reserves, the Board will have to suspend withdrawal of shares. This does not preclude the possibility of future applications succeeding, when more cash has become available.

Dissolution

Should Lauriston Farm cease trading, leading to the necessary sale of assets, any surplus (after paying creditors and repaying share capital) must be used for the benefit of the community. Any shortfall will mean the amount returned to each shareholder will be scaled down pro rata.

As Lauriston Farm Ltd has limited liability, then should it fail, there would be no further liability on shareholders beyond the nominal value of their shares.

Risks

Anyone considering investments should think carefully about the risks involved. This share offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations, which means there is no right of complaint to the Financial Ombudsman, nor a right to apply to the Financial Services Compensation Scheme.

8. Making it happen

December 2016 – finalise business plan and cooperative structure including board members. Finalise agri-environment scheme with Natural England. Submit charitable CCBS application. Submit business plan to Just Growth. Current agri-environment scheme ends.

January 2017 – Just Growth Funding decision. Develop share offer. Sign Countryside Stewardship agreement with Natural England. CCBS formed and first Board Meeting. Start to develop social farming policies and begin dialogue with potential participants. Start search for farm co-worker and cook. Higher Tier Countryside Stewardship agreement begins. Kitchen modifications from ECC funds. Prepare share offer for launch in February. LEADER provisional application submission.

February 2017 – Share offer opens. Open days, visits and promotions for the share offer. Continue development of social farming policies and meetings with potential participants.

March 2017 – End of month closing of share offer. See where we are and start to implement business plan depending on level of funding achieved. Board Meeting. Continue development of social farming policies and meetings with potential participants.

April 2017 – Continue development of social farming policies and meetings with potential participants. Start cultivations. Increase animal stock with purchase of pigs and chickens. Submit full LEADER funding application. Zoe starts two days per week and farm co-worker two days per week. Equip office.

May 2017 – two clients arrive. – find more clients. Board Meeting.

June 2017 – two clients arrive. – find more clients. Decision from LEADER. Undertake capital works program. Poly tunnel up. Build craft room and ‘workers mess’. Install sinks for wool washing.

July 2017 – two clients arrive. – find more clients. Board Meeting. Sally paid for two days per week. Cook starts five days per week.

August 2017 – two clients arrive. – find more clients.

September 2017 – two clients arrive. – find more clients. Board Meeting.

October 2017 – two clients arrive. – find more clients.

November 2017 – – two clients arrive. – find more clients. Board Meeting.

December 2017 – two clients arrive. – find more clients.

January 2018 – four clients arrive. – find more clients. Board Meeting.

February 2018 - five clients arrive. – find more clients.

March 2018 – five clients arrive. Thirty participants now attending. Board Meeting

Next four years – keep it going!

Annex 4: Photographs

Pic.1: Farm House and Brick Barn



Pic.2: Farm Buildings



Pic.3: The Farm Land looking North from sea wall showing sea meadow



Pic.4: The Gore Salt Marsh



Pic.5: Duncan, Shetland Bull



Pic.6: Samantha with new born calf, Atlas, and one year old heifer, Chestnut



