

# Business Resilience and Succession Planning

## Are you fit for the future?

### **Case study**

Jim and Jane (both in their mid 70's) live at Home Farm, on the edge of the village, where they have just celebrated their 50<sup>th</sup> harvest. They have 3 children in their 40's, Keith, Katherine and Karl. Keith and Katherine each have 2 children, Lance (10 yo) and Lauren (8 yo), and Mark (19 yo) and Mary (17 yo) respectively.

Home Farm includes 500 acres, of which 450 acres are in arable cropping and the remainder is woodland and rough that supports a small family shoot. The land is farmed in hand by Jim and Jane in partnership and they have one employee, Neil. Neil is 64 years old and looking forward to retirement.

Some of the traditional farm buildings at Home Farm have been converted to provide offices and commercial units that are let out. The remaining buildings are too low for tipping large grain trailers but are still in use for corn storage.

Jim and Jane live in Home Farmhouse, a 5 bedroom Victorian house of 3,500 sqft. There are a pair of farm cottages, one occupied by Neil, rent free, and the other let on an Assured Shorthold Tenancy.

In recent years the farm has performed no better than break even with Jim and Jane living off the income from the building and cottage lets.

Jim and Jane's children all live away from the farm and have careers that they enjoy. They come back to the farm to visit their parents and to shoot. Katherine's son, Mark, has worked on the farm in school holidays and is about to take up a place at Writtle University College to study Ecosystem Management.

Jim and Jane would like to slow down and spend more time at their holiday home in Thorpeness. This, together with the impending retirement of Neil, and their children's questions about future plans, has led them to call in their advisors to consider the options for the continuing management of the farm and its eventual inheritance by the next generation.