

## Farm Business Plan Template

\*\*\*The following sections include prompts that are meant to help you think of important information include. You may need to include more information besides answering the questions under the headings.\*\*\*

# Business Name

## Optional Picture

Company Name:

Owners:

Address:

Phone:

E-mail:

Preparer Name:

Date:

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## I. Executive Summary

This should be the last section you write. Summarize the contents of your business plan so a reader will have a good understanding of your business after reading this section.

## II. Company Description

### **Owner/Business Description**

Who are you? How many employees do you have? Are you a vegetable farmer or do you raise cattle? Give an overview of your farm business here.

### **Mission Statement**

The Mission Statement communicates the essence of what your farm is all about. A good mission statement is very brief and contains your core values and what you do.

Example:

ABC Livestock Farm, LLC, is a quaint, family-owned farm dedicated to recognizing our customers' needs by producing healthy, superior quality, all-natural food for the local consumer. Our high standards and commitment to cleanliness, animal health, and environmental stewardship allow for a relaxed, stress-free environment for our animals and visitors alike.

## **Business Map**

Description of your business location and map

## **Goals**

Each of your goals should be SMART:

**S** - Specific. Make your goals specific and narrow for more effective planning.

**M** - Measurable. What will prove you're making progress? Reevaluate when necessary.

**A** - Attainable. Make sure you can accomplish your goal within a reasonable timeframe.

**R** - Relevant. Your goals should align with your long-term objectives.

**T** - Timely. Set a realistic, ambitious end-date for task prioritization and motivation.

## **Short Term Goals**

1.

2.

3

4.

5.

## **Long Term Goals**

1.

2.

3.

4.

### III. Management Plan

#### **Management and Employees**

Owner(s) and Manager:

- 
- 
- 

Position 1:

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Position 2:

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Position 3:

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#### **Insurance Considerations**

Do you have enough coverage? Make sure your insurance carrier is aware of the farming activities you engage in.

## **Safety Considerations**

Consider jobs and activities that may be hazardous. Next, describe how you mitigate the danger: Do you train employees? Do you have any Standard Operating Procedures in place? Do you protect visitors to your farm? How?

*If you engage in Agritourism, be sure you are aware of North Carolina's laws governing this enterprise.*

## **Legal Considerations**

*The following legal considerations are meant as a prompt to get you think about and list the various legal issues that may affect your farm. Every farm is unique and this prompt is not meant to cover all of the possible legal scenarios.*

- How did you set up your business entity? Are you a sole proprietor? LLC?
- Are there any liens on your property?
- Do you need any licenses or certifications for your business? If so, what are they? List their numbers and expiration dates.
- Do you have agritourism visitors on your farm? If so, are you aware of North Carolina laws governing agritourism? Are you in compliance with those laws?

## **Sustainability**

How does your business create financial, societal and environmental sustainability?

## **Service Providers and Technical Support System**

Who do you do business with? Do you work with a business coach? Who do you contact for questions about your crop or product? Detail your support network here.



## V. Marketing Plan

### Demographic Considerations and Customer Analysis

Describe your market. How do demographics inform your customers' product preferences and purchasing behaviors?

### Competitive Analysis

Competitor \_\_\_\_\_

Area or Market: \_\_\_\_\_

Business or Product Strength	Business or Product Weakness

Competitor \_\_\_\_\_

Area or Market: \_\_\_\_\_

Business or Product Strength	Business or Product Weakness

## SWOT Analysis

Identify your business Strengths, Weaknesses, Opportunities, and Threats

<b>Strengths</b>	<b>Weaknesses</b>
<b>Opportunities</b>	<b>Threats</b>

You plan to build on strengths by.....

You plan to resolve weaknesses by....

You plan to exploit opportunities by....

You company plan to avoid threats by....

**Promotion**

<b>Promotional Channel</b>	<b>Customer Targeted</b>	<b>Cost</b>

**Other Promotional Ideas**

## VI. Financial Plan

### First Year Purchases

ITEM	START-UP COST

### Second Year Purchases

ITEM	COST

### Land and Equipment Presently Owned (list)

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- 
- 
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Further description of the financial plan can be found in the following financial statements: Balance Sheet, Income Statement, Monthly Cash Flow Projection



## Income Statement

The income statement is not a snapshot but describes how much money you made and spent over a *period of time*. It will tell you, on an annual basis (or as needed) whether or not your farm is profitable. The literal “bottom line” of the statement shows your company’s net earnings or losses. To prepare your pro forma (projected) income statement, review the income and expenses you listed in your application in section 7 – Proposed Financials.

### Example:

#### ABC Farm Income Statement

Income	2021	2022
Sale of crop products	68,000	75,000
Meat	12,000	15,000
Market livestock	8,000	10,000
Government Payments	5,000	5,000
Total Income	<b>93,000</b>	<b>105,000</b>

#### Expenses

Seed	500	650
Fertilizer	2,000	2,500
Feed	5,000	6,000
Veterinarian	750	850
Fuel	1,500	2,000
Labor	14,000	15,996
Taxes	5,000	5,500
Insurance	2,000	2,000
Utilities	3,600	4,000
Loan payments	5,000	5,004
Farmer draw	25,000	30,000
Total Expenses	<b>64,350</b>	<b>74,500</b>
Net Income	<b>28,650</b>	<b>30,500</b>

### Monthly Cash Flow Projection

The monthly cash budget allows you to see at a glance when money is moving and it will help you plan for seasonal cash shortfalls. In the following example, note how monthly expense exceed income in January and December. How would you plan for this shortfall?

Example:

ABC Annual Cash Flow Projection 2022													
Cash In-Flow													
	1	2	3	4	5	6	7	8	9	10	11	12	Total
Crops				5000	10000	20000	30000	5000	2500	2500			\$75,000
Meat			5000	4000						2000	2000	2000	\$15,000
Market Livestock											10000		\$10,000
Gov't payments		5000											\$5,000
<b>Total Income</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>9,000</b>	<b>10,000</b>	<b>20,000</b>	<b>30,000</b>	<b>5,000</b>	<b>2,500</b>	<b>4,500</b>	<b>12,000</b>	<b>2,000</b>	<b>\$105,000</b>
Cash Out-Flow													
Seed	650												\$650
Fertilizer	2500												\$2,500
Feed	1000	1000	1000							1000	1000	1000	\$6,000
Vet				850									\$850
Fuel	350	150	150	150	150	150	150	150	150	150	150	150	\$2,000
Labor	1333	1333	1333	1333	1333	1333	1333	1333	1333	1333	1333	1333	\$15,996
Taxes	5500												\$5,500
Insurance	1000						1000						\$2,000
Utilities	500	400	400	300	200	200	200	200	300	400	400	500	\$4,000
Capital Expenses													
Farmer Draw						15,000	15,000						\$30,000
Loan Payments	417	417	417	417	417	417	417	417	417	417	417	417	\$5,004
<b>Total Expense</b>	<b>13250</b>	<b>3300</b>	<b>3300</b>	<b>3050</b>	<b>2100</b>	<b>17100</b>	<b>18100</b>	<b>2100</b>	<b>2200</b>	<b>3300</b>	<b>3300</b>	<b>3400</b>	<b>\$74,500</b>
<b>Income - Expense</b>	<b>-13250</b>	<b>1700</b>	<b>1700</b>	<b>5950</b>	<b>7900</b>	<b>2900</b>	<b>11900</b>	<b>2900</b>	<b>300</b>	<b>1200</b>	<b>8700</b>	<b>-1400</b>	<b>\$30,500</b>