

Eastlands Equestrian Enterprise

Statement by the Applicant

EXPERIENCE

Chris Ellis has nearly 40 years experience in the equestrian industry. His wife, Alison, has 20 years experience. During this time Chris has started, developed and run Hangleton Farm Equestrian Centre which catered for 100 horses at livery. He combined the running of the Centre with a Show-Jumping career which has seen him compete nationally and internationally. He has competed at the highest level and represented Great Britain in Nation Cup competitions and Grand Prix's throughout Europe and beyond.

Both Chris and Alison have a wealth of experience in dealing with top end, high value horses and their owners.

OPERATION OF THE BUSINESS

Eastlands is an agricultural holding of 30 acres which has diversified into equestrianism. The whole site has been laid to permanent pasture for grazing horses and contains a stable building and exercise area.

The stable building contains 20 internal stables, storage for fodder, tack rooms, offices and full client facilities. The stables have been built to the highest possible standards in terms of quality of materials and facilities. Every stable has a sealed cushioned rubber floor, water drinker, hay feeder and tack locker. All walkways are also covered with a cushioned rubber floor and there are two state of the art solariums incorporated within the wash / grooming stalls. The roof of the building is constructed with insulated composite panels to help regulate the internal temperature both in the summer and the winter. This is complimented by each stable having shutter windows for extra ventilation.

The extremely high standard of facilities has attracted clients who require the very best care and environment for their horses. Most of the horses stabled are competition horses who regularly compete in dressage, show jumping and eventing competitions. There is also a strong demand for pregnant mares to give birth and for both mare and foal to receive on going care during the first few months after birth which is such an important time.

The competition horses require extra care particularly when they are travelling to and from competitions. They often need to leave very early in the morning and arrive back home late.

They have to be prepared to travel in horse boxes which requires fitting with protective equipment to avoid injury while travelling - all of which need to be removed on return. It is common place for them to pick up minor injuries while competing which need attending to on their return.

The stables employ two full time members of staff who will be supported by two full time members. The normal working day is 7.00am to 9.00pm seven days a week. However when dealing with a sick or injured horse and in particular mares giving birth, cover through the night is also needed.

There are 16 stables which are fully serviced and 4 which are part serviced.

Apart from the issue of staff accommodation the site is complete and demand is extremely high. Over the last 40 years Chris and Alison Ellis have built a solid reputation for high quality care and service which is much sort after by the type of clients who the business is now targeting.

Following the problems experienced at Hangleton Farm which led to the business failing a new business model has been formulated for Eastlands. The two main problems identified were high bank borrowing and a large proportion of the client base (who were predominantly middle to low earners) were sufficiently effected by the recession they were forced to sell their horses resulting in the business losing income. By selling Hangleton Farm it has been possible to develop Eastlands without any bank borrowing and by catering for the type of clients who have a large disposable income the business has a sound base for profitability which will be ongoing in all foreseeable circumstances.

INVESTMENT

There has been an investment of £600,000 in the development of "Eastlands".

I	<u>Groundwork</u>	£	100,000
	Including laying roadways, services (electricity, telephone, water)		
II	<u>Fencing</u>	£	80,000
III	<u>Exercise Area</u>	£	60,000
IV	<u>Barn Building</u>	£	180,000
V	<u>Internal Stabling</u>	£	80,000
VI	<u>Fitting and Fixtures Sundry</u>	£	100,000

FUNCTIONAL - MARES AND FOALS

It is essential for workers to be on site particularly for foaling mares.

With the development of insemination procedures which has followed human fertility treatments, it is now possible to inseminate mares with either chilled or frozen semen which can be sourced from a stallion anywhere in the world. The mare can then be impregnated with the semen using an artificial insemination technique. This source is widely available to mare owners and there has been an enormous growth in demand for stables to look after pregnant mares and their offspring as stallion fees can run into thousands of pounds. The modern selective breeding season for sports horses runs all year round with mares giving birth throughout the year.

The organisation needed for the pregnant mares is similar to that of a hospital maternity unit. Foals, like babies, are born when nature is ready which is often during the night and mares who are due to foal need constant monitoring. Again, as with humans, labour can last several days and nights. The mares are fitted with monitoring equipment for heart rate etc... but the range of the equipment is only 100 metres and when a problem arises immediate response is vital. Some of the more serious complications require two if not three assistants to be on hand.

SECURITY

The safety and security of clients' horses is of paramount importance to them. Not only do some of the horses cost tens of thousands of pounds they are also all viewed with great affection. This aspect is of sufficient importance to most clients that they would not keep their horses at a stables where no one lived on site. This is conformed in clients' letters of support.

Appendix A contains cuttings from a national publication which show that equine crime is currently at a 10 year high and last year totalled more than £1.9m.

While under construction the site was victim of a burglary of tools and equipment totalling £8,500. It took place in March 2014 and was dealt with by Sussex Police (Crime Number 47140058589) who advised on the importance of night time security. Following their advice a mobile home was put on site and occupied by Chris and Alison Ellis since when there have been no further incidents.

The security of the property will be an ongoing problem as the site is crossed by two public footpaths and the business caters for very valuable horses who all have expensive tack and equipment accompanying them. Without accommodation on site any stables is an easy target for criminals.

DWELLING

Location

Although the dwelling needs to be separate from the stables to ensure privacy, during down time it needs to be within sight and sound of the barn. The area immediately in front of the barn is the client parking area and is also used as an access road for delivery vehicles.

The proposed site for the dwelling has an existing access road and is ideally situated to connect to the existing services of electricity, water and the sewage treatment plant. This location is also very well screened from all aspects by the extensive planting scheme which, although has not yet reached maturity, is well established.

Size

A single storey four bedroomed dwelling will be needed to service the staff requirements of the business. Both Chris and Alison Ellis work full time and they have a son and a daughter. They will be supported by two further full time members of staff who will also need to stay in the dwelling overnight on occasions when pressures of horse care are intense.

Financing

Estimates have been sought from the builders constructing the barn as to the build costs of a four bedroom single storey dwelling. Without detailed plans it is impossible to produce a firm figure but they estimate £200 to £250,000.

A loan for £250,000 over 10 years with an interest of 5% would require monthly repayments of approximately £2,450.00. Carpenter Box's Financial Report show this is very accountable.

SALE OF HANGLETON FARM

Hangleton farm was an agricultural holding extending to 100 acres. Chris took over the running of the farm from his father over 30 years ago. Part of the farm was diversified into horses while the remaining was kept in traditional farming. Changes in National Agricultural Policy saw the loss of subsidies for crops which left part of the farm financially not viable.

The decision was taken to diversify the whole farm into horses as the then small equestrian business was booming.

Over the following years the business grew into one of the largest equestrian centres in the country with 140 stables, four riding arenas, cafe and all the ancillary buildings to support the stables.

HSBC Bank was always very supportive of the business and granted several business development loans to grow the business. The ongoing development included plans for a foaling unit and livery stable on part of the farm known as "Eastlands". Finance was agreed in principle and planning permission sort in 2008.

Being a very large equestrian centre, Hangleton Farm's, main client base were pleasure riders with family horses and ponies. As horses are very much a luxury item many clients sold their horses and ponies as the recession started to bite hard. The loss of income put financial pressure on the business and its ability to service loans. HSBC had also decided that, as a group, they were over exposed in the equestrian sector and required borrowing to be reduced. Advice was sought from many experts and other lenders approached without success. The only option was to sell the main site on the farm which would totally secure the future of the "Eastlands" part of the farm - as this could then be developed without the need for borrowing. This information can be verified and expanded on by the business's accountants, Carpenter Box. Copies of the last three years' accounts are attached (Appendix B) and show trading losses in each year which confirm the financial situation.

The dwellings at Hangleton Farm both had Section 106 Agreements in place which not only tied the dwellings to the associated land parcels but also restricted their occupancy to workers who worked at the stables attached.

News

Theft 

Equine crime reaches 10-year high

With tack theft on the increase and equine crime at an all-time high, horse owners are warned to be on their guard. **Amy Mathieson** reports



EQUINE-related crime is at its highest level for the past decade. That's according to rural insurer NFU Mutual, which is urging horse owners to be vigilant this summer.

"Over the past 10 years, crime in the countryside has become more organised and sophisticated," said Nicki Whittaker from NFU Mutual. "Thieves are very aware of the value of items on or around livery yards."

She added that equine crime "dropped slightly" in 2012 (news 8 August, 2013), but had been "growing steadily" before and since.

"It could be that the recession has caused people to opt for second-hand tack rather than new and the demand has increased," she said.

With the show season just around the corner, owners are urged to remember the theft of tack and personal belongings from shows is also increasing year-on-year.

Last year, a woman was charged with a number of offences, including the theft of a handbag that she admitted stealing from an unsecured vehicle at a show in Epworth, Humberside (news, 5 September, 2013).

Other thefts were reported from unlocked lorries at Milton Keynes and Larkhill (news, 30 May, 2103).

"Tack is not cheap and it is important to remember that not everyone in the crowd [at a show] will be concentrating on you and your performance," said Alison Cox of NFU Mutual.

Garry Porter from Horsewatch Alliance UK urged riders to use common sense.

What you are saying



"I think tack thefts have actually reduced in

Cambridgeshire — but there has been an increase in hay, feed and diesel thefts from garages, livery yards and garden sheds."

Julie Magnus



"I had two Albion saddles stolen recently. They were on chunky lockable saddle racks. They jemmied them off the wall and had even knocked down a brick wall to get into the tackroom."

Katie Smith-Mancock



"I found my saddle on eBay. I had to buy it back though, as the police were too slow to react, £649 for a saddle worth £2,200."

Natasha Kaldereen



"A friend of mine had a stable rug stolen from the back of her horse recently — what horse person would be so cruel? I've also heard of electric fence batteries and even poop scoops from fields going here in the south-west. It's too easy to sell things on nowadays with eBay and similar sites."

Jenny Pickap



"One problem that seems to come up regularly is the theft of electric fence energisers, particularly in Suffolk."

Brian Osman

"Don't leave your saddle resting against the box. Don't leave your handbag lying on the front seat of an unlocked lorry," he told *H&H*.

"You assume you're with like-minded people, but that's when you're vulnerable and thieves take advantage. Don't drop your guard."

Tack thefts up, horse thefts down

TACK thefts have risen since last October, with a spate reported recently across the country.

"Over the past five months, tack theft claims accounted for 58% of all equine-related crime," said Ms Whittaker. "This has changed since

our rural crime results last year, where trailers and electric fencing were most commonly stolen."

The average theft claim is £1,921, but it can be much higher.

"Last winter, we had all of our tack stolen from our tackroom, which is just 50ft from our bedroom window," said one *H&H*

reader from South Wales, who didn't want to be named. "They took just over £8,000 worth of tack — it really shook me."

However, with the rise of tack thefts, horse theft is decreasing — which is also thought to be linked to the recession.

"Although every case is distressing, horse theft is nowhere near the level it was a decade ago," added Ms Whittaker.

David Collings, Hampshire Horsewatch co-ordinator, said horse theft is now a "rare occurrence".

"However, it does happen — four were stolen last month in Hampshire," he said.

"Take note of what you see and go with your gut reaction if you see something suspicious."

"If you have a phone camera and it's safe to do so, film/photograph what you have seen. Riders should also consider a head camera."

Diesel theft — with it being siphoned from lorries — is also reportedly on the rise.

Mark your property — whatever the size

DON'T discount thieves taking more cumbersome items.

H&H reader Caroline Mosely from Midlothian had a Centaur three-horse heated rug dryer — worth around £400 — and a mounting block stolen three weeks ago.

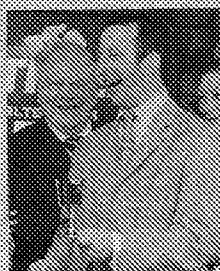
"It was broad daylight, so they must have

High-profile cases

WHILE Gold Cup-winning trainer Jim Culloty was at Cheltenham, thieves broke into his Co Cork racing yard. They took more than €15,000 (£12,500) in equipment, including a 4x4 and tools.

"The number of thefts is definitely on the increase. The whole thing has gone beyond a joke. Something has to be done," the trainer told the *Irish Independent*.

Eventer Sir Mark Todd's Wiltshire yard was broken into in earlier this month (news, 13 March). Fortunately, no tack was stolen.



Gold Cup winner Jim Culloty was burgled on 14 March

News

Crime

Equine crime on the rise

HORSE owners are urged to be on their guard, after the cost of equine crime has increased by almost 50% in a year, writes **Amy Mathieson**.

The cost of equine related thefts have risen by 45% since 2012 and totalled more than £1.9m in 2013, according to rural insurers NFU Mutual.

The number of thefts is up 16%. Trailers and horsebox thefts accounted for 69% of all equine theft claims, and horse tack and equipment for 19%.

The north-east and south-west were the worst affected areas in the recent crime survey — results of which were released on 11 August —, which was completed by 300 NFU agencies in rural areas.

"In 2012 thieves mainly focused their attention on horse and livestock trailers and electric fencing equipment," said Victoria Walton of NFU.

"However, in the past year, theft of tack and equipment has risen dramatically, overtaking electric fencing equipment."

Farms and livery yards are a favourite hunting ground for thieves because they are often unattended at night.

"With many horse owners and farmers continuing to feel



Equine related thefts are up by 16% from 2012 according to NFU Mutual

the financial pinch, the theft of essential items such as tack, fencing, trailers and feed is a further blow to their pockets, particularly if the items are uninsured," Ms Walton added.

Earlier this year *H&H* reported on a spate of high profile equestrian break-ins — including at Olympic eventer Vittoria Panizzon's yard — showing that thieves are increasingly aiming for large hauls (news, 19 June).

Vittoria lost thousands of pounds worth of tack in the raid.

"We have seen a number of large tack theft claims up to £30,000 recently," said NFU's Nicki Whitaker.

"The last time we saw large claims like this was in 2011."

Owners are urged to be vigilant and protect their belongings.

"The onus is on horse owners to act, to prevent as much as possible — by marking equipment — but also to report it to the police if things are stolen," said David Collings from Hampshire Horse Watch.

Security

Bold thieves think big

POLICE and insurers are warning horse owners to ramp up their security after ambitious thieves stole a horse-walker and a field shelter from separate yards, writes **Caroline Banks**.

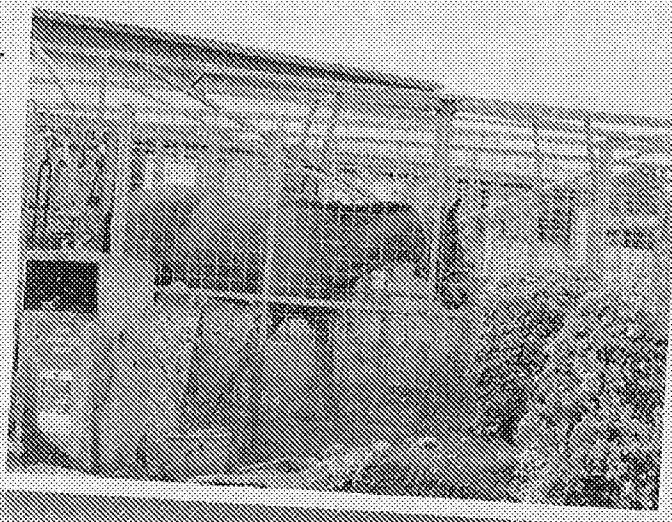
The 16x12ft mobile field shelter was stolen from a field near Alton, Hants, on the night of 13 November. Thieves had to break through three sets of padlocked gates to get to the premises.

The owner found just the haynet rings left when she went to check her horses the next morning.

"We have had shelters stolen from fields before, but not for a long time," said David Collings of Hampshire Horsewatch. "It was an orchestrated theft and there is every chance it was stolen to order."

"This theft was unusual as the shelter was dismantled, the thieves took their time and went in with the right tools and vehicle to remove it."

Nicki Whittaker, equine and rural affairs specialist at NFU Mutual, told *H&H* that horse owners should paint their postcode on the roof of their field shelter.



A horse-walker and a field shelter have been stolen

She warns that, as people have become better at protecting tack, thieves are now shifting attention to other equine equipment, especially electric fencing units and trailers.

In Northern Ireland, thieves are also becoming more daring, stealing a horse-walker from a private yard in Downpatrick.

Police are investigating the theft of the four-berth Porter horse-walker which was dismantled and removed some time overnight between 28-29 November.

Field shelters and horse-walkers can be insured under home or equine insurance.