



**West Devon Business Information Point
Bridge House
Rooms 2 & 3
25 Fore Street
Okehampton
EX20 1DL**

**www.bipwestdevon.biz
team@bipwestdevon.biz**

AGRI-BIP NEWSLETTER

It's Christmas 2004 and 2005 is just around the corner, the time of year that we traditionally look back on the previous year and look forward to the year to come. My recommendation, is that this year you forget looking back because the last fifty years is all history, looking forward is the only way to go. What is there to look forward to I hear you shout? – an end to regulation and form filling – not a chance. A return to 1996 farm profit levels very unlikely. A chance to re-shape your farm business – definitely, a time to stop chasing subsidies – a must. Trying to predict how 2005 will pan out is almost impossible as some very big questions have yet to be answered in many sectors of the industry.

Cereals – prices are likely to remain at current levels unless something major happens to global production levels.

Dairy – processors and retailers seem determined to use milk as the battle ground for market share continuing to pressure milk prices at their current unsustainable levels.

Sheep – supply and demand will dictate the market price. Any increase in production is likely to put a downward pressure on the price.

Beef – after a positive patch in the summer prices have fallen to 2003 levels, the large number of cattle chasing the Slaughter Premium has meant prices have not followed their usual seasonal move upwards. Beef farmers desperately need an increase in the finished cattle price in the New Year to convince them that future production is profitable.

Pig and poultry farmers – nothing new here. Market forces will determine profitability, as the rest of us are about to find out.

What should farmers do? Just wait and see? No, now is the time to get on top of your business finances. You need to know how much it costs to run your business at the individual enterprise level. Armed with this information you can make an informed choice on your production levels in the future. Remember you do not have to keep animals, or grow crops to receive the Single Payment. The alternative is to continue blindly on so by the time you eventually receive the Single Farm Payment in late 2005/mid 2006, it will be needed to balance an increased overdraft and you will have done all that work for nothing.

I am not one of those who think that farming is dead and buried, but we do have a difficult period ahead. I heard an interesting fact recently; there are 243 people per hectare to feed in this country compared with 1 in Australia. I do not believe that all the UK's food requirements will be imported. British farmers will have to fight for their market share whether it be a farmers market, internet sales, space on supermarket shelves or through the catering and service sectors. For this to happen it will mean new skills will be required, hard work and new methods of working, but I am sure that there is a future for 2005 and beyond.

**Stewart Horne
Manager**

Fuel Charges



Just as the price of gas oil was beginning to reduce in reaction to the drop in crude oil price the Chancellor decided that this was the one area where he could raise taxes on fuel duties. The duty on red diesel has now risen from 4.22ppl to 5.22ppl as from 3rd December 2004. This is a 24% increase in duty in one leap. It would appear that whilst the headlines showed that fuel duties on petrol and white diesel remained unchanged nobody really noticed that red diesel has been significantly increased. Another blow for red diesel users.

One positive change on fuel duties is a 20ppl drop from 47.1p to 27.1p for fuel produced from bio ethanol. This brings it in to line with bio diesel tax, which is also at 27.1p so do not forget if you are collecting some old chip fat and turning it into diesel to use in your diesel van please do not forget the Chancellor's 27.1p.

Single Farm Payment

The Single Payment system starts on the 1st January 2005. Agri-BIP is offering a number of events across the region covering the following subjects to help farmers get to grips with this new system. The subjects include:

- Cross Compliance and set aside
- Single Payment Scheme applications and the National Reserve
- Single Payment Scheme related enterprise costings
- Overview of the entry level Environmental Scheme
- Practical soil management
- Beef and sheep profitability without subsidies
- Single Payment Scheme record keeping on computers

Each workshop usually costs £8.49 (£10 inclusive of VAT) however, because we understand many of you will want to attend more than one event, we are now offering a 40% discount for people who attend 5 meetings over a 6-month period.

In order to save administration costs, we ask that you pay £30 including VAT at the first meeting and the following four are free of charge. You can of course still attend and pay the individual meeting charge of £10 including VAT if you so wish. **January dates can be found on the back page.**

CHRISTMAS OPENING TIMES

The Agri-BIP office will close on Thursday 23rd December and will re-open on Tuesday 4th January 2005.

However the answer phone will be checked during the holiday period for any urgent messages.

SCAMS



They are after your money!

No its not Defra, the Taxman, Customs and Excise, its the criminal types who dont want to work for a living, but would rather dip into your bank account.

There are a whole host of scams going on from false internet bank websites, calls from supposed call centres to e-mails from all over the globe offering you the chance to earn some quick cash while at the same time stealing all they can from unsuspecting individuals.

Scam 1

You receive an e-mail from an internet bank which asks you follow a link to update your details, this leads you to a false site which looks identical to the pages you are familiar with, you enter your passwords etc and bingo they have access to your account.

Scam 2

An e-mail arrives that carries hidden software that installs itself on your computer and tracks your activity including banking and on line purchases. This gives them all your passwords, credit card details etc which means they will steal your money.

Scam 3

You receive a phone call offering a really good deal on telephone calls and Internet access. The company will sound familiar, cable or telecom. You are told the reason the deal is so good is because they do everything over the phone, which makes their operation cheaper than the competition. They inform you that you will receive written details to decide whether to sign up or not but before they do that they will require your bank details in order to activate your account when you place an order.

Scam 4

You get a letter or e-mail from overseas from a very official sounding person who has in his possession a large sum of cash, which he needs to send out of the country, and you are the lucky person who he wishes to ask for help from. In return he will pay you a % of the sum, which will be substantial. All you need to do is send your bank details in order to receive the cash.

Scam 6

You receive a phone call with Xmas music playing in the background and the pre recorded message informs you that you have won a trip to Disney Land and a holiday etc, to claim your prize just press 9. Of course 9 is a premium rate line costing up to £20 per minute- just imagine what would happen if a child answered the call- a very big phone bill!

How do you ensure you are not the unfortunate victim of any of these scams?

Follow the guidelines below and you will be reasonably safe but perhaps not 100%.

- Never give out bank or credit card details to anyone over the phone unless you have instigated the call to a genuine company or trader. Never send bank details or credit card details by e-mail.
- Never follow a link in an email if you suspect the message might not be genuine. Don't follow links on Instant Messaging services either.
- If you want to find your online bank, always type its web address into your browser.
- Do not open attachments in emails unless you are absolutely sure you're waiting to receive that particular file.
- Always check suspicious looking emails with the sender. Be very wary of e-mails asking for your personal financial details.
- Keep your PC operating system up to date and update your anti-virus software frequently- at least weekly
- Use a personal firewall.
- You can also get software to detect and remove spy ware.
- Do not use the same password for all of your online accounts.

(Continued overleaf)

- Do not store online account information and passwords in files held on your computer.

And finally remember that real banks and credit card companies will **NEVER ASK FOR ANY DETAILS ABOUT YOU OR THE CARD SINCE THEY ALREADY KNOW EVERYTHING ABOUT YOU AND IT.**

Thanks to a contributor on the Farmers weekly site for details on *Scam 1*, all the other scams have been tried on me personally, thankfully I kept my wits about me but it is easy to be trusting and get caught out.



The WDBIP team wish all clients, colleagues and friends a very Happy Christmas and a prosperous New Year.



New Year Training Events

Single Farm Payment Meetings

The **SFP** meetings will focus on cross compliance, set aside requirements; temporary and permanent grass designations, and how the SFP affects grass keep vendors and graziers. Any other questions regarding SFP will be dealt with to the best of our ability!

12th January 05 – North Devon Area

13th January 05 – Launceston Area

18th January 05 – West Devon Area

19th January 05 – Somerset Area

25th January 05 – Dorset Area

26th January 05 – Avon / Wiltshire Area

If you are interested in attending one of the above workshops, please contact us in the office, where we will register your interest and give you further information on where the meetings will be taking place. We will be holding more workshops in February and March, so if you are unable to attend the January ones, you won't miss out.

Beef and Sheep On-Farm Events

We will also be holding a number of workshops on the profitability of sheep and beef enterprises, following the introduction of the Single Farm Payment. Call to register your interest, more details to follow shortly.

Computer Training Courses

Following on from the success of our computer courses, we are looking at repeating a range of courses throughout the New Year. Courses will include Word Processing, Spreadsheets, Desktop Publishing, Spreadsheets and many more.

If you are interested in any of the above courses or training at home, then contact us on Freephone 0800 592 872 and register your interest. More details to follow shortly on dates.

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