



West Devon Business Information Point
 Okehampton Business Centre
 Unit 10
 Higher Stockley Road
 Okehampton
 Devon EX20 1FJ
www.bipwestdevon.biz
team@bipwestdevon.biz

AGRI-BIP NEWSLETTER

Keep on top of Borrowing

Events have taken place over the past 12 months that very few of us would have forecast, and even less of us would have forecast accurately.

This time last year I don't believe any one would have foreseen that wheat prices would be over £150 a tonne (but falling at the moment) and that milk would be realising 25p a litre and above at the farm gate. That's the upside, but the downside has been the cost of feed for livestock farmers, the dramatic increase in price for fertilizers, diesel, plastic silage wrap, and contracting costs. The pressures this imposes upon farms means that rigorous cost management and preparing a plan in order to cope with the cost increases will be important.

Surveys that have recently been undertaken indicate that the current cereal and milk prices will continue, certainly through this year and next year. For beef and sheep producers things are ok but a seasonal fall in prices will tighten margins and for pig producers the outlook does not look quite so rosy. Longer term the demand for meat is strong and prices should remain firm.

Farming fortunes are often cyclical and today's more optimistic sales prices should move farmer's minds from the "belt tightening" (and farmers are very good at this) to prudent and calculated investment. All should be intending to turn the better income levels into profits for the business.

The cost pressures will obviously have significant implications for all farm businesses. Most farms will be spending cash purchasing feed, fertilizers, diesel etc before they harvest a product or sell the livestock or milk. Therefore although the returns may be greater the outgoings will also be significantly increased. The knock on effect of this is that for those farmers who are operating on an overdraft (probably the vast majority) the overdraft level will need to be increased before the sales income comes in.

The other factor which will impact upon farm businesses and their borrowing is the "credit crunch" that is all the rage for discussion in the financial papers and other media. Banks will be looking more carefully at their lending but are willing to lend to farms with good risk assessments



(i.e. farms that have borrowing levels and interest charges that can be readily serviced by the business) and that also have a history of good farm and financial management, and that can demonstrate both of the above through financial accounts.

The increase in demand for working capital that will be provided by an increased overdraft should be discussed with the bank manager before the borrowing reaches overdraft limits. Consider whether any money required for investment in the farm business should be short term, medium term, or long term borrowings. Prepare a plan and go out and get what you need from the banks to run your business. Be optimistic, there may well be opportunities to reduce your current interest charges and to structure the borrowings to suit your farm business.

David Hinshelwood

Computer Skills for Business

Using computers in your farm business? Our beginner IT courses are the ideal place to improve your PC knowledge. Our IT courses are suitable if you want to run your business smoothly, or just want to feel confident using a PC at work or home. You don't even need to know anything about computers.

Or perhaps now is the time to improve your skills? Whether you are managing records, creating flyers and posters, using the Internet and email there is something for everyone.

These mixed topic workshops will allow you to concentrate on your own needs. For example, if you want to learn how to manipulate spreadsheets, manage records and keep accounts you can do this individually in your own time.

This fast-track learning method will help your business on a day to day basis. Listed below is the range of dates and venues available.

Workshops will be held on the following dates from 10am – 1pm:

Wednesday 18th June – The George Hotel, South Molton

Wednesday 25th June – The White Hart, Modbury

Or why not come along to one of the more specific workshops below: -

How to Insert Digital Images Into Documents and Manipulate Them

Learn how to prepare, manipulate and insert a range of photographs into documents.

Topics covered will be: -

- Downloading digital images from your camera
- Saving digital images to a C.D
- Preparing digital images for the Internet
- Inserting digital images into documents
- Manipulating and formatting digital images
- Preparing digital images to send as an attachment

The exercises in this workshop are based on Microsoft Word and Microsoft Publisher, but choices should be possible with other processing packages on your computer.

Tuesday 17th June at Tavy Business Centre

How to get your website listed in the Top Ten of Google

Increase income using your website and get it listed in the top ten search results, and effectively increase the sales of your products and services. Discover how to use Google Adwords, online E-commerce solutions, and increase visitor numbers to your website. This jargon free workshop explains the tips and techniques to successful Internet marketing.

**This workshop will be held in June – Date to be confirmed –
Please call to register your interest**

There is a nominal charge of £10 per candidate to attend these workshops

For further information and to book your place please call us on free phone 0800 592872

Contemplating Starting a New Business?

Are you or a friend thinking of starting up your own business? We are often asked to give advice to people who are thinking about starting to set up their own businesses & to work for themselves, and we have helped them start numerous successful businesses -from relief milking through to B&Bs to opening a shop.

Let us help you to lift any apprehension you may have. We are running free practical courses throughout the autumn in order to help people learn what is involved in starting and running a successful business. You will then be able to make the decision on whether self employment is for you.

The courses will cover the nuts and bolts of starting your business from market research and marketing, to setting up simple accounts and all the legalities in between.

If you, a relative or a friend are thinking of starting your own business and would like to come to one of our practical, free courses, please phone us on **0800 592872**

Devon and Cornwall Businesses to find out how to improve profitability

Environmental and land-based businesses from across Devon and Cornwall are invited to attend a free seminar to find out how training and development can enhance business profitability.

Two Business Improvement Days will be held on June 20th at Duchy College, Cornwall, and June 27th at Gypsy Hill Hotel, Exeter, organised by Train to Gain in partnership with Lantra, the Sector Skills Council for the environmental and land-based industries.

Lantra's Regional Partnership Manager for the South West, Lyndsay Bird, said: "This is a great opportunity for businesses to engage with the Train to Gain Brokers and explore funding opportunities and other new initiatives."

The open day will also provide businesses with an update on key issues in the sector, advice about new ways of increasing business and attracting new customers, as well as offering participants the chance to learn more about ways of planning their business.

There will also be an emphasis on managing, developing and motivating staff. Train to Gain Broker, Alison Cox, said: "We are really pleased to hold this event in conjunction with Lantra. Although we help to provide any business with advice and support on training we are holding this seminar for a specific sector so that we can give specialist advice and focus on the issues people working in the industry face."

The event is free of charge and places are limited to one per company, in order to allow the maximum number of businesses to take part. They will be allocated on a first-come, first-served basis.

To find out more call 08456 047 047 or email traintogain@bldc.co.uk you can also book your place by visiting http://www.blpeninsula.co.uk/dcevents/evnt_ttg_partner.html

Dartmoor Skills Apprenticeships

Apprenticeships in livestock farming will soon be available on Dartmoor. This is a great opportunity for students to learn not only the skills needed to work in modern farming, but also the traditional skills used to farm and maintain the moor **and also** to earn an income whilst learning. Applicants are particularly welcomed from the 16-18 age group, but all ages will be considered.

At a recent presentation on Dartmoor, three apprentices "graduated" from the initial scheme. These apprentices worked on hill farms in the Dartmoor area whilst also undertaking training co-ordinated through Duchy College. The students not only learnt traditional moorland skills such as swaleing, managing hill ponies (including the "Dartmoor drift") but also achieved certificates in areas including use of ATV, material handlers, chainsaws through to business matters such as bookkeeping and self-employment.

The project is looking for the next group of apprentices, and also additional farmers to become involved with this successful apprenticeship scheme.

For further information please contact Liz Clarkson, Duchy College on 01579 372345.

Older Cattle Disposal Scheme Closes

Do not forget that the Older Cattle Disposal scheme closes on the 31st December this year. But more importantly the deadline for "booking a slot", in order to forward animals is the 30th September 2008.

So don't miss out, as from the first of January 2009 no compensation will be payable for animals that were born before the first of August

1996 – and it is also probable that any costs involved in moving these animals from the farm and disposing of the carcass will also have to be carried by the farmer.

Bluetongue Update

More good news in that by the time you read this vaccination of Devon's livestock will have commenced, with Cornwall only a week or so behind. It is imperative that a) all animal keepers order vaccine from their vet as soon as possible and b) vaccinate when the vaccine becomes available.

I have heard some people say they are going to wait until the autumn when most of their finished animals have gone. The incubation period is only 5-10 days and animals will be a reservoir of infection spreading the virus for a good two months or more please vaccinate as soon as you can and don't think that you'll be ok if everybody else vaccinates theirs, it will just prolong the agony – it's possible that this disease could be eradicated if all possible animals are protected for 2-3 years, meaning a bit of time and money now will save years of vaccination in the future.

Rural Development Programme - An Apology

Last months newsletter carried the wrong contact number for the South West of England Rural Development Gateway. IT IS **0845 600 99 66**. Even with this error we understand many readers have contacted the gateway's potential projects- more are wanted. The application forms and business plan templates will be available shortly; if you need help with these don't forget Agri-BIP is very experienced in completing these.

Newsletter Distribution

If you would like to receive your Agri-BIP newsletter by email or fax, send your details through to us at: -

E-mail: team@bipwestdevon.biz **Fax:** 01837 659314

Address:

West Devon Business Information Point, FREEPOST EX 1119, Okehampton, EX20 1YZ

DISCLAIMER

Every effort has been taken to ensure the information contained in these notes is correct, however, West Devon Business Information Point will not be liable for any loss arising from the use of these notes or any omissions or errors contained within.
 Agri-BIP is funded by Devon Renaissance / SWRDA, Tamar Valley AONB Sustainable Development Fund, West Devon Borough Council, East Devon District Council, Red Meat Industry Forum, local businesses and WDBIP to provide ELS support / Business development support to land based businesses