

Farms and Landed Estates Review of the Year 2022



Committed
to you.

Introduction

by Steven Rudd, Head of Farms and Landed Estates

Focus on controlling what you can control

With so much uncertainty surrounding farming, most of us may, at times, want to kick ourselves during the year ahead because of a range of 'what if' scenarios. 'What if' we'd bought this input, or sold that output, at a different time, or had made this decision rather than that one, and so on. So, instead of worrying about things we can't control, we must focus on those we can. The collective pressures on the general economy, from rising interest rates and 40-year-high inflation, to elevated energy prices, are also impacting the farming sector. With high input costs and movements in farm output prices often dramatic, the challenges are substantial.

Being a long-term, often multi-generational business, farming desperately needs to operate in a stable environment, but the current situation is far from that. Governments of all political persuasions focus on the short-term. What we desperately need is a consistent framework which gives businesses the confidence to invest. What's more important, especially in the current climate, than securing the nation's food supply? Don't we want to avoid being reliant on imports from sources which may be politically unstable or with different production standards?

Those of you who attended our Autumn Farming Conference in October will have heard Daniel Zeichner, Member of Parliament for Cambridge, and Shadow Minister for Food, Farming and Fisheries, highlight the lack of clarity in the Government's agricultural policy. He also acknowledged the suggestion from one delegate that farming and food production is such an important policy area that it should be decided on a cross-party basis.

Interest rates are rising sharply and, combined with significant output price volatility, are causing banks to be more selective. Some major players have withdrawn from the farming sector and, although there's been a huge increase in boutique finance houses, funds from these sources can be expensive.

With the Bank of England seemingly intent on increasing base rates to help stem inflation, borrowing costs will likely continue to rise, putting further pressure on farm finances and making

the correct investment decisions even more critical.

One area of the machinery industry, which I believe will increase in popularity, warrants attention. Where appropriate, direct seeding has the ability not only to reduce production costs by lowering fuel use, tractor hours and labour requirements, but also improve timeliness, soil health and other aspects of crop establishment. For many farming businesses, buying new equipment has become a pipedream due to rapidly rising costs, while premiums for second-hand kit are at elevated levels. Increasingly, we've seen clients using or considering this technique. Investing in the machinery needed to implement it can offer an excellent return and help to maximise gross margins.

Over the last year, those with high quality grain storage were generally more successful than those without good facilities, as it allowed them to time grain sales to capture the best prices. However, now is not the time to speculate or flip-flop when it comes to crop marketing strategy. Sticking to what you know works, in your situation, will likely be the best approach.

What will replace the Basic Payment Scheme (BPS)? One area of concern is that many farmers don't fully appreciate the impact that the tapering of the BPS to zero by 2027 will have. The effects are already evident, yet many farmers have a head-in-the-sand mentality and are ignoring the reality of the situation.

In my view, the farming sector is sleepwalking into a two-tier system; one where those who are highly professional and well-funded will prosper, while those with elevated borrowings or not optimising productivity will suffer. I don't necessarily mean a focus on maximising yield but achieving the best gross margin; ultimately, the only metric which really counts.

This was another key aspect highlighted at our Conference, where Alec Smith, from Sentry Ltd, underlined the importance of gross margins in judging the success or otherwise of a particular approach. Alec also highlighted how the collection and analysis of data is critical to making informed decisions.



Pressures are increasing from all directions. It's essential to take a long, hard look at your business and engage with trusted advisors to analyse farm data at a granular level and work out the best way forward. The importance of good advice is highlighted elsewhere in this issue, in the feature on Larking Gowen client, Bagthorpe Farm, a fully-organic business in North Norfolk.

Through this process, some clients have found that they'd achieve higher gross margins by producing less at lower cost. Others have taken less productive land out of the rotation, thereby reducing their farm's working capital, machinery and labour requirements.

The ability to think outside the box has always been a hallmark of successful businesses and, more than ever, that characteristic will be needed heading into 2023 and beyond.

Being at the forefront of agricultural accountancy, Larking Gowen can advise on any aspect of business planning. If you're already a client, please speak to your regular advisor; or you can visit www.larking-gowen.co.uk or call us on 0330 024 0888.

In the agricultural sector there are a number of charitable organisations that offer help and support, so if you need someone to talk to, please do reach out.

YANA (You Are Not Alone) can be contacted through helpline@yanahelp.org or **0300 323 0400**.

RABI (Royal Agricultural Benevolent Institute) can be contacted through help@rabi.org.uk or **0800 188 4444**.



Speakers at the 2022 Autumn Farming Conference were (left to right) Izzi Rainey, Emma Haley, Stuart Mayhew, Daniel Zeichner MP, Cath Crowther, Steven Rudd, Alec Smith and Jason Cantrill.

Autumn Farming Conference gets a 'thumbs-up'

'Overwhelmingly positive' are the words which best describe the response to the inaugural Larking Gowen Autumn Farming Conference.

It was great to see an audience made up of farmers, growers and landowners to those in the supply industries and end customers. The event, held at Trinity Park, Ipswich, on 4 October, was aimed at everyone in the agricultural sector, and was organised by Larking Gowen, in conjunction with the Country Land and Business Association (CLA) East.

Chaired by CLA East Director, Cath Crowther, the programme included thought-provoking presentations

from speakers whose talents and experience spanned a wide range of complementary fields.

Steven Rudd, Larking Gowen's Head of Farms and Landed Estates, set the scene and welcomed the guest speakers: Daniel Zeichner, Member of Parliament for Cambridge, and Shadow Minister for Food, Farming and Fisheries; Alec Smith, Director of highly respected agricultural and advisory business Sentry Ltd; and Jason Cantrill, a Partner at farming consultancy Ceres Rural. Emma Haley highlighted the work of YANA (You Are Not Alone), the farming charity providing mental health support for the farming and rural community,

which received a £1,500 donation from ticket sales for the event. Further guest speakers were two Norfolk farmers, Stuart Mayhew and Izzi Rainey.

The event featured a 'live poll' of delegates, to assess their views on the future of farming in the UK. The results were interesting, with 50% describing themselves as 'optimistic', 40% choosing the 'it's complicated' option, and 10% being 'not confident'.

The positive feedback from the 2022 Autumn Farming Conference has encouraged us to hold the event again in 2023. The date, venue and programme will be published once finalised.

Following a different path

The audience heard from speaker Stuart Mayhew, a farmer who has followed a different path than most. Stuart and his wife Rebecca farm 500 acres at Old Hall Farm www.oldhallfarm.co.uk, Woodton. The farm has been Stuart's family's home since the mid-1940s and he spoke passionately about the journey the couple have been on in recent years. It's been one which has seen them move away from traditional farming to a 'quality over quantity' approach, with plenty of ups and downs along the way.

The birth of their children, followed by personal and business challenges, made them look at life in an entirely new light. As a result, they moved away from conventional farming, and began with 450 sows; taking progeny through to finishing, using grain and straw from their arable farm. After the pigs went, following

an outbreak of disease, they pursued a system of regenerative agriculture and became a founder member of Regenerative Agriculture Community East (RACE). Formed in April 2022, it helps connect the region's farmers, retailers, and consumers; shorten supply chains; support sustainable farming; and improve food security.

Back in 2016, Stuart and Rebecca had just one Jersey cow; now they have 50 Jerseys with calves kept at foot. The herd is milked once a day, in a new dairy, and raw milk is sold on site. Stuart and Rebecca also produce beef from native breeds; sheep for meat; goats for meat; rare breed pigs for meat; chickens; and on-site experiences. Based on a system of arable-pasture cropping and 'vertical stacking', the business is proud that all ruminants are 100% pasture fed, while the pigs, chickens and eggs are soya-free. Old Hall Farm also has a shop, butchery, vineyard and café which serve thousands of customers every year.

No stereotypes

Bruce Masson, the Larking Gowen Partner who initiated the Autumn Farming Conference, was delighted with the excellent feedback and the fact that most delegates said they felt positive about the future. He states:



The conference highlighted that there's no such thing as a stereotypical farmer; Izzi Rainey being a case in point. Having started out in a very traditional way, she's pushing the limits."

Bruce added, "Using her expertise of social media, Izzi's gained over 10,000 followers and channelled their interest to develop her business. That approach was instrumental in her being able to continue working during 2020 and 2021 when other

businesses closed temporarily or shut down completely. The challenge now is to maintain quality as the business grows."

Izzi grew up on her family's Bates Moor Farm at Foulsham and, after graduating from the Glasgow School of Art, established IzziRainey Limited, a farm-based textile company www.izzirainey.com. Passionate about her work, she presented a first-hand experience of diversification without stewardship, talked about the success of women in agriculture and outlined her perspective on the role of the next generation.

Izzi explained, "Growing up on a farm had a huge influence on my life, especially working with cattle. After graduating, and spending four years in Glasgow, I was ready to return to Norfolk. My final project at art school drew inspiration from life on our farm; the textures, shapes, and colours found within the machinery, buildings and surfaces."

This became the concept for IzziRainey Limited, which aims to bring a small part of farm life into customers' homes through the products it designs and produces. The business was established in the summer of 2014 by Izzi, and long-time friend Lara, to design and manufacture high-quality stationery and homeware products. Izzi's prints contain a rich hand-stamped quality, this textural detail being retained in the fine digitally printed fabrics and designs.

A trustee of the Highland Cattle Society, Izzi gained a passion for the breed from



Bruce Masson, Larking Gowen Partner

her father, who established his fold of Highland cattle in 1989. Adding to her own Highland cattle, she established a herd of Lincoln Reds in 2017 and, two years later, launched Bates Moor Farm Beef, which delivers beef boxes to customers throughout the UK.

Through her extensive use of social media, coverage in print media, plus appearances on BBC's 'We are England' and 'The Farmers' Country Showdown' programmes, Izzi has promoted her brand and products to a countrywide audience. Assisted by a grant from the Henry Plumb Foundation, which helps young people to realise their dream of a career in the farming and food industry, Izzi continues to develop her business. The latest venture came in May 2022, when she launched a series of workshops and meadow walks.

The importance of planning

Throughout the conference it was clear that planning is important for any business. Speakers Jason Cantrill, of Ceres Rural, and Daniel Zeichner, MP, both highlighted a major issue of concern to farmers—the absolute lack of clarity in the Government's agricultural policy.

Farming and the environment can work together but, with the Basic Payment Scheme tapering to zero by 2027, and the possibility of a change of government before then, surely it's in the interests of the country that agricultural policy is agreed cross-party and is part of a long-term plan? This lack of continuity is having a serious, adverse impact on farming businesses and a series of ministers have shied away from making the right decisions for the country. What can be more pressing than securing the nation's food supply?

It was encouraging to hear the thoughts of Alec Smith, from Sentry Ltd, which farms 23,675 ha through contract farming and management agreements, FBTs, partnerships and collaborations. He highlighted the importance of gross margins; an essential metric on which this employee-owned business is totally focused.

Alec revealed that, at the time of drilling winter wheat for the 2022 harvest, Sentry's budgeted gross margin was

for a 9t/ha crop, a wheat price of £180/t and ammonium nitrate (AN) at £275/t, generating a gross margin of £976/ha.

In fact, the average yield was 9.27t/ha at £256/t, giving a gross margin of £1,715/ha. For 2023 harvest, the company is budgeting for 9t/ha at £255/t, with AN at £630 and spray prices up 10%-20%, producing a gross margin of £1,370/ha.

"As a business, we're on a farm data journey," Alec stated. "We're using analytics to make data-based decisions and inform us on better collection of data. We're collating and analysing that now, so we can take those opportunities in future."



Client Focus: Bagthorpe Farm, Norfolk



Organic is dynamic

Situated in the beautiful, unspoilt countryside of rural North Norfolk, close to the county's picturesque coast and within an 'organic corridor' close to the famous Sandringham and Houghton Hall estates, the 640-acre Bagthorpe Farm hasn't looked back since going fully organic five years ago.

"Organic production won't be for everyone, but we feel it's the best way to make the most productive use of the light, free-draining sandy loams in this low-rainfall area," says Nick Walton, who manages the 300-hectare farming business.



Our Grade 4 land is ideal for growing vegetables, so over the last decade we have made them our focus."

After studying management accountancy at university, Nick followed what he describes as a well-trodden path in this profession by working for a range of companies

in the FMCG (Fast-Moving Consumer Goods) sector, latterly in London for an American multi-national.

Feeling like 'a cog in a wheel' and remote from the practical side of business operations, he longed to work 'at the coal face', being involved with customers, part of the sales and marketing function, running a business and being responsible for it. So, in 2007, Nick and his wife Emily, who worked in the music industry, decided to move back to her family home in Norfolk. Outlining the decision, he states:

"Bagthorpe was a mixed farm and partly organic, which interested me as I saw potential to develop that side of the business at a time when demand was growing."

Nick, who had no background in farming, admits it was a steep learning curve. "Most people who aren't involved in agriculture don't understand anything about it, how farms operate or how food gets to their table. They think that farmers just plant crops in the autumn, close the gate and spend the winter months shooting, but nothing could be further from the truth. Especially where livestock and vegetables are involved, as they are here, the involvement is full-on and year-round, so I never stand still and am constantly learning. Most people wouldn't want or be willing to make that level of commitment."

"Bagthorpe Farm had been operating a part conventional, part organic system since the late 1980s and my father-in-law's decision then to install irrigation across the farm was transformational, but it was always difficult to manage two conflicting systems. The Grade 4 soil here cannot generate the high yields and profitability required to only produce conventional cereals. We didn't have the scale or risk appetite to grow huge areas of one crop and neither did we want to go down the route of contract farming, becoming ever larger and taking on big overheads just to stand still.

"I felt that, as in most industries, specialisation was the key, so in 2016 we converted to a fully organic system which makes the most productive use of the land, continually improves our most precious asset, the soil, and allows different types of farming to be financially viable. This can only be done effectively through careful soil management, having livestock to put fertility into the soil, operating a long rotation which includes nitrogen-fixing clover leys, and eliminating chemicals and pesticides which harm the soil, wildlife and natural environment.

"Now, we operate a mixed organic farm, producing fantastic organic vegetables, cereals and beef cattle raised on grass, with two- or three-year multi-species leys playing a significant role in raising fertility."



its production systems, the business employs five full-time and up to twenty part-time staff.

"Nothing is sown without an end market and, based on experience, now we only deal with customers who specialise in organic produce to avoid wasting time explaining what it is and why it carries a premium.

"Packing and supplying smaller outlets generate the best returns. We specialise in onions, and a large investment in a specialist store allows us to grade and pack produce on site for a range of customers, from local box schemes, wholesalers and independent retailers to national box schemes and packer/supermarkets.

A changing approach

Until 2005, the farm had its own suckler herd, the cows calving during spring and summer. Now, Nick buys eight-month-old organic store cattle and takes them through to 28 months, finishing around 80 per year, although followers mean that there are up to 150 on the farm at any one time. Land is also rented to an owner/manager who produces organically reared pigs which end up on the shelves of a major premium supermarket.

Currently, the rotation comprises two years of arable crops after leys, usually potatoes or onions, followed by carrots or parsnips, then barley for seed which is undersown with grass and clover to continue the cycle.

In a good year, organic yields can approach those of crops produced conventionally, but every season is different. The exceptionally dry conditions in 2022 were good for potatoes and onions, although not so much for carrots, while in a wet year such as 2021, soil fertility, weed and disease challenges mean that yields and organic premiums can vary greatly.

"We grow a range of crops and varieties which best suit our soil type and climate, as well as the biological and cultural challenges. Because we don't subscribe to the 'bigger is better' philosophy, varieties are selected not solely on yield but primarily for fantastic flavour, overall quality and because they are packed full of vitamins and minerals.

"Our rotation consists of one-third vegetables, one-third grass and one-third spring barley. We produce 150-160 acres of vegetables, including 70 acres of brown and red onions,

mainly from seed, 30 acres of early and maincrop carrots, 30 acres of early, maincrop and salad potatoes, 30 acres of parsnips, plus beetroot and golden beet. Drilling begins in March with spring barley, carrots, onions and parsnips, late-sown carrots and parsnips going in at the beginning of June when lifting of early carrots begins."

Controlling weeds is one of Nick's biggest challenges. With no herbicides or pesticides to fall back on, he relies on cultural and mechanical methods. Requiring significant labour at peak times, the job of keeping crops clean also involves several different types of mechanical hoes and a thermal weeder, which is used to burn off weeds, and volunteers to leave clean stale seedbeds.

With Emily running the enterprise's glamping business, which comprises canvas-clad biodomes plus a completely custom-built and unique wooden cabin, Nick focuses on the farm, becoming even more technically proficient and making sure that Bagthorpe is at the forefront of the organic sector. Soil Association, LEAF and Red Tractor Assured Produce certified to ensure the integrity of



Our largest customers are Riverford Organic Farmers and Abel & Cole, who provide sufficient volumes to run our operation at the scale we do and have the confidence to invest in the future."

"The year 2020 brought a huge upturn in demand for our produce as the lockdowns made many consumers reluctant to go out for food, choosing to have it delivered instead. Box schemes really took off and it was good for our business, but demand is returning to more normal levels."





Nick Walton



Professional advice pays dividends

“Professional advisors are key to running any successful business, which is where our connection with Larking Gowen is very valuable.”

Nick adds, “When I came into the business, the existing accountant was providing a good general accountancy service but, in my view, we needed a firm with specialist staff and in-depth knowledge of the farms and estates sector. Larking Gowen is that firm! It has a reputation for being the best in the sector and its scale of operation gives the wide reach and ability needed to provide us with access to the latest information and advice.

“Moving our business to Larking Gowen has been very beneficial. Bruce Masson and Laurie Hill participate in every aspect of our business, from advising on the legal structure and tax planning to day-to-day accountancy issues. They find the best solutions and take care of the behind-the-scenes aspects which ensure that we operate efficiently, allowing me to focus on the practical side of managing an increasingly complex farming business.

“Unlike government, where politicians change constantly and few have any detailed knowledge of the sectors for which they are ‘responsible’ and represent, farming is a complex, capital-intensive, long-term business

which deserves support. The original Agriculture Act 1947 came about because the post-war Attlee government wanted to achieve a positive balance of payments, lower the amount of food imported and maximise agricultural productivity. Yet, over 70 years later, when The Agriculture Act 2020 was first published in 2018, its lack of content on food production and food security was disturbing.



Paying money to farmers from the public purse is a hard-sell politically, but the Basic Payment Scheme has been a lifeline for our sector and the many associated industries which rely on it.”

“There is no question that farming is being adversely impacted by this self-inflicted political uncertainty. The lack of long-term strategy makes it difficult to see a clear future, and the resulting knee-jerk reactions which some farmers have been forced into taking will result in a mishmash of land uses, such as biofuels and solar, detracting from food production. Surely, making sure that adequate food is always available to consumers at reasonable prices should be any nation’s priority?”

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Profile: Andrew Whiting

"Having hands-on experience of farming and the practical knowledge to understand all the issues that our clients face is vital to provide them with the best service," states Andrew Whiting, a Manager within Larking Gowen's Farms & Landed Estates team.

Growing up on his family's arable farm at Thrandeston, on the Norfolk/Suffolk border, and being part of the agricultural community there piqued Andrew's interest in the sector. Upon leaving school in 2008, he joined Larking Gowen's Diss office, one of six across the East Anglia region, and three years later, when the firm divided its operations into specialist client-focused teams, Andrew chose to join the Farms & Landed Estates (FLE) division.

One of the largest teams of agricultural accounting specialists in the UK, it serves a wide range of clients, from small family farms, such as the one Andrew grew up on, to large rural estates throughout East Anglia and beyond.

Andrew explains, "Our expertise in farm accounting includes all aspects of tax planning, succession planning, diversification, landed estates, trusts, development land, Farm Business Tenancies (FBTs) and Agricultural Holdings Act tenancies (AHAs). We also have a stand-alone consultancy service offering support to clients or their professional advisors."

After qualifying to become a member of the Association of Chartered Certified Accountants in 2013, Andrew took on his own client portfolio and was promoted to Manager in 2021. Currently, he advises individuals, partnerships and companies throughout Norfolk and Suffolk on all aspects of their accounting and tax matters.

In addition to looking after an expanding portfolio of new clients, Andrew and his team are doing more to assist existing clients as the financial and management aspects of their businesses become increasingly complex, something Andrew feels will only gather pace.

"Many clients that I deal with are smaller businesses with which I have a strong affinity," Andrew states.



One of the key reasons we retain clients and attract new ones is the broad range of skills and knowledge within the Farms & Landed Estates team, which gives them confidence that we will do a thorough job."

"My farming background and first-hand experience of the sector certainly help, and without that knowledge, it would be much more difficult to relate to the issues that



Andrew Whiting

they face. All members of Larking Gowen's FLE team visit our clients frequently and take part in a range of activities, such as farm walks, to make sure that we're up to date with industry issues.

"Succession planning, cashflow and input price issues are high on the list of topics that we're helping clients to deal with currently, while the new Making Tax Digital (MTD) initiative is making the tax affairs of farming businesses significantly more complex, requiring careful forward planning.

"Going forward, there's a risk that valuable Inheritance Tax reliefs for farmers could be targeted by HMRC as an area for scrutiny, or even reduced or phased out completely. Having a trusted professional advisor will allay any fears they may have and set their minds at rest that these issues are being dealt with correctly.

"Going into 2023, farming businesses face significant challenges. Prices for what they produce may have risen significantly, but so have the costs of inputs, such as fuel, fertiliser, machinery and feedstuffs. This has increased the pressure on cashflows and, while Basic Payment Scheme advances have helped, many businesses will be looking to banks or other lenders to increase funding.

"Caution must be the watchword at a time when taxes are rising, the nation is in recession and lenders are becoming more selective. Interest rates have been on a downward path since the fiscal crisis of 2008, favouring investment and increasing asset prices, but that situation is reversing, increasing the need for individuals and businesses to plan accordingly to avoid being on the wrong side of the financial equation."

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Profile: William Wadsley

"What has worked in the past is unlikely to be relevant in the future. Farming businesses must know exactly their costs of production; potentially, adopt a more cautious approach going forward; and take the best professional advice," William Wadsley suggests.

A manager, within Larking Gowen's Farms & Landed Estates (FLE) team, William is based at our Norwich office. He strongly believes that the comprehensive package of services Larking Gowen offers will appeal to farming businesses striving to meet a raft of industry-related challenges and legislative changes.

Born in Elm near Wisbech, Will comes from a family that, for three generations, farmed 250 acres, which was sold while he was at secondary school. Being gifted with numbers, and having enjoyed a work placement with a local accountancy practice, he realised that a degree in the subject would provide a strong career foundation.

During his final year at the University of East Anglia, in Norwich, Will attended a careers fair where he was interested to learn that Larking Gowen's Farms & Landed Estates team is one of the largest in the sector. So, after graduating with a first-class degree, Will joined us in 2014 as a trainee accountant. Three years later, he passed the exams required to become a qualified Chartered Accountant, at the first attempt.

For three years, Will compiled accounts for a range of companies and looked after a few small clients. Then, when his manager was appointed a Partner, Will took on the role as manager himself; assuming responsibility for a portfolio of fifty clients, providing accounting, tax, and business advice. Ranging from 400-acre family farms to 4,000-acre estates, these businesses include many which have diversified into a range of other sectors, from property rental and development to tourism and energy generation.

"Every client has different requirements and aspirations, while the opportunities are constantly changing," Will states. "Solar energy is a good example. Five years ago, this sector was very small, but now it's growing rapidly. As the Basic Payment



Scheme tapers, most are looking for alternative income streams, but these aren't always easy to develop and generally depend on having assets other than land.

"As accountants, our challenge is to help clients maximise profitability. Analysing every component of their business allows us to assess which areas generate the best returns as well as those where changes must be made. I'm heavily involved in advancing the firm's adoption of specialist cloud accounting software and, as a member of our Making Tax Digital (MTD) team, appreciate the increasing value of this technology, because, in five years, paper records will be a thing of the past.

"Accountancy is often portrayed as being 'boring', but nothing could be further from the truth! It's fascinating to work with a wide range of clients, understand their businesses and provide the best possible advice. Developing great relationships is especially important. One of the things I've enjoyed most, since covid restrictions lifted, is the one-to-one meetings. Talking to clients via video call is useful on occasions but will never be the same as being on the farm.

"Personal service is one of Larking Gowen's greatest attributes and sets us apart from larger, more impersonal practices. We're an excellent medium-size accountancy firm that puts our clients first; providing first-class advice, the latest thinking and access to cutting-edge technology yet our fees are reasonable."

Caution needed

"The year 2022 delivered a bumper harvest on many farms. At various points, wheat touched over £330 per tonne, most inputs had been purchased before any sharp price rises took effect, and the exceptionally dry weather eliminated drying costs. Gross margins generally came in well ahead of budgets, although those on light land, with limited access to water, suffered.

"The flipside is that grain prices for 2023 harvest have fallen based on current future prices, while input costs remain high. Where possible, I'd suggest locking in prices for inputs and outputs to provide known gross margins on at least a proportion of production. Since there was a great harvest, there's the temptation to over-spend on capital items, such as new machinery, but my advice would be to buy only if it's needed. Many farming businesses' decisions are driven solely by the desire to minimise tax, but that's not always the best approach. This is an area where our cloud accounting packages can help clients pinpoint exactly what works and what doesn't, helping them to make the right choices for the long-term health of the business, rather than being one-dimensional in their thinking.

"Looking to the year ahead, I would urge caution. Going into 2023, interest rates are increasing, after being on a downward path since 2008. Many of the big banks that were lending to agriculture have pulled out of the sector, while others are demanding much higher levels of collateral, even for clients with substantial assets. Undoubtedly, there'll be some excellent opportunities ahead for those who are positioned to take advantage of them, but interest costs will be substantially higher than before and the risks correspondingly greater."

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Farms and Landed Estates strengthens its team, launches an event and establishes the best biscuit!

It's been great to welcome nine additional team members, bringing the team to over fifty! This increase reflects how many agricultural clients we have as a firm. We're continually gaining clients and special work, giving rise to exciting new challenges.

Some of the team have been involved in the latest Assessment Centres for new intake and we've already recruited six trainees to further bolster the team. Our current trainees have celebrated exam successes, which shows the hard work and commitment of our students in not only having a full-time job but also spending many evenings and weekends studying towards their exams.

There was an enthusiastic response to our inaugural Autumn Farming Conference at Trinity Park in Ipswich, which you may have attended in October. Look out for details of our 2023 event soon!

If you missed us at the Autumn Farming Conference, you may have seen us at the Suffolk Show and the Royal Norfolk Show, or perhaps another rural event. We love the chance to speak with clients and support the local community, such as providing stewards to the Royal Norfolk Show.

In the summer, the team had a fantastic afternoon in the Suffolk countryside when we paid a visit to two established farming businesses. We visited Fen Farm Dairy in Bungay, where we had a wonderful tour courtesy of the very passionate Jonny Crickmore, who explained how the business has diversified and grown over the past decade.

Next, we headed to Retreat Farms in Flixton, where Ben and Mark Hadingham gave us a guided tour of their arable farming enterprise, enabling us all to get up close to the farm machinery that they use. This was not only a very educational tour of two well established businesses, but also a great opportunity to meet with colleagues from the various offices in the Farms and Landed Estates team.

The team got together again in October for our Annual Training Day at the Norfolk Showground, where we heard various presentations on matters affecting agriculture in East Anglia. As usual, this was a very informative day, with most of the training provided in-house.

The annual fun quiz was held at the end which was a great way to finish the day.



At Larking Gowen, we work hard to be committed to our clients, but we're also committed to fun, and the FLE team are no exception! For example, in Norwich, during our lunch breaks, we held a Big Biscuit Battle Bonanza, a competition to establish the Best Biscuit – the winner being Jam Sandwich Creams!

It's been another eventful year for the team, and we look forward to many more good things in 2023!

Stephen Coby

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Larking Gowen

Autumn Farming Conference



In partnership with



Autumn Farming Conference will be back in 2023!

Look out for further details on our website and social media channels.

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