Get Farm Financially Fit

Improving Household Income
Improving Quality of Life

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Farm Financial Fitness

Issues of Concern for Farm Families

New entrant / Young farmer

Farm expansion / Income maximisation

Consolidation / Diversification

Off-farm work

College Fees / Health-care

Succession / Retirement planning
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Farm Financial situation on a typical dry-stock farm

- 32 ha dry-stock farm
- Payments received - SFP & DAS
- Off-Farm Job – Spouse
- Age - both mid 50’s
- Children – 2 (ages 16 & 12)
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But…. Cash-flow is the issue

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Animal Sales & Payments  |  Farm Costs
Farm Financial Fitness
Supplementing Income.....

- Farm Income
  - Farm Schemes
  - Farm Diversification Opportunities

- Off Farm
  - Off-Farm Employment
  - Benefits/Credits
First priority....... Maxmise your Farm Scheme Payments

New Scheme deadlines

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Application Deadlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Reserve application/New entrants (no entitlements/ no allocation rights)</td>
<td>31\textsuperscript{st} March</td>
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<tr>
<td>Combined National Reserve + Young Farmers</td>
<td>31\textsuperscript{st} March</td>
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<tr>
<td>Organics</td>
<td>30\textsuperscript{th} April</td>
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<tr>
<td>GLAS</td>
<td>22\textsuperscript{nd} May - extended</td>
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<tr>
<td>Basic Payment scheme (single payment)</td>
<td>29\textsuperscript{th} May - extended</td>
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<tr>
<td>Young Farmers scheme (no NR entitlements)</td>
<td>29\textsuperscript{th} May – extended</td>
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</tbody>
</table>
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Have you considered …..Farm Diversification?

- Assess Family Skills
- Assess Farm Resources
- Assess Financial Resources

Tourism / crafts
Forestry
Artisan food
Renewable Energy
Horticulture
Organic Farming
Warehousing
Hosting students
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Have you considered… Off-farm income

Take Advantage of the upturn in the Economy…
  ▪ Unemployment dropping:
    ▪ Rural areas (2011 – 2015) - fell by a quarter to 238,000

  ▪ The tide has turned…
    ▪ Increased employment opportunities in most skill areas
      ▪ Won’t all be in construction
      ▪ Do you have the right skills to take advantage?
# Farm Financial Fitness

**Good value courses currently on offer**

<table>
<thead>
<tr>
<th>Course</th>
<th>Location</th>
<th>Provider</th>
<th>Venue</th>
<th>Dates</th>
<th>Fee</th>
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</thead>
<tbody>
<tr>
<td>Start your own business</td>
<td>Carlow</td>
<td>LEO</td>
<td>Carlow IT</td>
<td>26th March, 2nd &amp; 9th April 2015</td>
<td>€30 waged, Free - Unwaged</td>
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<td>IT Skills</td>
<td>Letterkenny</td>
<td>SOLAS</td>
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<td>6th April</td>
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<tr>
<td>Developing your business plan</td>
<td>Carlow</td>
<td>LEO</td>
<td>Carlow Town</td>
<td>30th April</td>
<td>€25pp</td>
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<td>Tax for Beginners</td>
<td>Galway</td>
<td>LEO</td>
<td>Galway</td>
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<td>Basic IT</td>
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<td>ETB</td>
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<td>Introduction to IT</td>
<td>Cork</td>
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<td>Spring 2015</td>
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Farm Financial Fitness
Make the most of Tax and Social Welfare Benefits?

Tax/Allowances
• Tax credits & reliefs
• PRSI/Pension

Farm Income Support
• Farm Assist
• Rural Social Scheme

Farm Income Support
• Fair Deal Scheme
• Carers allowance
• Medical Card

Welfare Benefits
• Job Seekers Benefit
• Family Income Suppl.

welfare.ie
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Smart Spending

- How much do you need to run the house on a monthly basis?
- Insurance and utilities – save by paying online
- Could you reduce energy costs?
- “Major increase in Grants to Households for Energy Efficiency” SEAI
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Smart Spending examples
- Spread bills out over the course of the year
- Switch energy suppliers
- Bundle TV, phone and internet
- Claim tax relief for medical expenses

Smart use of resources and skills
- Check eligibility for Farm Assist, Family Income Supplement
  - Over 1/3 of those eligible do not claim benefits!
- Bundle your debt
- Plant some marginal land and get a tax-free payment for 15 years
- Avail of free training courses - re-train and develop new skills
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Smart Budgeting

- Plan your spending in advance
- Check actual spend v planned spend
- Smooth cash flow - is there a more efficient way to manage your short term cash flow? Cost of credit card, overdraft…
- Monitor monthly income and expenses…
- Managing short term cash flow is the first step to improving your long term situation

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Think Plan Act

- Prioritise scheme applications
- Assess your Options
- Develop new skills
- Smart spending
- Smart budgeting
- Use your farm and family resources effectively and efficiently

Engage with agencies
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Back to a typical dry-stock farm...
Issues – ideas – solutions?????