Farming Matters

PKF FRANCIS CLARK
Shared Ambition

NEWSLETTER
ISSUE 03

Environmental schemes and tax implications

Introducing Martin Rossiter

Stamp duty land tax - savings on property purchases

Farming in a time of soaring inflation

Plus: Annual Investment Allowance in 2023, looming farm subsidy cuts, new VAT penalty regime and more...

Welcome

A lot has changed since our last issue of Farming Matters and most of our conversations and the underlying theme of this issue are about looking forward. As accountants, we spend some of our time looking back and reflecting, which has shown us that many of our clients have had a reasonable last 12 months, in terms of business performance due to livestock and commodity prices and some have had to consider a tax bill for the first time in a while.

'Stagflation' is a term I studied long ago at university but is not something that many still practicing have come across in their working life. The supply led inflation we are currently seeing is causing a unique set of circumstances not seen for over 40 years.

The frightening rises in most major inputs used in the farming sector, with fertiliser and fuel gaining most attention, are leading many to consider what the future holds.

I have spent the last few years encouraging farmers as price takers to look to control the controllable. Whilst I still stand by this, I acknowledge that when so many costs become uncontrollable this makes trading conditions very interesting.

Despite the above being present challenges, we must not forget that we produce a staple required for people's very existence i.e. food. There are already encouraging signs that people's perceived value and what retailers are prepared to pay for this are increasing, but it is only the start and this must continue to cover the ever-rising costs. The government's announcement that half of this year's basic payment scheme payment is being brought forward to July is helpful in terms of cash flow, but also just kicks the problem down the road for six months.

I do not know all the answers but remain confident that if the correct thought processes and actions are taken, farmers and agricultural businesses will be able to steer a path through, albeit potentially a rocky one with some falling by the wayside either through choice or misadventure. To that extent health and wellbeing remains critical and I urge anyone struggling to use the fantastic farming charities out there for help or advice.

We are delighted our team is continuing to grow and act for more rural businesses over the past 12 months. In this issue, we introduce you to a couple of important team members as well as what we have been doing as a team, which I hope will be of interest.

On a positive note, the recent weather has been just what the doctor ordered and the rain that is falling as I write this piece will no doubt be welcomed by many farmers and keen gardeners like my dad! However, hopefully the rain will hold off for the number of agricultural shows we are looking forward to attending over the summer and we hope to see you at some of them!

Brian Harvey
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Environmental schemes and tax implications

With the focus on climate change and the Government's target of net zero emissions by 2050, coupled with the loss of income from the Basic Payment Scheme, farmers and landowners will rightly feel they are being bombarded with ideas as to how they can manage their land differently to produce environmental benefit.

Whilst many farmers I speak to see their primary role as being to produce food, many have rightly had their heads turned, a little at least, and we are certainly fielding more questions about the consequences of diverting more or indeed all the farm into environmental schemes.

In addition, many are seeing increasing pressure from customers wanting to know the carbon impact of the products they purchase, therefore farmers are looking for advice on where they start in relation to this.

In my opinion, the first thing to understand is the point you are starting from as well as what your current carbon emissions are. There are many tools available to help with this such as the Farm Carbon Tool Kit. Only then can you assess the situation and develop a plan to develop a farm specific carbon strategy.

I am not an expert in this field *(no pun intended!)* but I have spoken to several consultants, and there are many options open to farmers to reduce their emissions and these will depend on what you want/need to achieve. Options include, using renewable energy rather than fossil fuels for powering equipment such as the milking parlour or grain dryer, changes in farming methods towards regenerative agriculture or considering cropping choices.

There is also a growing number of options being announced by DEFRA as part of the three strands of the Environmental Land Management Scheme (ELMS) where farmers will be paid for work to enhance the environment. The enhancement of the rates available from the current countryside stewardship schemes has also seen a recent resurgence of interest in these.

As well as the centrally funded government scheme, it is apparent that the private sector is also going to play an important role in this area. There has been a lot of interest in the planting of trees that in certain parts of the country have seen a significant increase in land values.

For those with unproductive ground, woodland creation may be a viable option with the overarching aim of sequestering carbon. The market for carbon credits will undoubtedly develop further, but it is worth noting that the Woodland Carbon Code is a voluntary standard for UK woodland creation projects, providing assurance about the carbon saving of woodlands. All projects must be registered on the UK Land Carbon Registry before the start of planting. This enables the amount of carbon that can be sequestered to be calculated, and subsequently sold if desired.

In addition, there is a growing interest in the concept of Biodiversity Net Gain (BNG) which has been introduced in the Environment Act 2021.

This aims to ensure the overall amount of natural habitat is enhanced and left in a better state, and where development is taking place the Act requires a compulsory 10% uplift in biodiversity. Where it is not possible to obtain the uplift on the development site itself, it can be offset on local land.

This will undoubtedly provide another potential opportunity for landowners to enhance current habitat or alternatively take poorer areas out of production. Doing so allows them to receive payments from developers to tick the necessary boxes on their behalf for periods of potentially 30 years or more.

Whatever options landowners decide, there are several considerations where advice will be needed. Currently, markets are still developing and consequently there is uncertainty as to whether now is the right time, what the right price is and potentially the structure of any legal agreement. As with anything new, timing will be crucial and those most informed will put themselves in the best position to benefit going forward.

There is no doubt that enhancing natural capital and environmental schemes will become an increasingly important income stream for landowners. For many the journey starts here and careful planning will be needed to ensure the best outcome for the business when deciding which approach to adopt.

Am I still farming?

Whilst I am encouraging clients to consider all the issues and opportunities available, it is always with the caveat that there could be tax consequences from signing up to some of these potential schemes where land is to be farmed less intensively or even taken out of production.

For some the scheme might be so lucrative that more tax is of secondary importance but for others this could be a deal breaker.

In this article we look at the potential tax consequences of signing up to these schemes that all need to be considered.

A lot depends on whether as a result of signing up to an environmental scheme you are still farming or not. If you cannot answer this question with certainty, then I suggest you proceed with caution.

By way of an important starter, the definition of farming for tax purposes is the "occupation of land for the purposes of husbandry", and, in turn, husbandry is defined as "the growing of crops or rearing of animals".

Income Tax

In most cases annual grants will be taxed as income and will be included in farm accounts.

Where a grant reimburses expenditure incurred, such as planting trees or hedges, the grant should be taxed in the same period the expenditure is incurred. Whilst this activity happens alongside the farming of the land the net grant income would be treated as trading income and taxed as such.

However, I have seen exceptional cases where the whole farm is being taken out of production and subsequently there is no farming activity as a result of signing up for schemes. The income here would be taxed as other income. This has consequences including a restriction on the offset of losses, inability to average profits and a restriction on pension contributions.

Capital Gains Tax (CGT)

The rate of CGT payable on the sale of land may be affected by whether the land has been used for business purposes. Similarly, there may be a restriction on the ability to claim rollover relief on a sale, or holdover relief on a gift if the land has not always been used for business purposes.

It is possible that land could still be used for business purposes without any farming taking place. This will depend on the level of activities and expenditure required by the landowner to receive the grant.

Inheritance Tax (IHT)

It is widely understood that a working farmer is normally able to claim 100% Agricultural Property Relief (APR) on land and associated buildings, but this is under the clear proviso that they are occupied for the purpose of agriculture.

Whilst the position regarding APR and the farmhouse is more complex, and worthy of an article in its own right, to stand a chance the property has to be occupied by an active farmer.

As such, a critical question for IHT purposes is "Does entry into environmental schemes qualify as agriculture?" What is the impact if not? Does the environmental scheme impact the value of the land?

In the past, HM Revenue & Customs has stated that land taken out of production can still qualify for APR where there is "an intention or expectation that the land will be back in production in the future".

Whilst this was sensible for land set aside for a six to 12-month period, many of the current schemes are designed to last considerably longer. Whether this applies, will depend on the terms and duration of the specific scheme you have signed up to and is clearly up for interpretation in terms of intention, expectation and how far in the future.

In addition, some schemes might qualify for other reliefs such as Business Property Relief or Woodland Relief. The eligibility here will depend on the specific details of the scheme but relief under these would not stretch to the farmhouse.

It would seem to me there is clearly a risk that a large, longer-term scheme could fail this test, with the consequence of bringing land, buildings and potentially the farmhouse into the estate of the landowner and a larger inheritance tax bill for their beneficiaries.

We understand that clarity has been sought from the Treasury by farming lobbying groups on this matter but none has yet been forthcoming. As you can see, some clarification would be most useful for all parties.

To conclude

We acknowledge that the environment will play an increasingly important part in the modern farmer's mindset, and are encouraging clients to keep their ear to the ground to ensure they are best placed to benefit from their natural capital and environmental schemes.

However, if you are considering entering into environmental schemes, especially large or whole farm scale schemes, the message must be clear. It is essential that advice is sought with the full information to hand and that there are no unforeseen tax consequences.

Our specialist team of rural accountants have extensive experience with all the issues farmers might come across with their finances. To get in touch, see page 15.

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Introducing

Martin Rossiter

"I am delighted to have joined a team who share my passion for farming"

As our rural team continues to grow, we are delighted to have recently welcomed Martin Rossiter, who has joined as a partner in the Salisbury office.

Martin joins after more than 20 years with RSM, where he was a partner in Basingstoke, he is looking forward to helping farmers and agribusinesses in Wiltshire and beyond to navigate the current period of significant change for UK agriculture.

Martin comes from a farming family background and has always enjoyed advising farmers and other owner-managed rural businesses.

He comments: "PKF Francis Clark has an excellent reputation in the rural market, having worked with farmers, landowners and agricultural businesses for over 100 years, and I'm delighted to have joined a team who share my passion for farming.

"Farmers have a lot to contend with at the moment, not least soaring costs and huge changes to the BPS (basic payment scheme), while the war in Ukraine has highlighted the importance of being able to produce our own food. There's a growing demand for reasonably-priced advice from specialists who understand the sector and I'm looking forward to being able to do more to help clients overcome the challenges they face."

Proving that good things come to those who wait, Martin is happy to have finally joined PKF Francis Clark more than 20 years after originally coming for an interview.

"Having grown up in Devon, I nearly joined back in 1998, when I was working for Deloitte in Cambridge," he said. "But we'd just had our first daughter so decided to move closer to my wife's family. Since then I've seen how PKF Francis Clark has grown to become the number one firm in the West Country and I always felt it would be an excellent fit for me and my clients."

Outside work, Martin is a keen runner and cyclist, who enjoys watching the Tour de France and recently completed a 100km ultra-marathon.

More information about PKF Francis Clark's agriculture specialists can be found at pkf-francisclark.co.uk

Annual Investment Allowance (AIA) for capital allowances to revert in April 2023

It should be common knowledge by now that the Annual Investment Allowance (AIA) for capital allowances temporarily increased to £1million in January 2019, however, as of 1 April 2023, it will revert to £200,000. It should be noted that the timing of machinery purchases is important when the AIA changes, as it is generally part way through a financial year. For any farmers with a year-end other than 31 March, careful consideration needs to be taken when purchasing machinery.

For example:

A 30 September 2023 year-end will mean the AIA for six months of the year was £1million and for six months of the year was £200,000. In total, the AIA available should be £600,000. But, there's a catch - the date of a machinery purchase becomes very important. For example, a new combine costing £400,000 purchased in June 2023 would only be eligible for AIA of £100,000.

If this was not enough, there are more complications down the line - the abolition of the basis period, meaning that profits from unincorporated businesses will be taxed for the 12 months to 31 March. These new rules will be in place from 1 April 2024. There are several businesses without a 31 March year-end so there is a transitional year from 1 April 2023.

Let us go back to our example of a business with a 30 September year-end. The 2023/24 assessment will be:

- *The total of profits for the year to 30 September 2023 and its profits for the next six months to 31 March 2024 (calculated by time-apportionment)*
- *Less any overlap profits or the spreading of the transition profits etc.*

This longer period interacts with the availability of AIA and again makes the timing of machinery purchases even more important.

Please do get in touch with a member of our rural team if you are considering replacing any of your machinery in the next few years. All contact details can be found on page 15.

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Looming farm subsidy cuts reinforce the need for budget planning

Farming is certainly not an industry sheltered from rising costs, with fertiliser hitting a new high in March, (up to nearly £1,000 a tonne) and many of my clients have said they are either holding back from purchasing or looking at alternatives.

Many people are now thinking ahead. Will prices keep prising? What else will rise? And should we do something now to protect our business?

Budgeting has always been a great tool to assist with forward planning

It is as important as ever now to forecast where your business might be in the coming months, years or even further ahead. This is particularly so in the farming industry with the reduction in subsidy income over the next few years and the move to the new Environmental Land Management Schemes.

I have seen budgets written on Excel or using software, so it really is whatever works best for you. Many accounting softwares provide forecasting add-ons or have integrations with third party forecasting software, such as Xero's integration with Figured. Figured is an online budgeting and forecasting software that provides farmers with a better way to financially manage their farming operation. It will pull information from your existing Xero accounting records, removing the need to try and remember how much you paid for something last year.

The benefit of integrated budgeting and forecasting software is just one of the perks of a cloud accounting software like Xero. The deadline for Making Tax Digital (MTD) for VAT has now passed and you can no longer submit your VAT returns directly with HMRC. This is because HMRC now requires all VAT registered businesses to submit their VAT returns through MTD compatible software. If you have delayed reporting your VAT because of this, I would suggest you speak to your accountant.

Planning for MTD for Income Tax

Also on the horizon is MTD for Income Tax, delayed until April 2024, but nonetheless it is coming.

Keeping digital records will be even more important and again is something that you will need to plan. This is potentially game-changing as individuals with soletrade and/or property turnover of more than £10,000 per annum will be required to report income and expenditure to HMRC quarterly through software. Each business will need to submit their quarterly MTD Income Tax returns separately. This requirement will be extended to general partnerships in April 2025, meaning many diversified farm businesses will be needing to report quarterly for numerous businesses.

Our specialist cloud team have extensive experience with helping clients transition to MTD for VAT and are following MTD for Income Tax legislation and various software developers closely to ensure we continue to help make digital transitions as easy as possible for businesses. Our cloud team can help with choosing software that suits you and saves you time, training and support on software, and varying levels of services to help you meet your compliance obligations.

The Basis Period Reform

MTD for Income Tax brings with it a reform by HMRC to the current basis period rules for income tax. This is the way trading income is allocated to tax years. Current rules are based on a business accounting date and can create overlapping basis periods, which charge tax on profits twice and generate corresponding overlap relief.

The measure proposed is to simplify the basis period rules for the self-employed so that a business profit or loss for a tax year is the profit or loss arising in the tax year itself, regardless of its accounting date. This removes the complex basis period rules and prevents the creation of further overlap relief.

If you have a year-end of anything other than 31 March or 5 April, this change will directly impact you and, depending on your trading performance, could accelerate the reporting of your taxable profits.

There are proposals to allow for spreading of excess profits in the transitional year of 2023/24 over five years, to help ease cashflow burden from any accelerated tax liabilities as a result of the Basis Period Reform. However, watch out for potential threshold triggers suddenly being reached too, such as payments on account, High Income Child Benefit Charge, student loan repayments and more.

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Thinking ahead

My advice would be to think about how these changes will impact you. Forecast ahead and think about how your business is doing now and what you are expecting to see in a few years' time. We also recommend getting your tax records to your accountant soon after 5 April 2024 passes, so that our tax advisors have plenty of time to help you through the transition.

How can we help?

Our specialist team of agricultural accountants have extensive experience with all the issues that farmers might come across with their finances. If you have any questions about this article, please get in touch.

SDLT
savings on purchasing property

Stamp Duty Land Tax (SDLT) can be a substantial one-off cost when purchasing land and property. With an increase in property prices the SDLT payable can be an important factor when considering cashflow and funding.

There are a large number of different SDLT rates depending on whether the property is non-residential or residential. For residential purchases the rate depends on whether the purchaser owns other residential property (and is not replacing their own home) and a higher 2% surcharge will apply where the purchaser is non-resident for SDLT purposes.

The residential rates are charged at a maximum of 17%, whereas non-residential rates have a maximum of only 5%.

The rules can be complex, but there are potential opportunities for claiming relief or paying a lower rate of SDLT, including:

- *Where the property is mixed-use (for example, a farmhouse and an active farm) then it is possible to pay the non-residential rates where the highest rate is 5%*
- *If the purchase or a linked transaction includes more than one dwelling (for example, a house and three let cottages) then it is possible to claim multiple dwellings relief to pay SDLT based on the average price per dwelling, which will lower the effective rate of tax*
- *The possibility of a mixed-use basis alongside claiming multiple dwellings relief on residential property. This can often lead to considerable tax savings*
- *Certain partnership transactions are also liable to SDLT and advice should be sought to clarify whether any special provisions apply*
- *Where there is an overage on land it may be possible to defer payment of SDLT on the overage element. This can lead to a cashflow advantage as well as interest on any overage being calculated from a later date*

Example

A married couple are purchasing a farm with a farmhouse and eight let cottages for £1,600,000. On a mixed-use basis, the SDLT payable would be £69,500. Using a claim for multiple dwellings relief on the residential properties, alongside a mixed-use claim, the overall SDLT can be reduced to only £26,000, representing a saving of £43,500.

Opportunities for saving SDLT in 2022

The SDLT rules are now extremely complex and we routinely work alongside solicitors to provide specialist SDLT advice and computations to support the position when the solicitor files your SDLT return.

There was a government consultation into the mixed-use regime and multiple dwellings relief rules which ended in February 2022. Whether this will lead to future changes remains to be seen, but there are likely to remain judgemental areas, as well as opportunities to claim reliefs, where it is key to obtain specialist advice.

PKF Francis Clark has a team of SDLT specialists who can guide you through the SDLT process, whether you are replacing your home, buying property to let or to farm, or buying land containing a mixture of types of property.

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It's all about the costs

farming with inflation

Uncertainty - many in the farming community fear and yet from uncertainty can come opportunity. However, uncertainty can also lead to despair, and I am sure you know which of those two outcomes you would prefer to achieve.

In an agricultural world where farm gate prices are ever turbulent, it is always very difficult to budget or forecast. Banks, advisers, accountants and indeed farmers themselves understandably like to budget but the reality is simple - none of us knows what is around the corner and none of us could have realistically predicted what has been happening in recent weeks and months.

By way of example, I recently re-read the 2022 edition of a farming handbook produced by one of the main high street banks' specialist farming teams. This is always a good publication and well worth a read but having read it on several occasions, I can see no reference to potential conflict in eastern Europe, soaring energy prices to the levels we have seen recently or the rise in commodity prices.

Indeed, dare I say that had the reader based their business projections on those forecasts, they would potentially be in a far different place now than they expected.

It is clear that near double-digit inflation is hitting every single enterprise of British agriculture, casting real doubt on the sector's ability to maintain food supplies in the year ahead.

So, what can you learn from these times?

Probably the most important thing all farmers and indeed all agribusinesses must do, more now than ever before, is understand their cost base. Understand the cost of production and how that cost of production changes when key inputs change. In previous articles, when thinking about a farm's cost base, we have spoken at length about looking to control the controllable. Whilst appreciating that at present this will seem hard, if not impossible, it is more essential than ever that costs are properly understood.

Being flexible and being able to adapt is driven by the ability to reassess your cost of production on a continual basis when there is such turbulence in markets. That may sound like you are going to be desk bound, tapping away at your computer or your calculator on a continual basis and perhaps there is an element of truth there.

Take for example a conversation I recently had with an arable contractor farming a significant acreage of land.

We talked about the rising costs and having been informed that he had purchased 40,000 litres of fuel for £46,000 having bought similar the previous year for under half of that amount, we started talking about his contract costs for the 2023 harvest cycle.

After a few minutes, we reverted to talking about this year's harvest and of course he was feeling somewhat painful about the fact that his contract charge, set from the outset, was now not reflecting the true cost of his work and that, in fact, he was now looking down the barrel of losing up to £20 an acre for the work he was doing.

This may sound like a commercial risk, and indeed it is, but at the same time he is a good contractor.

He may pick up benefit from a profit share in some cases, but at the same time, in these extraordinary times, you would hope that the landowner and the contractor need to work together. Indeed, that is exactly what has happened.

The landowner contacted the contractor, spoke about the state of the crops as they currently sit in the ground, the crop selling policy and future crop prices and then agreed that the base contract costs should increase.

There is nothing contractual about the above and indeed the landowner might feel obliged, either directly or through their agent, to hold firm and force the contractor to stand by their costs.

However, on the other hand, looking to the longer term and assessing the viability of the relationship, the landowner reflected on the fact that these were extraordinary times and perhaps equally importantly the contractor also realised that his costs were changing - literally on a daily basis.

Perhaps the moral of this topical tale is to understand your costs on a live basis - be realistic and understand the best way forward.

Let us hope that the decision makers for the supermarkets and food processors adopt a similar approach to the landowner in the story in considering the long term.

If you are in the dairy sector, consider whether your milk contract is viable to continue with the same planned output, bearing in mind either the costs or indeed the availability of input. If not, it is more difficult to adapt in terms of reduced output and livestock numbers but on the other hand that may be one solution that you need to consider.

After all, if outputs drop generally then there is likely to be upward pressure on output prices with the distinct possibility that the total gross output for farms operating at a reduced activity continues to be the same. That reduced activity will deliver a reduced cost and with the same output at reduced costs, there is possibility that that will lead to increased profitability.

You can read all the articles and all the newsletters from here to kingdom come and with the way the world is at the moment, much of the content will soon be out of date. There will, however, be an underlying trend that continues and one of those will be the need to understand your business costs and to apply that to these exceptional times.

Our specialist team of rural accountants have extensive experience with all the issues farmers might come across with their finances. To get in touch, see page 15.

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New VAT penalty regime could hit farmers and food producers

From 1 January 2023, a new VAT penalty regime will be introduced affecting those businesses who fail to meet their obligations to submit VAT returns and other information requested by HM Revenue & Customs on time.

What is different about the new VAT penalty regime?

There will no longer be an automatic financial penalty, instead a points-based system will be used before a financial penalty is levied.

The difference being, under the current default surcharge system, the surcharge was based as a percentage of the VAT liability due in the late period and therefore a penalty was often not due for a repayment return being submitted late.

Because farmers and food producers are typically making supplies that are zero-rated for VAT purposes this will see the majority be in a situation to reclaim VAT.

Whilst most will submit their VAT returns on a timely basis (many will file monthly VAT returns in order to get VAT refunded as soon as possible and improve cashflow), there remains a significant minority who submit their VAT returns consistently late.

From 1 January 2023, those who typically claim repayments and do not submit their returns on time will now receive a penalty when the points threshold is breached.

How will the new late submission penalties work?

The new system will result in a two-step process for businesses who fail to submit their VAT returns on time:

1. *A business will receive a single point every time a submission deadline is missed and will be notified of this by HMRC*
2. *At a set threshold of points - four for quarterly returns and five for monthly returns - a financial penalty of £200 will be charged*

Points will expire after two years, however, not when a business is at the penalty threshold to ensure a period of compliance is met to reset the points.

How will the new late payment penalties work?

Farmers who have VAT to pay over on some returns, perhaps from the issue of contracting invoices or sale of machinery, also need to be aware of the new penalties. No penalty will be payable provided the VAT is paid within 15 days of the due date. From day 16, late payment penalties will be incurred in the following stages:

1. *The first penalty is set at 2% of the outstanding amount on day 15, if payment for the return is made between 16 days and 30 days after the due date*
2. *If there is any tax left unpaid 30 days after the due date of the VAT return, then the penalty will be set at 2% of the outstanding amount at day 15, plus 2% of the outstanding amount at day 30. In most instances this will amount to a 4% charge at day 30*
3. *A second late payment penalty is charged at a rate of 4% per annum, calculated daily on the total unpaid tax incurred from day 31*

To avoid a penalty, businesses will need to either pay the VAT due or approach HMRC to agree a time to pay arrangement. Businesses that sometimes submit late returns, perhaps at busy times of the year, need to be aware of the new rules to ensure they don't receive a financial penalty.

The only defence against a penalty is to provide a 'reasonable excuse' for missing the deadline, although factors short of a force majeure are rarely accepted by HMRC. Perhaps for the smaller businesses it is worth considering the annual accounting scheme for VAT which could make your life a little easier.

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Get to know the agricultural team

Meet Dawn Peattie

Why did you choose accountancy?

I never have a good answer for this one! I studied Equine Sports Science at Hartpury College and in my last semester. We had a recruitment talk from a manager at an accountancy firm. The manager explained that she became an accountant to pay for her horses - and here we are.

When and why did you join PKF Francis Clark?

I joined the Salisbury office in May 2015 after gaining my chartered accountant (ACA) qualification at another firm.

The main driver that attracted me to the firm was the holistic approach to client service and as a result the opportunity to become that elusive trusted adviser. This led me to gain my Chartered Tax Advisor CTA qualification and continually build and develop my experience.

Where does your interest in the rural sector come from?

I grew up on the outskirts of a town in Cheshire and from an early age had an interest in horses. This 'phase' as my parents called it is still ongoing! I have always spent my free time enjoying outdoor pursuits, so finding a role where I could combine the two has been perfect. I have a keen interest in sustainable agriculture and the opportunities available for both farmers and landowners.

Due to this interest, I took on the role of Chairperson of the Rural Accountants Group (RAG). RAG is a group of 10 firms of accountants across the UK that specialise in advising agriculture and landed estate clients. We meet twice a year to discuss topical matters as well as having sessions with other professionals in the same sector. In March, we had presentations from lawyers and land agents in relation to proprietary estoppel cases, nutrient neutrality projects and achieving net zero. The involvement in RAG ensures I am up to date with the industry leading to useful conversations with clients where I can share knowledge and ideas.

Tell us a bit more about your role at PKF Francis Clark

Working closely with Nick Gooch, an experienced partner in the Salisbury office, I help rural clients with their compliance matters, annual accounts and tax returns. On top of this, I advise families on succession plans, building robust cashflow forecasts to support decision making (and loan applications), one-off project work as well as attending trustee meetings when required.

My favourite part of the role is meeting clients (now) face-to-face and really understanding their aspirations for the future - whilst working out the best way of achieving them. Fundamentally we are a people-based business and forming great relationships with both clients and colleagues is really important to me.

What do you do in your spare time?

My time is mostly occupied with my three horses (two retired after very competitive careers and one ridden who is not very talented!) and two boisterous puppies - a labrador and a cocker spaniel (Crunchie and Rolo - yes, a chocolate theme!) We are now embarking on gundog training which is filling every second of spare time!

Specialist, straight talking, friendly advice

only a PHONE CALL away

Farmers and agricultural businesses often have long standing relationships with their accountants but, with so many changes currently affecting agriculture, those same farmers are increasingly concerned that they are missing opportunities or may not be getting the best advice. They may also be concerned that their affairs have become far more complicated than in the past, with the value of assets having increased considerably and new income streams developed.

At PKF Francis Clark, our specialist rural and landed estates team are often asked to start by giving a review of farming families' tax affairs and to come in and talk about specific other aspects that may be of concern.

You may be concerned about your wills and inheritance tax, paying too much tax on profits, how you fund a new investment either in the farm or diversification, or how you treat the family fairly when it comes to structuring or passing on your assets.

We can also work with our financial planning colleagues to provide advice on later life care and planning for retirement. We often find our farming and land-owning clients gain considerable comfort from solutions that they may not have thought were possible.

We are always happy to come out and meet you without cost or indeed obligation and whilst we cannot give advice unless formally appointed, we are very happy to talk through areas where we help many of our existing farming business and explore where we can help you, your family and your business.

We are only a telephone call away, so if you would like an informal meeting, in confidence, call your local rural specialists.

Get in touch with our dedicated agricultural team

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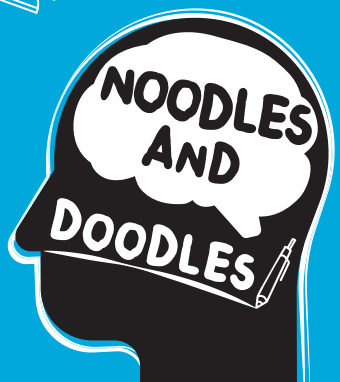
Listen to our podcast

Business Noodles and Doodles

Where we talk to business leaders around the region



PKF FRANCIS CLARK
Shared Ambition

We are more than just accountants

Many of our team have a farming family background, meaning we are more than just accountants. We understand the challenges the rural sector is facing, and we use our knowledge and sector expertise to deliver support and advice to our clients.

Despite our team being in various locations across the region, we share the same ambition. To deliver up to date expertise and put our clients first. We understand the importance of detailed understanding the farming industry that stretches beyond tax and accounts. We pride ourselves in talking your language and that is why we regularly host seminars from The Andersons Centre where we learn about the latest issues and trends in the rural sector.

As our rural team continues to grow, we also use these seminars as an opportunity for the whole team to get together in person to continue building on collaborative working across the region.

Recently, we combined a very interesting seminar from Graham Redman with a day out at Sheppy's Cider, a family-run farm producing award-winning cider in Somerset. The team enjoyed a tour around the facilities and understand the whole process of cider making. This provided a great opportunity for team building… especially with cider tasting afterwards!

If you feel you are not receiving advice relating to your farming or agribusiness, particularly at this challenging time, please do get in touch with a member of our team.

Bristol	Exeter	Plymouth	Poole	Salisbury	Taunton	Torquay	Truro
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