

The UK Group

Acorn Financial



Winter 2006 / 2007

Understanding the needs of our customers for over 20 years.

Happy New Year

During the last two years the UK Group of Companies has expanded considerably into the realms of commercial finance, moved to prestigious new offices just off Junction 22 of the M5, and opened offices in Scotland and North Wales.

Whilst we have expanded our sales team, the basic elements that led to the growth of our business, particularly on the agricultural front, have been retained. A personal visit is made by a decision maker within the company to the farm on a confidential and no up-front fee basis. This is appreciated by the farming community as it is often regarded as a return to the old fashioned type of banking relationship that used to be the accepted pattern with local managers, that has now all too regularly, fallen away.

We can offer the experience of many years farming through Des Phillips, the founder and chairman of the company and John Ledbury who has worked with him for the last six years, having previously spent a career in finance closely allied to the agricultural world. Our commercial expertise is enhanced by David Williams who joined us from a high street bank where he held a senior position. For more information please see our **NEW** website www.ukgroupcompanies.com.

For
**FREE financial
advice or home visit,**
please
call
0800 345 7201

Finance Matters to the UK Group of companies

We now have our own unique bridging facility enabling us to tailor packages to meet all requirements. Combine our experience with agriculture, commercial business and banking, UK provides a quick, innovative and efficient solution to the majority of financial problems.

UK provides:

- Fast response to anywhere throughout the UK within a 48 hour period at no cost
- Tailor made solutions to every type of client
- We have our own lending facility
- Old fashioned relationship banking
- Our own underwriting service providing fast completions.
- Best case scenario is 5 days from enquiry to completion.



Looking at the year ahead

AS 2007 begins, all of us involved in rural business and agriculture, nearly 80% of farmers, have diversified in one way or other. Below we look at how our industry stands.

Dairying remains the 'Cinderella' business with a further decline of 1p a litre on last year and 6.5% more producers leaving the industry. Has 12 o'clock struck and should we despair, or is it a time to think that with dwindling supplies – lowest this millennium so far – and a constant demand for liquid milk, with best prices being at least 2p better than the worst, there are sufficient grounds for dedicated producers to expand and ride out these temporary hard times.

The Beef and sheep industry hasn't been so buoyant for some time... producers still need more for their produce. It has been calculated that the unit cost of unpaid labour that produces the nation's meat is worth £11.18 per hour. Wouldn't it be the perfect if this comes to be reflected in this years.

Who would ever have thought grain prices would have been so high.... and potato prices likely to rise by 40%.

While the industry might be said to be in improving shape, no one can afford to take their foot off the

pedal.... Income is still too low. Now is the time to seek out further opportunities – use the strong asset base of your farm – to develop further income streams.

We at UK, are better equipped than ever to help you to unlock your earning power. We are able to offer a unique service to the industry and would be pleased to discuss all your financial needs and help you to take your business forward in 2007.

What should we wish for our ugly sisters? - DEFRA and the RPA, and not to forget its chief executive still out at grass on full pay..... 6 months in Helm and province, a year with no pay, or a fundamental makeover with an end to the misery they have created for so many.





For info email: enquiries@ukgroupcompanies.com

Specialist Advice

HM Revenue and Customs continue to attack Inheritance Tax relief on farmhouses. The attack is focused on 'lifestyle farmers' but also affects 'traditional farmers'.



The Revenue have won two cases recently which restricts the amount of relief. In the first case the relief available was restricted to the agricultural value of the farmhouse. This was 30% less than the market value and resulted in a significant amount of additional tax. The second case related to a contract farmer who took no active involvement in the farm enterprise. The Revenue successfully argued that the farmhouse was not agricultural property and no inheritance tax relief was available at all.

All farmers should review their operations to make sure that they still comply with the relevant conditions as the relief is too valuable to lose. Specialist advice should always be taken in this area.



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How much is YOUR land worth?

LAND VALUES are the real mover in the rural property market at the moment. A recent Farmland Value Survey shows that the average value for all types of farmland across Great Britain increased by 12.3% during 2005. Reports on land transaction throughout 2006 indicate that land prices have continued to increase and that land is currently in hot demand.

The influence of the residential purchaser and lifestyle buyer has had an enormous impact on the rural property market which is now spilling over to the agricultural land market.

Land is a finite resource, with 75,000 acres being lost from agriculture each year as a result of urbanisation, forestry and leisure. Consequently there is a decreasing amount of land available and a decline in the volume of land traded, land is in short supply. Whilst the pressure to build new houses and the residential market remains strong, more land will continue to go for development, decreasing the actual amount of available agricultural land in England.

The highest values are for smaller plots of land where values reach over £20,000 per acre in desirable locations. Larger blocks of good agricultural land, can fetch between £4000 - £5000 an acre. With the Common Agricultural Policy reforms now in place and the agricultural commodity market improving, there is renewed optimism in the agricultural sector and consequently increasing demand for all types of land in the agricultural land market.

For many farmers, the land itself has often been an overlooked asset with the focus on barns for conversion or surplus residential properties. Now is a good time to have a reappraisal of what you have got.

Sarah Woollacott is based in the Taunton Office of Carver Knowles, which is a firm of Chartered Surveyors, Land Agents, Valuers and Estate Agents with other regional offices in Gloucestershire, Somerset and Worcestershire.

By Sarah Woollacott,
 MRICS. Carver Knowles
www.carverknowles.co.uk



Questions & Answers

- Q:** How much will you charge me to arrange a bridging loan?
A: There are NO up front fees.
- Q:** How quickly can I have the money in my bank account?
A: With some cases, we are able to have the funds in your account within two days.
- Q:** I have a really bad credit rating but need to borrow some money quickly, can you help?
A: This is not a problem at all as we specialise in people with adverse credit.
- Q:** I don't have the time to go and see anyone, or fill in lots of paperwork. Is there a way around this?
A: Yes! We do FREE home visits & keep the paperwork to an absolute minimum to make it as easy as possible for you.

All cases considered
 Completion in days available
 • The best rates • Principal lenders
 in-house underwriters • Decision in minutes...

Need Commercial Finance?

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Part of the UK Group

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 • In-house bridging finance
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