
A Business at the Farm.

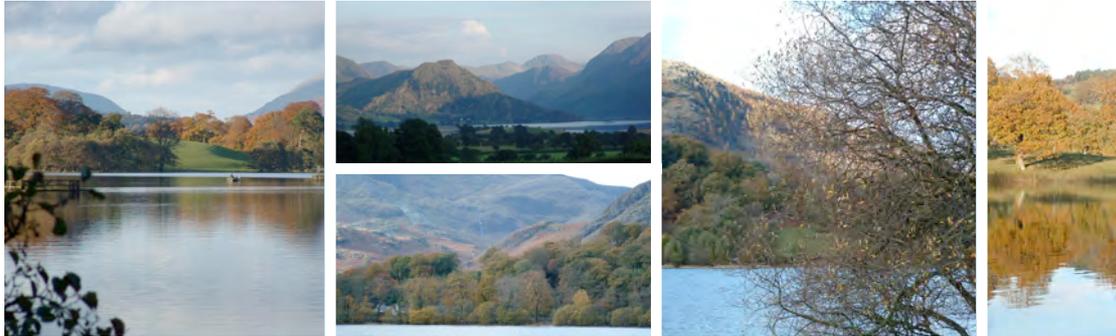
Something old, something new, something borrowed, or something slightly different!

A family business or a business for the family? A resource for business students.



Introduction

or what you should read before you start!



A bit of what you can see in the lake District

A Business at the Farm lets you find out what it could be like to manage a farming business within the Lake District. You will be faced with real-life choices and challenges that could lead to the business being a success or dumped on the compost heap.

Although the farm and characters are fictitious, the situations you'll find yourself in are all too real for farming today. You will be presented with the background to 'Langstance Farm', where the owners have decided to retire and want their daughter and son-in-law to take over the running of the farm. Uncertain about making a living from farming, the daughter and her husband choose to explore several different options before making a decision about their future.

So, it's up to you! You will look at the different options, choose to explore one in detail and prepare a business plan to present to a panel of experts who will tell you whether your plan has a future or you should stick to mucking out the pigs!

Acknowledgments



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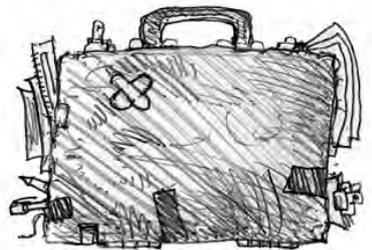
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What to do...



You will need to read through the material carefully. Firstly, you should read the background information to 'Langstance Farm' and make sure that you appreciate the family's reasons for wanting to consider all the possible options before deciding on the future of the farm.

Secondly, you will have lots of information about the Lake District, including the economic, social and environmental profile of the area. This will include details about the types of businesses in the region, tourism, population and some of the problems that affect any potential enterprise. All of the data is derived from UK Government statistics, with all costs and revenue reflecting current market figures (see chapter 8).

Thirdly, you will have a series of 'Briefing sheets', detailing possible business ventures for the farm.

You should read through each of these briefing sheets and choose ONE to investigate in detail. Finally, you will prepare a business plan for your chosen venture, including a complete analysis of the potential market, consumer trends, start-up and running costs, and projected profits. The business plan will then be presented to an invited audience. Advice and guidance on preparing the business plan, including a suggested layout, is found in chapter 6

So, enjoy the experience and may the best plan avoid the compost heap.



Chapter 1

MEET THE FAMILY...



Ma and Pa

Arthur and Maude Biggins have owned Langstance Farm ever since they moved to the Lake District after marrying forty-seven years ago. They have seen many changes in agriculture and particularly the impact of tourism on the landscape. Although Arthur acknowledges the importance of tourism to the local economy, he is increasingly concerned about the problems of erosion and traffic congestion during the holiday periods. Arthur is a prominent local councillor and member of the planning committee responsible for industrial sites and business complexes. Both he and Maude are active within the community with Arthur acting as chairman of the Cumbria Chamber of Commerce and Industry, while Maude is often busy helping to organise a variety of charity events throughout the year.



The outbreak of BSE and Foot & Mouth have seriously affected Langstance Farm, with many of their animals being culled and income restricted to a limited amount of wheat and barley grown in the top fields. After celebrating his sixty-fifth birthday, Arthur announced that he wanted to retire from farming to concentrate on his committee work. Maude fully supports his decision and they have asked Sharon, their daughter and her husband Derek to consider taking over the farm.

The Kids



Sharon is currently working in a local building society, while Derek works as an environmental officer for the National Parks. They have two small children, Sean who is six and Amanda aged three. Both children attend the local nursery and Primary school and Sharon and Derek are keen supporters of the school.



For quite a while, Sharon has felt she needed a change of career but was unsure what sort of job or career to consider. Derek, meanwhile, is quite content with his job and enjoys the variety provided by his work. Their current jobs involve dealing with the public on a daily basis, which they both enjoy. Derek tends to meet with a lot of tourists and is often involved in presenting talks to schools, local businesses and conservation groups. He particularly likes working outdoors and would find it really difficult to be in a routine, office-based job. Sharon prefers to know what each working day involves and doesn't mind repetitive jobs. She is extremely good at working with finance and is studying to be a qualified accountant.

The Grand Kids

Their children, Sean and Amanda, spend a lot of time with their grandparents at Langstance Farm, especially during school holidays. They both enjoy playing outside and joining their grandfather on trips to the market or farm auctions. The children are very excited about the idea of living on the farm and don't quite understand why their parents aren't as excited as they are.



Derek and Sharon consider it important to involve the children in their decision and want to be confident that whatever they decide to do concerning the farm meets with everyone's approval.

To explore all the options open to them, Derek and Sharon decide to in-

vestigate several potential business opportunities for the farm. They all agree that the final option will be presented to their bank manager and representatives of the Rural Business Centre, Ruralnet and Small Business Service.

The Future

Since deciding to retire from farming, Arthur has received a lot of interest from different organisations who would like to develop the land belonging to the farm for commercial and light industrial use. Although Arthur hadn't mentioned the interest to anyone outside of the family, the local newspaper had run a story suggesting that Langstance Farm might become an industrial estate or business park. The article resulted in widespread criticism and speculation that traffic congestion would increase, local businesses would suffer from increased competition and that the majority of employment would be for people outside of the area.

Arthur wrote a strongly worded letter to the paper and tried to dispel the rumours at a local council meeting. Unfortunately, it was all too late, even though the newspaper had printed an apology concerning its article about Langstance Farm, the rumours continued to spread and become exaggerated with the latest 'story' suggesting that the farm was to become a golf course.

The golf course idea had been welcomed by some local business people who thought the area needed a slightly more 'up market' facility to attract a broad range of people to the area and generate income. Arthur was fu-

rious with the rumour and reacted angrily to the latest phone call regarding the 'proposed' golf course, by throwing the phone out of the window. Maude had shrugged her shoulders at his display of anger and considered herself lucky that Sharon had bought her a mobile phone at Christmas.

It was all proving too much for Arthur who called for a family meeting over Sunday tea to discuss the situation.

After picking the remaining crumbs of Maude's fruit cake from his plate, Arthur said that it was time for Derek and Sharon to make their mind up about the farm and what they intended to do with it. Quietly sipping her cup of tea, Maude commented that perhaps the golf course idea wasn't such a bad one after all! Concerned that her father was about to throw something else out of the window, Sharon told her parents that she and Derek were exploring several ideas and would produce a draft business plan as soon as they had decided on the most suitable enterprise for the farm. Arthur cut himself another wedge of fruit cake and growled 'About time too!'

Chapter 2

THE FARM...

The background

Langstance Farm dates back to the Seventeenth Century and is series of traditional stone buildings set along the shore line of Esthwaite Water. The farm is located just south of Hawshead village and comprises a mixture of woodland, grassland, marshland, pasture for cows and sheep and several small areas of bracken on the steeper hillside behind the farm. The farm is situated within the Lake District National Park, which was created in 1951 and is the largest at 885 square miles. ¹



Fig 1 Location of Langstance Farm

¹ The National Park is looked after by the Lake District Special Planning Board, which protects the area for both farmers and tourists. It doesn't own the land (the National Trust is the single largest landowner) but has control over planning and development.

The Foreground

Most of the farm buildings date from between the seventeenth and early nineteenth century, with the recent addition of a large cow shed. The farmhouse has a large kitchen, an old storage room that has been converted to a utility room, two large rooms with open fires, a dining room, a breakfast room and two smaller rooms which are used as a study and small library.

Upstairs, the farmhouse has five bedrooms and two bathrooms with a further two rooms filled with the clutter of forty-seven years of marriage. Immediately behind the farmhouse lies an old barn which hasn't been used for several years. In front of the farmhouse there is an old garage building,



Fig 2 Langstance Farm.

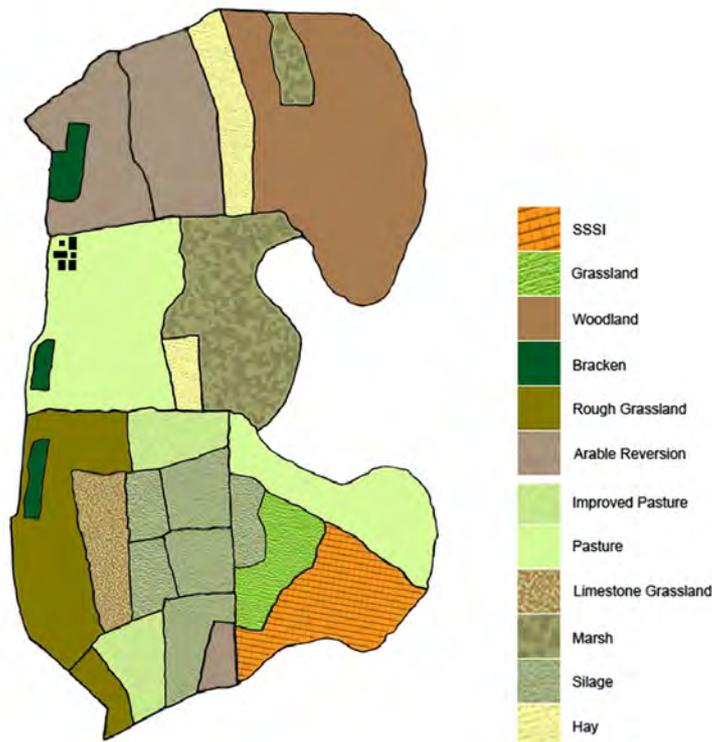
which is now used for storing odd bits of machinery, fencing materials and other assorted bits and pieces. Behind the farmhouse, there is an old stable block, which is used for fattening lambs and housing ewes in winter, a hay storage barn, a calf shed and the recently built cow shed.

The Whereabouts

The farm covers 350ha, with an area of SSSI (Sites of Special Scientific Interest), at the southern end of the farm adjacent to Esthwaite Water.

You can see the precise location of the farm in figure 1. You will see that

Langstance Farm has forest for commercial and recreational use to the west, a major tourist area to the north, Esthwaite Water, to the east, which has a commercial trout farm and is a popular lake for anglers.



Within the farm boundaries, the pattern of land use is fairly typical for a farm of this size within the Lake District. You can see the various types of land use in figure 3.

Fig. 3 Pattern of land use at Langstance Farm.

A large proportion of the farm land is used as pasture for the cattle and sheep. Some of the land acts primarily as fodder for use during the winter period, while the sheep like to wander in the marsh and bracken areas, the areas are of little commercial value. The woodland areas are a useful source of fuel for the farmhouse and an area where the chickens are allowed to roam freely. One particular part of the farm is an important conservation area. This 'Site of Special Scientific interest (SSSi)', contains a col-

lection of rare mosses and is the nesting site for the rare bittern, a bird that prefers the reeds along the edge of Esthwaite Water.

The majority of the farm's income is derived from cattle and sheep. After the problems of BSE, Arthur chose to re-establish his herd with Aberdeen Angus cattle, which has proven to be a profitable move with the local market and consumers. The sheep are mainly 'Herdwick', made popular by the author and later lady farmer: Beatrix Potter. The wool from the sheep is being sold for use in axminster broadloom carpets, which contain a high percentage of Herdwick wool, and is becoming a valuable source of income for the farm. The breed is also becoming a popular source of meat, again boosting income for Langstance Farm.

There are also a large number of chickens at the farm, kept mainly for the production of free-range eggs. Maude is particularly keen on the chickens and keeps three main breeds: Welsummer, Leghorn and Barneveider. The free-range eggs are sold at farmers' markets and the local supermarket, while the chickens are popular with the local primary school children who come to the farm on organised visits from the school. Although egg production is sometimes erratic, the income from egg sales is a welcome addition to the farm's finances.

The Problems.

Similar to many farmers, Arthur and Maude Biggins have found it increasingly difficult to make a profit out of farming. The tables below give an indication of the various costs and income generated from the farm.

Table 1

Beef Cattle		£ per head
Sale (including subsidy)	14-16 months old	596
less purchases		-129
	sub total	467
OUTPUT		
	feed & straw	104
	vet & medication	10
	forage & sundries	53
Variable Costs		167
Gross Margin		300

Table 2.

Dairy Cows-Jersey		£ per cow
Milk	4,550 litres @ 21.5p	978
Calf value	allowing for losses	12
less depreciation		51
		939
OUTPUT	Concentrates/feed	198
	Vet & medication	36
	Bedding & sundries	59
Variable Costs		293
Gross margin		646

Table 3.

Sheep		£ per sheep
Lambs	finished weight	21.45
Wool		1.25
ewe premium *		12.35
less depreciation	ewe and ram charge	23.66
OUTPUT	Variable sundries	5.20
	Concentrates	4.55
	Vet & medicine	3.05
Variable costs		12.80
Gross margin		10.86

* ewe premium is a deficiency payment between market prices and price set by the EU.

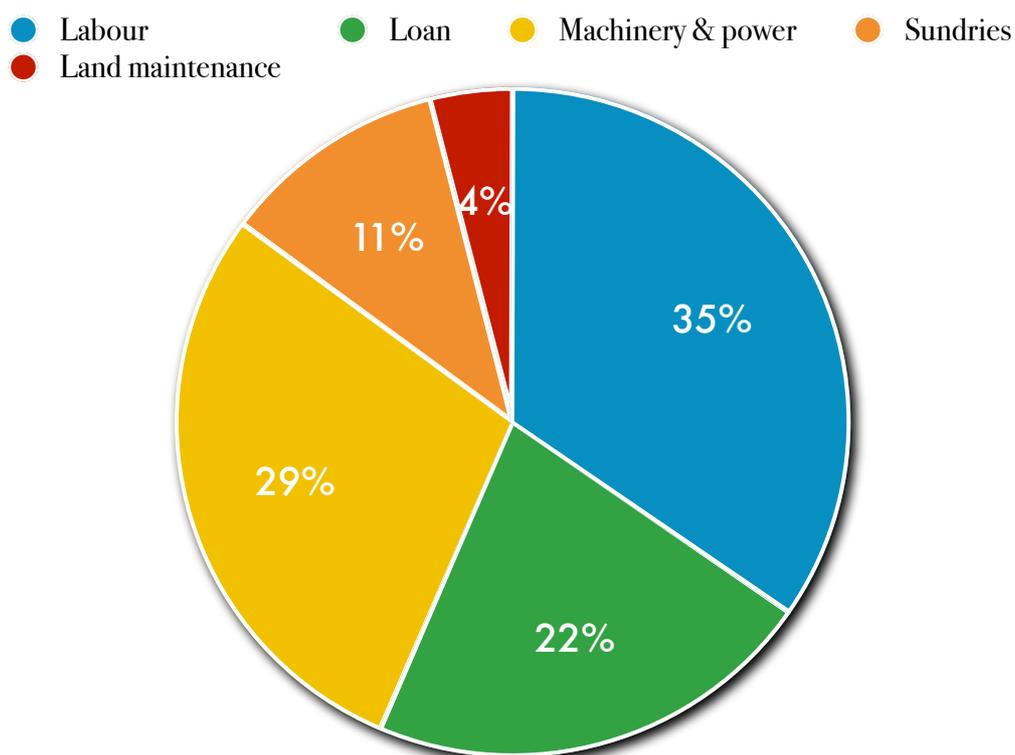
Table 4.

Chicken	free-range eggs	£ per hen
Eggs	65p per dozen	15.93
less bird depreciation		2.29
pullet mortality	8% of pullet cost	0.19
		13.45
OUTPUT		
Concentrates	49kg @ 12.8p/kg	6.27
Heat & electricity		0.32
Variable sundries	excluding labour	0.24
Variable costs		6.83
Gross margin		6.62

The total number of animals at Langstance farm:

<i>Dairy cattle-Jersey</i>	120
<i>Beef Cattle-Aberdeen Angus</i>	40
<i>Sheep-Herdwick</i>	260
<i>Chickens (all breeds)</i>	112

Fig 3. farm costs (excluding livestock costs).



Arthur and Maude are increasingly concerned about the size of the loan outstanding on the farm. The initial loan was for the purchase of a second-hand tractor and a two-year old Landrover for general use. Unfortunately, the impact of BSE and Foot & Mouth resulted in an additional loan to keep

the farm going. Although Langstance Farm received a substantial amount of compensation from the Government, the delay in payment, combined with increased interest payments on the loan, and continued maintenance of the farm and vehicles had seriously affected the cash flow. The compensation had allowed Arthur to purchase replacement livestock after the Foot & Mouth outbreak, but the length of time between purchasing the animals, feeding, preparing and selling them at the market was a long time without any substantial income.

The Costs

Arthur had recently prepared some costs for his accountant, which included the average annual spend per hectare of land.

Table 5. Whole farm costs.

	£ per hectare
Unpaid (family) labour	210
Paid labour	35
Casual labour	10
TOTAL LABOUR =	255
Depreciation	55
Repairs, Tax, Insurance	30
Fuel & Electricity	25
General contract (machine hire)	25
TOTAL Machinery & Power =	135
Loan & rates	110
Land maintenance	15
Fixed cost sundries	55
TOTAL FIXED COSTS =	570

Arthur has made all of the farm's accounts available to Derek and Sharon, hoping that they can identify where changes can be made and how Langstance Farm can be developed for the future.

Although they are aware of Arthur's desire for the farm to continue as a working enterprise, Derek and Sharon are uncertain about maintaining the farm in its current format, given that the agricultural market is unpredictable and its future is unclear. However, with the farm's accounts, they can compare other ideas and possible enterprises against the current income and expenditure of Langstance Farm.

Chapter 3

A BACKGROUND TO THE LAKE DISTRICT...



A view towards Crummock water.

The Lake District

Located in the north-west of England, within the county of Cumbria, the region has a diverse range of landscapes from upland fells to the rolling plains extending to the fringes of Greater Manchester and Merseyside. This diversity is reflected in the pattern of agriculture, ranging from dairy farms through arable and horticulture to sheep and beef farming. The impact of foot and mouth disease in 2001, had an extensive effect on the region, which spread beyond farming. The outbreak highlighted the inter-relationship between agriculture, tourism and the provision of local services to rural areas. The need to broaden the economic base of the region's rural economy was emphasised dramatically.

As with many rural communities, there exist many environmental, social and economic problems that affect the lake District.

ENVIRONMENTAL PROFILE

Almost thirty-percent of the Lake District is designated as National Park or Area of Outstanding Natural Beauty (AONB). The region also contains:

- Over 1000 km of coastline, including several major estuaries and sea ports*
- More than 80% of the coast is designated for its wildlife importance*
- There are 10, 707 hectares of lakes and areas of open water*
- Over 24,000 km of dry-stone walls*
- Over 20,000 hectares of land in the Countryside Stewardship scheme*
- There are 31 out of 37 UK Broad Biodiversity Action Plan habitats*
- Top quality agricultural land (grades 1 & 2) cover seven per cent of the region*
- 42 per cent is poor agricultural land (grades 3 & 4)*
- Less than 0.5 per cent is used to produce organic food*

SOCIAL PROFILE

The population of the North-West is declining largely due to people moving out of the region. However, the rural areas experienced a population increase as a result of people purchasing second homes, retirement or those in higher-earning occupations able to commute. Those who leave the region are mainly young people looking for employment, training or affordable housing. Although house prices are significantly lower in the North-West than England as a whole, they are over 50% higher in the rural areas than urban. As a result, residents on low incomes or newly forming households are looking to move out of the region.

Some of the difficulties experienced are:

- that over 70% of rural households spend over a third of their income on housing compared to 30% in urban households
- that 6.8% of households (8,600) live over 8 km from a bank or building society and 7.2% (9,000) of households live over 8 km from a petrol station
- that almost 10% of households have to travel more than 8 km to a surgery
- that over 25% of all settlements have no surgery and have to travel more than 12 km to a hospital
- that 31% of households do not own a car and expenditure on motoring for those with transport is 35% higher than urban households

ECONOMIC PROFILE

Almost ninety-percent of firms within the lake District employ fewer than ten staff, with manufacturing, wholesale and retail trades having the highest number of employees. The majority of firms serve the local market, with over 74% selling the largest proportion of their supplies, goods and services within Cumbria as a whole. About twenty percent of employers state that a large proportion of their jobs are dependent upon tourism, which highlights the inter-relationships between the environmental, social and economic factors within the Lake District.

Recruiting suitable employees is acknowledged as particularly difficult for the hotel and catering industry, community and personal services and manufacturing, with over 50% of employers reporting problems. A significant factor appears to be high housing costs combined with lower-paid jobs, including jobs connected with tourism.

Apart from low-paid jobs within agriculture and tourism, employment opportunities are fairly limited, particularly within the more isolated rural areas.

- *The service sector is the biggest employer with over 310,000 jobs*
- *Growth is highest in transport, communications, hotels, catering and business services*
- *Agriculture employs less than 40,000 people*
- *Agriculture still takes place on 80% of the region's land*
- *Almost 750,000 people work in rural offices, schools, shops, factories and workshops*

Although agriculture contributes less than one percent to the region's gross domestic product (GDP), it has a vital role to play in helping to sustain and create employment within the region. Agriculture provides a range of non-market benefits in maintaining landscape features, allowing access, contributing to bio-diversity and promoting heritage for the region. Altogether, this promotes tourism, contributes to the quality of life for local people and is a prime attraction to relocating businesses, individuals and families.

CLOSER TO HOME

Well, nearer to the farm anyway.

Hawkshead village lies between the lakes of Windermere and Coniston, in the Vale of Esthwaite and just to the north of Grisedale Forest. Originally a small settlement built by a viking immigrant named 'Haukr', the village developed into an important wool market with trade controlled by the monks of Furness Abbey. With most of the buildings dating from between the fif-

teenth and seventeenth centuries, Hawkshead has become a major tourist attraction and central place for visitors to explore the surrounding countryside.

Visitors to Hawkshead have a wide range of activities to experience. To the west lies Grisedale Visitor Centre, with trails and orienteering and, a little further again to the west is Coniston, whose lake is popular for all forms of sailing. North-west of Hawkshead is Tarn Hows, owned by the National Trust, it has become a favourite walking destination for people of all abilities.

Immediately to the north is Ambleside, which is a major centre for climbing and walking amongst the surrounding fells. Over to the east lies Windermere, a major tourist attraction with the added bonus of having a railway station. Windermere is almost a 'one stop' holiday resort combining the feel of a seaside resort with all the amenities and that of a gateway to some of the most attractive scenery within the Lake District. South-east of Hawkshead, lies 'Hilltop', once home to Beatrix Potter, author of Peter Rabbit and numerous books for children. The house is now owned by the National Trust and is a major tourist attraction for visitors from all over the world.

Chapter 4

THE CASE STUDIES...

The following case-studies are intended to be used as suggestions. Each case-study is based upon actual examples of the various ways in which farms have diversified their activities. The figures quoted are realistic and reflect the market for 2006.

The resource assumes that each student has a basic understanding of business objectives, marketing and finance.

How to use:

1. The virtually painless method.

The simplest way to use the case-studies is to allocate one day for the activities. The day may begin with a short briefing session and then all the information is distributed amongst the student groups. Have a detailed break-down of the activities for the day with appropriate timings shown. The day should end with each group giving a presentation of their suggested scheme for the farm.

There is sufficient information contained within the resource to allow each student group to create a realistic presentation. Any additional information is easily located using the Internet.

The main preparation for the activity day will be to ensure that sufficient resources are available for each group to complete their presentation.

A suggested time-table for the day may look something like this:

- 9.00 Briefing and distribution of materials.*
- 9.15 Groups to read through the information and make notes relating to additional information, resources or ideas.*
- 9.45 Groups begin to assess the case-studies and choose one enterprise for their presentation.*
- 10.30 A much needed coffee-break.*
- 10.45 Work continues on collecting and collating the information.*
- 12.30 A short de-brief and response to questions.*
- 12.45 Food!*
- 13.30 Prepare the presentations!*
- 15.30 Presentations to a selected audience.*
- 16.30 Presentations completed and the day ends with a final de-brief.*
- 16.35 Retire to a darkened room with large amounts of caffeine (the students can go home!).*

2. The almost painless method.

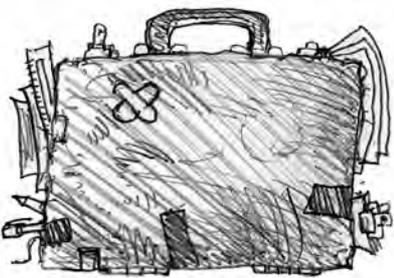
The format can remain the same as for section 1. However, it might be more informative and interesting to provide a short period of preparation and research prior to the activity day. This 'preparation' time can be organised to be accommodated within existing teaching periods or distributed amongst the student groups as a form of 'homework'. The schedule for the actual day can remain the same as for section 1.

3. The 'no pain, no gain' method.

The resource can be utilised as part of a long-term business project and conclude with an activity day as described above. The resource can be used in conjunction with a scheme-of-work that follows the business syllabus and deals with the issues raised within the resource.

This method allows for a more detailed analysis of the issues facing the agricultural industry. It provides an excellent opportunity for an evaluation of the various diversification processes that have been attempted, with the student groups suggesting alternative strategies based upon their research.

The use of the resource as a long-term project does allow it to be used as part of the overall assessment process. However, if the project is time-tabled over too long a period of time, there may be some loss of enthusiasm for the project with the resulting presentations not reflecting the actual ability of the student groups.



Case Study 1

Riding Centre & Livery Enterprise.

OVERVIEW

The equestrian industry is now one of the largest employers in the rural economy and is continuing to grow. There are almost a million horses and ponies in the UK with over two million riders, with almost a third of these aged 15 or under.

The UK has over 3000 riding and trekking centres offering a range of services with individual and group riding lessons worth almost £500 million each year. Apart from lessons, the centres offers a range of livery services from the full works (including stabling, grooming, feeding and exercising) to the basic stabling and grazing.

There is the potential to develop the enterprise to include the sale of feed-stuff, equipment and training books and DVD's, as well as hosting horse shows, hiring out the centre for special functions, rallies and cross-country trials.

A MARKET?

More and more people are being attracted to all things to do with horses. 'Horseculture', as it has been called, is becoming increasingly popular with lots of people getting interested in learning to ride a horse, keeping horses and all sorts of equestrian related pursuits.



The location of the centre is extremely important. Although most people are prepared to travel for riding lessons and stabling, it is helpful if the centre is fairly close to towns and easy to find (in other words, it's sort of close to a main road and you don't need a map and GPS/SATNAV to get there...although it might help!).

If the riding centre has undercover or all-weather facilities, then this will increase its attraction to people who would like to ride in the evenings and/or prefer not to get too wet or suffer from frostbite while learning to ride.

SETTING IT UP

Capital Costs: Assuming that the current outbuildings will be converted into stabling, constructions costs, including tack and feed rooms, water pipes and horse troughs, will be in the region of £20,000.

A covered shed or all-weather facility will cost approximately £140 - £180 per sq metre.

A pony will cost approximately £1000 - £1800, with a smaller pony costing between £600 - £800.

A car park will cost around £8 per sq metre.

Field fencing and improvements to existing fencing will cost approximately £7.50 per metre.

Running Costs: Feed and concentrates up to £12 per week per horse. Grazing will cost £25 - £40 per year/horse.

Bedding is around £5 per week/horse.

Sundries/Maintenance will be £6 per week/horse, with vet's bills and medication averaging £90 - £100 per year/horse.



Labour/wages, based on the minimum wage, will be £5.05 per hour (October 2005).

A Farrier charges around £40 for each pair of horse shoes (estimate two pairs of shoes per year/horse).

Advertising will be approximately £1000 per year.

INCOME

Full livery, including stabling, food, grooming and exercise will be £40 - £75 per week/horse.

Hire of the centre will be £12 - £20 per hour.

Car parking (this could be included in the cost of riding lessons or charged separately), £0.50 per hour or a single fee of £2.50.

Riding lessons: £20 per hour: private or £12 per hour with a group.

Trekking: £15 per hour or £8 per half hour.

Sales of merchandise eg. books, DVD's, equipment and feedstuff will be variable depending upon the popularity of the centre and experience of the riders. An average income could be calculated based on the number of horses at the centre and the number of lessons provided each week (don't forget to deduct the actual cost of the merchandise from your average).

The trekking season lasts for 16 - 25 weeks.



THINGS TO CONSIDER

- *It may take a long time for the centre to become well known. Sales of lessons and equestrian related items will increase as the reputation of the centre improves and the general public appreciate what the centre has to offer. As a result, the first six months of trading may not be too profitable.*
- *You must have a good understanding of accounts and how to keep an accurate record of all your income and expenditure. If you haven't got the necessary skills then you will either have to take a business course or use an accountant. The cost of a business course or using an accountant will need to be reflected in your costs for the business.*
- *Customers can sometimes be difficult to deal with. You will need to make sure that all your terms and conditions relating to sales of equipment, riding lessons and trekking are clearly displayed. You will also need to find out what health and safety procedures and insurance requirements are necessary for the centre. These too will be added costs for the business.*
- *To convert the existing buildings into stables, tack room, shop and prepare a car park will take time. You will need to find out how long it might take to complete all of the building work as the centre will not be earning anything during this time.*

FURTHER HELP

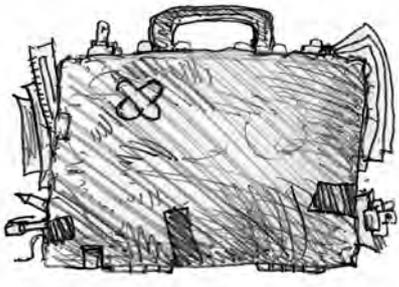
You can find more information from:

British Horse Society www.bhs.org.uk

Equestrian book shop www.britishhorse.com

Equine Affairs www.equineaffairs.com





Case Study 2

The Worm Farm.

OVERVIEW

Believe it or not, worms can be valuable! The common garden worm is the brandling, which is really useful in the production of compost. The worm digests organic waste material to produce a nutrient rich compost used to fertilise plants and seedlings. Worms are extremely beneficial in the recycling of domestic, horticultural and equestrian waste. They can be used to help improve the soil or in land reclamation.

*The worm is also useful to anglers as an alternative bait to maggots. Both the large *Dendrobaena* and the smaller red *Rubbellus Terrestris* are very popular with anglers.*

Even the worm castings (soil) have a use as a natural and chemical free plant food.

A worm farm requires a minimum of capital to set-up. You don't need specialist knowledge to get established although you do need to know how to feed, water and protect the worms from predators!

A MARKET?

Taking worms to the local market isn't going to win you many friends! The real markets are many and varied with the potential to trade nationwide.



There are several possibilities for marketing your worms and their by-products. The worms can be sold as soil improvers or additions to compost bins through garden centres or direct to the public via a shop or mail order. The worm casts can be used to produce grow-bags or as a fertiliser for seeds and plants also sold in garden centres or direct to the consumer.

Although the market may be seasonal, selling worms to anglers through sports shops, fishing centres or direct will provide another outlet for your product.

There is also the potential to sell miniature worm farms as gifts for children as well as information packs and starter kits for those people interested in starting their own worm farm.

SETTING IT UP

Capital Costs: Assuming that the current outbuildings will be converted into storage and racking, bagging equipment and propagation, the estimate for purchasing breeding stock and equipment will be approximately £15,000 per 1,000sq m.

Additional equipment, such as special racking units, bins and the construction of worm beds will be in the region of £12,500.

A packing machine will be required to bag compost and smaller bags of fertiliser. The average cost of the equipment will be about £3400.

The overall construction work and maintenance of the worm farm will make use of the tractor and other equipment already owned by Langstance Farm.



Running Costs: The estimated weekly cost for feed and water will be in the region of £30 per 1000sq m.

Consumables (packaging, labels, trays, bags) will average £125 per week.

Labour/wages, based around the minimum wage, will be £5.05 per hour (October 2005). On average each 1000sq m will require 25-30 hours of labour per week.

Transport will vary according to the distance from the farm to the point of sale. You should calculate that the majority of your sales will be within a 15 mile radius of the farm, with an average number of trips per week being approximately 6-8 at a cost of .48p per mile.

Advertising will be around £1000 per year.

INCOME

An estimate, for each 1000 sq m, will produce between 60 - 70kg of worms per week with a return of £7.50 per kg.

Worms produced for anglers will bring a return of £8.50 - £10.50 per kg.

Worm casts, for composting and soil improvement will sell at £1.15 per kg.

Sales of information packs, guidebooks, worm farm starter kits and equipment for small-scale worm farms will vary, but the average sales per week should be £80 - £85.



THINGS TO CONSIDER

- *It will take a few months to have a sufficient number of worms for sale. The farm will either have to purchase a large quantity of worms to establish the worm beds or allow a smaller number of worms to breed and develop the quantity required.*
- *Although running a worm farm doesn't need specialist knowledge to get started, it will be necessary to research the topic, identify prospective markets, develop an understanding of worm management and how to advertise the product.*
- *Identifying a market will be difficult. Many garden centres and fishing outlets will want to know that the worm farm can supply them with sufficient quantities on a regular basis.*
- *Running a worm farm is not the most glamorous type of business. There may be some opposition from local people if the farm isn't maintained and kept clean and tidy.*

FURTHER HELP

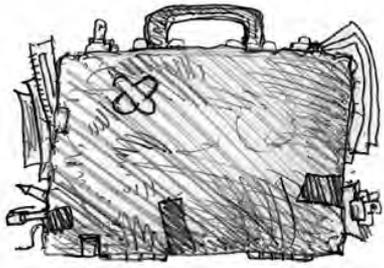
You can find more information from:

Worms www.allaboutworms.com

Worms and gardens www.wigglywigglers.co.uk

Running a worm farm www.happydranch.com





Case Study 3

Farm shop and Camping Barns.

OVERVIEW

A farm shop combined with camping facilities (or sometimes called 'stone tents') is a popular way for farms to either diversify or increase their income.

Farm shops have become increasingly popular with people who prefer to buy their goods direct from the farmer. Some farms specialise in meat and poultry while others prefer to stock a wide variety of produce.

Many farms are also offering overnight accommodation for walkers, climbers and cyclists. Most facilities are quite basic, providing sleeping accommodation on simple wooden platforms while some farms offer bunk beds, basic cooking facilities and showers. The majority of camping barns must offer toilet facilities and access to water while many also offer somewhere to dry wet clothes and provide meals and snacks. The availability of a farm shop also provides the possibility to offer toiletries, maps, guidebooks, snacks and other outdoor related items.



A MARKET?

Both outdoor activities and farm shops are increasingly popular. Although location is all important many people are prepared to travel for good accommodation and food.

For those people keen on outdoor activities, many will plan their journey based on access to good overnight accommodation. It is essential that the farm promotes itself on the Internet, with tourist boards and guidebooks.

Farm retail outlets rely on the image of freshness, quality and healthy food to attract shoppers. A farm shop that is near to supermarkets may attract shoppers who want to buy specialist produce or are attracted by the concept of fresh or organic foodstuffs.

The farm shop can help promote itself by having a stall at regular Farmers' Markets and also advertise its camping barns to tourists. Some farms offer a 'box' scheme where seasonal products are delivered locally on a regular basis for a set fee.

SETTING IT UP

Capital costs: The camping barns will need to meet the basic hygiene and sanitation standards outlined by the local authority. On average, a camping barn, accommodating 12 - 14 people, will cost between £4000 - £16000 to equip. The actual cost will depend on whether the barns have either basic facilities or include showers, cooking and drying rooms.



The farm shop will cost approximately £270 sq metre to construct.

Cabinets/freezers/counters and shelving will cost around £300 each.

A car park is essential and will cost around £8 per sq metre.

A vehicle will be required for the 'box' scheme or to collect products for the shop. This will cost between £6000 - £12000 depending on age and condition.

Running Costs: Utility costs (Gas, electric & water), for the camping barns will be approximately £1800 - £2750 depending on the facilities provided.

Maintenance of the barns will cost around £1450 per year.

Casual labour will be based on the national minimum wage of £5.05 per hour. Cleaning, odd jobs and administration will take about 12 hours each week for the camping barns.

Utility costs for the shop will be around £3250 - £4250 each year.

Staffing costs will be based on the national minimum wage for one full-time worker (37 hours per week) and one part-time worker (15 hours per week).



Business rates for the shop will be approximately £4050 per year and public liability insurance will be around £75 per year.

The cost for stocking the shop will depend upon the type and quantity of goods. On average, to purchase stock will cost an initial £5850 with a restock of £1185 per week.

Advertising for both the camping barns and the shop will be approximately £1200 per year.

INCOME

The camping barns will see a return of £3.50 - £5.50 per night depending on the time of year (on average 32 weeks of the year will be charged at the higher rate with the remaining weeks at the lower rate). The barns will hopefully be fully booked for 85% of the year).

The average weekly return for the shop is £1730 (based on figures supplied by the Farm Retail Association). This figure is the gross amount before running costs and tax are taken into consideration.

THINGS TO CONSIDER

- *Planning permission will be necessary for the Lake District and there may be some delays before approval*



is given.

- *Both the camping barns and farm shop will be dependent upon successful advertising. The full earning potential for both the barns and shop may not be reached for several months. As a result, total income for the first year should be calculated as approximately 70% of the total possible in consecutive years.*
- *The conversion of the barns and construction of the farm shop and car park may take 3 - 4 months. The farm will not earn any money during this time unless it decides to begin trading at Farmers' Markets or operate a 'box' scheme. Income from the Farmers' Markets and 'box' scheme will be around 65% of the farm shop's potential earnings (£1124).*
- *To handle and sell food products requires knowledge of the Food & Hygiene Acts, Weights & Measures Act and Health & Safety regulations.*

FURTHER HELP

You can find more information from:

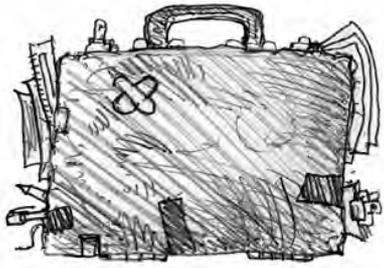
Walking www.walkingwild.com

Camping barns

www.lakelandcampingbarns.co.uk

Farm shop www.organicpantry.co.uk





Case Study 4

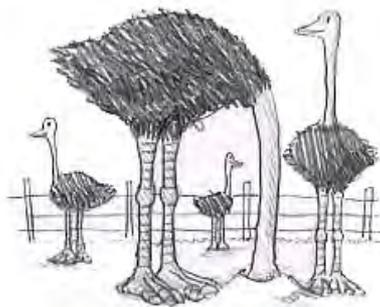
An Ostrich Farm.

OVERVIEW

Although quite a new idea for farming in the UK, ostriches are becoming a popular way to diversify from traditional farming methods. Ostriches are usually kept for breeding, meat, leather and for their feathers.

Ostriches are capable of living in the British climate providing they have somewhere to shelter from really bad weather and have a dry sleeping area. The birds also require a 2m high fence around their grazing area (no, they can't pole vault but they can jump!).

The ostrich is basically a grazing bird with a main diet of grass supplemented with poultry feed. The ostriches have a breeding unit of one male and two females with each of the females laying between 35 - 50 eggs each year (although only half of these eggs will actually hatch). Each breeding unit will hopefully raise around 45 young each year, which will be ready for slaughter at 12 - 14 months.



A MARKET?

There is quite a strong UK market for ostrich meat. As the meat is very low in cholesterol and high in protein, it is considered an ideal alternative to traditional meat products. Ostrich meat has become a popular 'exotic' meat at Farmers' Markets with many farms selling ostrich products in their farm shops.

Ostrich leather has also become a valuable source of income with the hides often being sold for £45 - £125 each. However, the market for ostrich feathers in the UK is limited so most are exported to Spain, Italy and France.

Although there are approximately 100 producers in the UK, the market demand is so great that ostrich products are imported from South Africa.

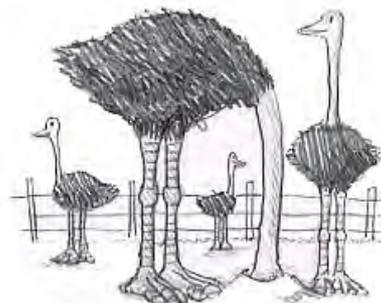
SETTING IT UP

Capital Costs A breeding unit (two female and one male) will cost between £1275 - £1800.

An incubator for eggs will cost between £1350 (48 eggs) and £4500 (252 eggs).

Fencing will cost approximately £7.50 per metre.

Accommodation for the Ostriches will cost around £400 per breeding unit.



Running Costs

Food for each breeding unit will cost around £350 per year.

Vet and medical bills will be approximately £60 per year for each breeding unit.

Casual labour will be based on the national minimum wage £5.05 for an average 18 hours each week.

Slaughter fees will be around £40 per bird.

Advertising costs will be about £950 per year.

INCOME

Meat prices are around £3.50 - £5.50 per kilo wholesale (to butchers, shops and supermarkets) and £8.50 - £14 per kilo retail (farm shop, farmers' markets and mail order).

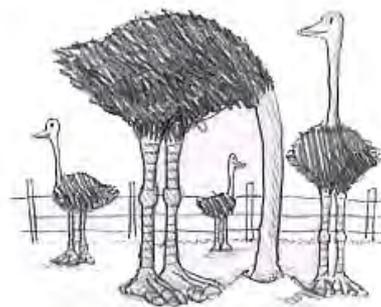
Ostrich leather is sold for approximately £130 per hide.

Ostrich chicks are sold for £12 - £15.50 (1 day old) and £26 - £37.50 (3 - 6 month old).

Fertile eggs for incubation £6.50 each.

Infertile eggs for cooking and crafts £4.75.

Ostrich feathers £18 per kilo.



THINGS TO CONSIDER

- *Ostrich are considered as a wild exotic bird and require a licence from the local authority under the Wild Animals Act 1976 (costs around £300 per year).*
- *Although ostrich meat is becoming increasingly popular the local market may take a while to be convinced of the benefits of eating ostrich meat.*
- *An annual safety and welfare inspection is necessary.*
- *An ostrich can run up to 40 miles per hour...can you?*
- *As a wild animal, it will take some time to understand how to feed and care for the ostriches.*
- *Constructing a 2m high fence may result in complaints from neighbours or ramblers.*

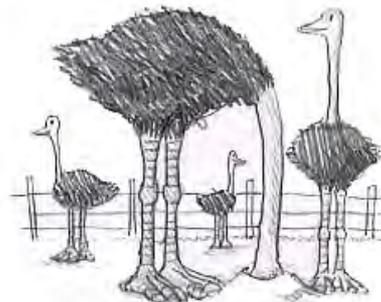
FURTHER HELP

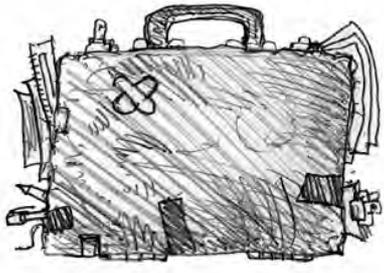
You can find more information from:

General information www.ostrichsonline.com

UK Ostrich Association www.ostrich.org.uk

Ostrich sales www.buyostrichmeat.co.uk





Case Study 5

The Herb Farm

OVERVIEW

There is a growing interest in the use of herbs for food, drinks, pharmaceutical and cosmetic products. Many species and varieties of herbs can be grown successfully although there are very few large-scale growers in the UK.

Many growers produce herbs either for large food manufacturers or to supply their local markets. However, the food market is a very competitive one and great care is needed to pick and choose which herbs to grow, the most common ones in Britain being sage, mint, coriander, parsley, dill, chives, rosemary and thyme with the greatest part of the market in sage, parsley and coriander.

The potential exists to either specialise in growing herbs for medicinal use or concentrate in producing a small variety of herbs for culinary use.



A MARKET?

The market for culinary herbs is valued at approximately £32 million and is increasing by 10% per year. Currently, 1000 hectares of herbs are grown in the UK, however, a large proportion of herbs are imported from Mediterranean countries.

The main market is in food manufacturing , which processes almost 60% of the product in the form of fresh, dried or frozen herbs. The remaining herbs are used in catering or retail with a small percentage required for medicinal use.

The growth of Farmers' markets is another potential outlet, particularly for fresh herbs or herbs planted in pots for the customer to grow.

Herbal medicine is one of the fastest growing markets at present. The USA, France and Germany represent the largest markets for medicinal herbs at the moment but interest in the UK is increasing.

SETTING IT UP

Capital Costs: Conversion of existing buildings for propagation, potting and packaging will cost approximately £14000.

Polytunnels for growing herbs £950 each. Depending upon the scale of production, it is likely that the farm will need to purchase at least four polytunnels.



Running Costs To purchase stock (plants and seeds) will cost in the region of £2000. Future stock (seeds and cuttings) will be supplied from existing plants, so costs will be minimal.

Fertilisers, nutrients and sprays will cost around £30 per week.

Casual labour, calculated on the national minimum wage of £5.05, will be based on 18 hours per week.

Advertising costs will be around £800 per year.

Labels, packaging and storage boxes will cost about £185 per month.

INCOME

Fresh herbs will sell for between £0.85 - £1.25 per bunch. The selling price per tonne of fresh herbs is between £67 for Parsley (a typical yield will be 15 tonnes per acre), while Sage will fetch around £175 (based on a yield of 15 tonnes per acre).

Dried herbs will sell for £1.85 - £2.05 per pack.

Sales of potted herbs for kitchen gardens will be about £3.65 per pot.



THINGS TO CONSIDER

- *To become established as a herb farmer will take quite a while. Most farmers will begin planting and buying fresh herbs from other growers to sell. The initial costs of purchasing stock and buying in cultivated herbs will be high and should be reflected in both capital and running costs.*
- *Herb prices tend to go up and down regularly. It will be necessary to try and grow as many herb varieties as possible to minimise the affect of price fluctuations.*
- *Some medicinal herbs have legal restrictions on their sale and use.*
- *Consumers tend to prefer herbs to be grown as organically as possible. This will limit the use of pesticides.*
- *Some training and knowledge of quality standards may be necessary. Any training costs or membership of national organisations must be reflected in the farm's costs.*

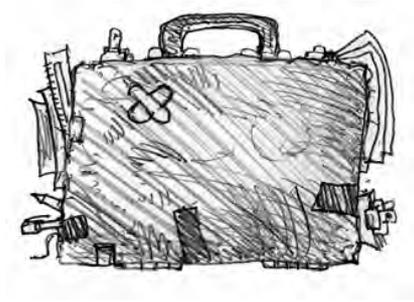
FURTHER HELP

You will able to to find more information from:

General information www.herbcentre.co.uk

The Herb Society www.herbsociety.co.uk





Case Study 6

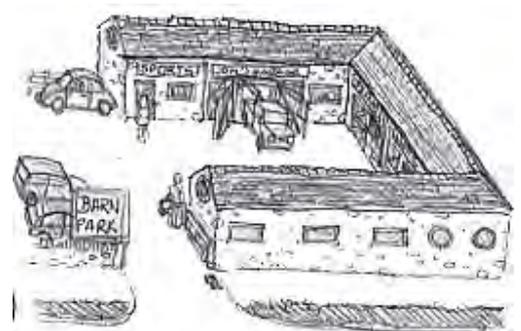
Barn Conversions

OVERVIEW

The conversion of agricultural buildings to workshops or business units is a popular choice for many farmers. Many commercial tenants enjoy the advantages of a location away from the stress of a city working environment - congestion, pollution, and the time taken up with commuting.

Barn conversions are often located in an attractive environment, which offers a more pleasant working atmosphere with the benefits of easy access and sophisticated communications systems.

A major benefit is the renovation of often derelict historic buildings, traditional barns and stable blocks, which has resulted in a growing demand for converted buildings. It is also necessary to install the latest technology, including telephone, fibre optics, computer and fax cabling systems, satellite links, broadband and zoned security alarms.



A MARKET?

A workshop or business unit located in a rural setting is very appealing to small businesses and particularly start-up or new businesses. The converted buildings are normally divided into smaller units, which are ideal for new businesses who cannot afford large, purpose-built premises.

Access to transport links and towns is very important, with many businesses wanting to reduce their commuting time, improve their working environment and still be close to urban centres.

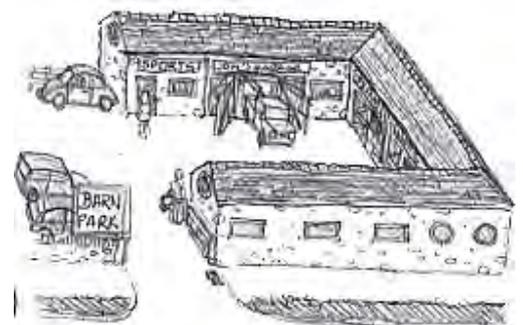
Many business 'parks' attract firms who have similar or complimentary activities. For example, printing, computer graphics, office supplies and design business may locate within the same business park and often provide each other with work.

Business parks are a popular alternative to large industrial estates, which are often located very close to housing estates and contribute to traffic congestion.

SETTING IT UP

Capital Costs: *To build high quality office space will cost between £750 - £1200 per sq metre.*

A car park will cost around £8 per sq metre.



To provide telecommunication and computer systems will cost approximately £800 per unit (office).

Architect fees and planning costs will be around £4500.

Running Costs: Maintenance costs will be approximately 5% of the total building costs.

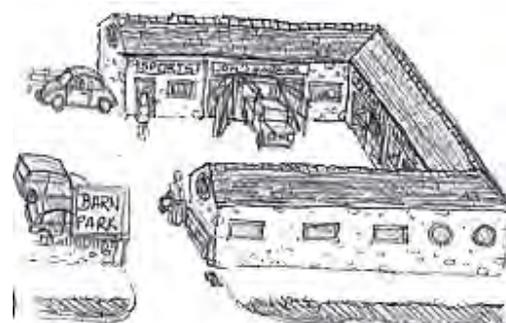
Casual labour (cleaning, maintenance and general caretaking), based on the national minimum wage will be £5.05 per hour for 18 hours per week.

Building insurance will cost £1100 per year.

INCOME

Gross rental income is usually between £65 - £165 per sq metre.

Car park fees may be included within the rental cost or charged at £0.50 per hour or a flat rate of £5.00 per day.



THINGS TO CONSIDER

- *There is a considerable amount of legislation affecting the design and conversion of farm buildings. Some of the most important are the Landlord and Tenant Act 1954 (concerning the letting of building for business), Town & Country Planning Act 1990 (regarding planning permission), Fire Precautions Act 1971, Highways Act 1980, and the Workplace Directive (89/654/EEC). There is also a significant amount of building regulations administered by the local authority.*
- *Planning permission may take quite a while to sort out, particularly if any of the buildings are of historical interest. During the planning and building stages there will not be any income from the potential business park.*
- *New businesses are not always successful. As a result, some of the business units may be empty at some stage of the year. It might be worth considering offering short leases for start-up businesses, which can be renewable on a regular basis.*

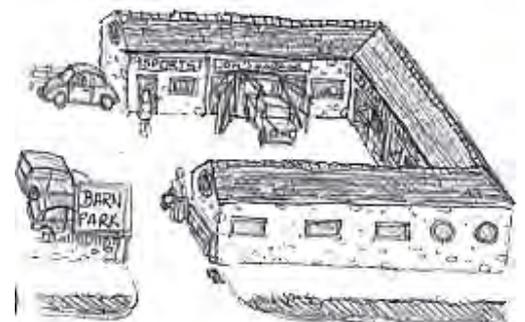
FURTHER HELP

You should be able to find further information from:

General business advice www.businesslink.gov.uk

Information for small businesses www.fsb.org.uk

Business Parks www.businessparks.net



Chapter 5

A FEW WILD CARDS!

Even the best laid plans go a bit pear-shaped at times. When everything seems to be going just fine, along comes something to muck up the day!

Below are a few 'wild cards', which you can introduce (or not, depending how mischievous you feel) into the proceedings. The cards are a mixture of good, not so good and downright, feather-spitting annoying!

You can introduce the cards whenever seems convenient (or not so convenient). The cards can be distributed at the same time or given to one group at a time at different stages. It might be 'fair' to shuffle the cards, turn them face-side down and ask a member of the group to select one card.

However, if you feel that the workload is hard enough without adding a little stress to the proceedings, then the wild cards can be ignored.

The wild cards are just a few ideas to add a twist to the proceedings. Please feel free to add/amend/alter the cards as seems fit.

Wild Card 1

The Bank of England have just announced that interest rates are to increase by 0.50%. This will affect any loans or loan applications that you may have planned for your enterprise. Please adjust all your calculations to reflect this increase.

Wild Card 2

The marketing and advertising company that you have employed to promote your enterprise has just informed of an increase in their prices. The company estimate that their original quote is to be increased by 29%. This increase must be shown in all your calculations.

Wild Card 3

The local Chamber of Commerce has recently heard about your proposed enterprise. At their last meeting, it was decided to grant you an award to help with costs. The award of £5000 is available immediately.

Wild Card 4

A local environmental group are concerned about your proposed farm alterations. They claim that the increased traffic to your farm will cause congestion and increase the possibility of car accidents. Your plans are delayed by six weeks while their concerns are considered by the planning department. This delay must be reflected in your business plan.

Wild Card 5

The Rural Enterprise Scheme (RES), part of the England Rural Development Programme (ERDP), has awarded your enterprise £17500. However, this award is to encourage you to employ local young people. Your business plan must show how this money is to be allocated.

Wild Card 6

A local building company has offered to let you have all the supplies you need at a 30% discount. As a result, all the materials you need to make the necessary alterations to the farm are considerably cheaper than you expected. You can either use the financial saving to fund other purchases or borrow less money from the bank.

Chapter 6

PLANNING THE BUSINESS...

You've got the idea now how do you get the money? Well, you might have a great product but without customers all it will remain is a good idea! You now have to convince a whole load of people that you've got a viable proposition. Firstly, you'll need the money to get the appropriate building work finished, then you will need to buy stock, employ staff, advertise the enterprise, open your doors and persuade the customers to part with lots of folding money. Simple? Not quite...read on.

You will need to demonstrate that you know what you're talking about, have a good understanding of the market, who the customers are going to be and what it's going to cost you to get the whole thing started.

The business plan is a straightforward way to show that you have thought through the process and have done your homework.

The basic business plan is comprised of two sections. The first section contains the details of the business, what it will do, how, who else is offering a similar product or service, where your customers are coming from, how you're going to operate the business and who's going to run the day - to - day business. The second section contains all the financial details relating to the business such as amount of loan required, balance sheet and a cash-flow forecast. The outline below is a guide to creating your own business plan.



THE BUSINESS PLAN.

Section One.

- *What's in a name? The business should have a name that either describes the enterprise, the product or service. The name could also refer to the location of the business or the owners. Whatever name is chosen should not be confused with an already existent business or enterprise and isn't a pun or anagram of an existing business.*
- *Describing the business. This section should give precise details of what the business is all about. What will the business be producing? Where will it be located? Who owns the business?*
- *Marketing the business. Without a market there is no business...so where's the market? You need to outline who or where your intended market will be. How will you market your product or service? How will you develop and extend your marketing if the product or service is successful?*
- *What competition? Unless you've thought of a totally unique idea, there is going to be someone, somewhere offering a similar product or service to you. What businesses offer similar service or product? Where are they located? How do they market their business? How can you stand out from the crowd?*
- *Proceeding to operate? OK, you've got your ideas sorted, your marketing plan is in place and you know how to make an impact. Now you need to decide how the business will operate. Have you thought of opening times? How many days of the week will the business work?*
- *Finally, who is going to do all the work? You need to decide who is going to what, when and where. How many people do you need to work in the business to make it run smoothly? You will probably have a mixture of full-time and part-time staff including yourself.*



Business Plan.

Section two.

- *You've decided on the business and should have an idea of the cost of getting up and running. How are you going to finance the business, stock purchase, building work or wages? It is most likely that you will require a loan from the Bank to help you get started and keep things ticking over for the first few months. How much will you need? What interest rates are being charged for business loans?*
- *So, you've worked out how much you need to borrow and you should also know the total business costs (fixed and variable costs) each month. The next stage is to work out how much revenue you will receive each month (sale of goods and services). You should now be able to draw a break-even chart from the figures available to you.*
- *The flow of cash. If the business is to succeed it needs regular wedges of folding money to pay for stock, wages, utilities and other bills. The flow of cash into and out of the business is important to monitor. You will be able to calculate how much the business will earn each month and now you need to identify how much cash will go out at the end of each month. The cash-flow forecast is an extremely important document and will help you to highlight any seasonal fluctuations in revenue.*
- *Balancing the business. A balance sheet is usually completed at the end of trading year. The sheet provides a 'snap-shot' of the business at any given time of the year. The balance sheet will detail the current and fixed assets of the business and show you what liabilities the business has.*

	Jan	Feb	Mar	April	May	June	July
Receipt							
Sales							
Loans							
Grants							
Sub-total							
Out							
Materials							
Wages							
Capital items							
Rates							
Electricity							
Repairs							
Stationery							
Telephone							
Advertising							
Insurance							
Loan							
Sub-outflows							
Net cash flow							
Monthly							

Sample Cash-Flow Forecast

Balance Sheet	£
Assets	
Fixed assets	
Buildings	
Equipment	
Total fixed assets	
Current assets	
Stock	
Debtors	
Cash at bank	
Total current assets	
Liabilities	
Current liabilities	
Creditors	
Net current assets/liabilities	
Total assets less current liabilities	
Share capital	
Profit and loss account	

Sample Balance Sheet

Chapter 7

Some tips on presentations

Preparing and presenting a topic is never easy. Let's face it, there are so many things to go wrong...and that's before we open our mouths!

However, there are a few things you can do to avoid the most common presentation errors.

The bit before.

- *Make sure that you have all the information for the presentation.*
- *Check your grammar and spell-check everything.*
- *Rehearse your presentation. If you're using any audio-visual aids, make sure that you rehearse with the equipment, you need to be familiar with the set-up of the equipment, how it works and any time delays between selecting a slide and its appearance on screen. Most computer software programmes have a facility for timing your presentation.*
- *Have a 'Plan B'! Even the best laid plans can go wrong. If your presentation relies heavily on audio-visual equipment, make sure that you have a paper-based back-up ready...just in case.*

The bit during.

- *Use the KISS approach: Keep it short and simple!*

*Tell them what you're going to tell them. This is your introduction.
Tell them what you're there to tell them. This is your presentation.
Tell them what you just told them. This is your summary.*

- *Use relevant key words and limit the amount of information that you use. Information overload is the easiest way to lose your audience.*
- *When you use visual aids, make sure that the font style, size and colour are easily visible. Remember that certain colours are difficult to see clearly (use light colours for background only) and unusual fonts detract from the information.*
- *Be professional in everything that you do. Remember, that you are just as much a part of the presentation as the slick audio-visual stuff!*
- *Start on time. There is nothing worse than to be kept waiting while someone shuffles paper around or spends ages searching for their presentation on the computer.*
- *Be enthusiastic about your topic. If you're not enthusiastic, how do you expect anyone else to be?*
- *Make eye contact with the audience. If you're looking out of the window during your presentation, the audience might think there's something more interesting out there!*
- *Ask questions. There may be a few things that need expanding or require further explanation, so give the audience the opportunity to get the message.*

The bit after.

- *Make sure that you thank the audience for listening to your presentation. Don't forget that you invited the audience to your presentation and that they took the trouble to come along!*
- *Stay around to answer any questions that might have arisen from your presentation. Don't forget that some people feel nervous about asking questions in front of a large group.*

- *Don't rush to put the equipment away...it looks like you're trying to escape!*

And finally, everyone appreciates the fact that standing in front of an audience isn't the easiest thing to do. Don't forget that even the audience may be nervous too, so try and relax as this helps the audience relax with you. And, although adding all the flashing images, bells, whistles, bangs and gongs to your audio-visual presentation shows that you know how to use a computer programme, it will give your audience a headache, make them grumpy, irritable and eager to escape for a cup of coffee, so unless that is precisely what you want to achieve...don't do it!

Chapter 8

SOME OTHER USEFUL BITS.

A few helpful sites.

In no particular order of preference or usefulness...

<i>Statistical information</i>	www.ons.gov.uk
<i>More stats</i>	www.statistics.gov.uk
<i>UK business</i>	www.dti.gov.uk/search
<i>Student site for biz</i>	www.bized.ac.uk
<i>Stuff on all aspects of work</i>	www.bbc.co.uk/education/work/life
<i>Does what it says on the tin</i>	www.tradingstandards.gov.uk
<i>Advice for small businesses</i>	www.businesslink.gov.uk
<i>The farming business</i>	www.defra.gov.uk
<i>Farming in general</i>	www.farming.co.uk
<i>Directory of rural businesses</i>	www.ruralindex.net
<i>Farming education</i>	www.face-online.org.uk

Chapter 9

Curriculum coverage

GCSE Applied Business

Chapter	Investigating Business	People and Business	Business Finance
1	1a	2a	✓
2	1a 1d	2b	✓
3	1a 1d		✓
4	1b 1c 1d	2b 2c 2d	✓
5	1d		✓
6			✓
7			
8			
9			

* Unit 3 Business Finance is externally assessed.

GCE AS Business Studies

AS MODULE 1 - Marketing and Accounting and Finance

Topic	Chapter
Market Analysis	1 2 3 4
Marketing Strategy	1 2 3 4
Marketing Planning	2 3 4
Classification of Costs, Profit and Break-even Analysis	2 3 4
Company Accounts	2 4 5
Budgeting	2 4 5
Cost Centres and Profit Centres	2 4 5

AS MODULE 2 - People and Operations Management

Topic	Chapter
Management Structure and Organisation	1 4
Motivation	1 2 3 4
Human Resource Management	1 4 6
Productive Efficiency	1 2 4
Controlling Operations	2 4
Lean Production	2 4

AS MODULE 3 - External Influences and Objectives and Strategy

Topic	Chapter
<i>Economic</i>	1 2 3 4 6
<i>Governmental</i>	2 3 4 6
<i>Social and Other Opportunities and Constraints</i>	1 2 3 4
<i>Starting a Small Firm</i>	1 4 6
<i>Business Objectives</i>	4 6
<i>Business Strategy</i>	1 2 3 4 6