

Assisting primary producers, fishermen and small rural businesses with FREE, INDEPENDENT and CONFIDENTIAL support and business analysis



**RURAL BUSINESS  
SUPPORT**

INCORPORATING RURAL  
FINANCIAL COUNSELLING  
SERVICE SA

*Support for Rural Businesses*



[www.ruralbusinesssupport.org.au](http://www.ruralbusinesssupport.org.au)

SUPPORTED BY THE AUSTRALIAN GOVERNMENT AND THE GOVERNMENT OF SOUTH AUSTRALIA

## What we do



Rural Business Support (RBS) is a leading not-for-profit provider of agribusiness services and independent support that operates for the benefit of the rural sector.

RBS assists eligible primary producers, fishers and small rural businesses reliant on agriculture with agribusiness services that inform and inspire our clients to take action to manage change, risk and business challenges.



## Rural Business Support

- Rural Financial Counselling Service
- Farm Business Strategic Review (dairy, pork, grains)
- Business Advisory Service
  - Farm Management for Transition
  - Farm Business Basics
  - Tailored learning
- Services  
(administration, financial & communications)

## Rural Financial Counselling

FREE, INDEPENDENT and CONFIDENTIAL support and business analysis

- Business analysis including long term cash flow & viability
- Analysing various business scenarios
- Meeting with lenders and financial institutions
- Referrals to a range of professional service providers
- Preparing for succession planning
- Identifying government assistance and eligibility

goal:

to build the resilience of rural businesses, assist them to overcome impediments to longer term sustainability and enhance their ability to adapt to challenges



## Farm Household Allowance

Income support payment for farmers

- Available for up to 4 yrs
- Payment rates equivalent to Newstart (\$490/fortnight +)
- Income and asset tested (Assets \$5M net)
- Currently a one off supplement payment (up to \$12,000\*)
- \$4000\*\* training and advice supplement
- Low income health care card



## Farm Household Allowance

Maximum fortnightly payment rates:

- Single no dependants \$545
- Single, dependents \$590
- Partnered \$492 each

## Farm Household Allowance

### Supplementary Payment

- \$12000 for couples
- \$7200 for singles
- Paid in two equal instalments
- Need to have applied by 30 Nov 2018 to be eligible for both
- One off payment, ending 30 June 2019\*



## Farm Household Allowance

### Income and Asset Tested

- Maximum Net Assets = \$5Million
- Income = Farm Profit
- Off Farm Income Offset
  - Can offset up to \$80,000 of off farm income against interest paid on farm loans

# Farm Household Allowance

## Your Obligations

- Farm Financial Assessment (valued at \$1500)
- Financial Improvement Agreement
  - Working with Farm household case officer
- Reporting
- Training and advice supplements (up to \$4000)

# Farm Household Allowance

How to apply

- Online via MyGov
- Paper claim forms
- RFC can help!

# Regional Investment Corporation

## Concessional Loans

- Farm Investment Loans
- Drought Loans
  - Up to \$2M (coming soon)
  - Low interest loans – 3.58%
  - 10 Year loan term
  - No fees

# Regional Investment Corporation

## Drought Loans

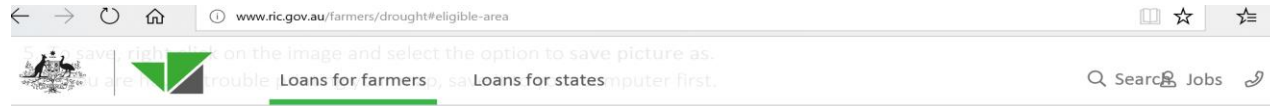
- For owners of farm businesses who are:
  - In need of financial help
  - In an eligible area of Australia
  - Financially viable in the long term

# Regional Investment Corporation

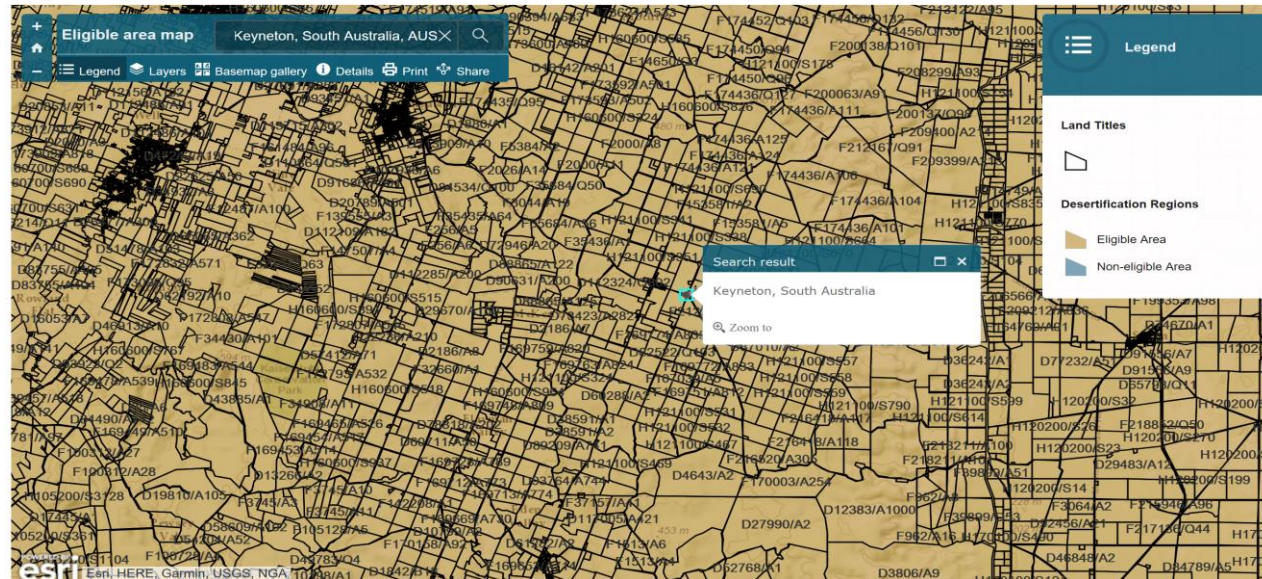
## Drought Loans

- Use the loan to:
  - Prepare your farm business for drought
  - Manage and recover from drought
  - Refinance existing debt
  - Access new capital for operating expenses and capital purchase
- Must have a drought management plan

# Regional Investment Corporation



Map of eligible areas in Australia





# Regional Investment Corporation

## Farm Investment Loans

- For owners of farm businesses and related farm businesses who
  - Are in need of financial help
  - Mainly sell (or plan to sell) products into supply chains that are interstate or outside Australia
  - Are financially viable in the long term

# Regional Investment Corporation

## Farm Investment Loans

- Use the loan to:
  - Improve long term strength, resilience and profitability
  - Diversify your markets
  - Refinance existing debt
  - Prepare for, manage through or recover from drought
  - Access new debt for operating expense and capital purchase

# Regional Investment Corporation

## How to apply

- Complete the application form, plus send in supporting documents
- RFC can help
- [www.ric.gov.au](http://www.ric.gov.au)
- [loans@service.RIC.gov.au](mailto:loans@service.RIC.gov.au)
- 1800 875 675.

## CWA Emergency Aid Fund

Funding for essential items/necessities

- Examples include school fees, utility bills
- Apply through Rural Financial Counsellor

## Case Study

### Farming Couple

- Struggling to meet commitments to the bank
  - Term loan (\$300K) and Overdraft (\$50K)
- Reasons for financial difficulty
  - Natural Disaster
  - Loss of significant lease
- Other background
  - Husband also works off farm doing contract work = Shearing
  - Wife is on farm/stay at home

## Case Study

Applied for Farm Household Allowance

- Assets OK
- Income ???
  - Used off farm income interest offset
  - Had letter of support from bank/RFC
- Wait time was approx. 6mths
- Wife = full payment
- Husband = depends on other income earnt during fortnight
  - Fortnightly reporting required

## Case Study

How else does RFC help

- Cash flow budgeting
- Negotiations with bank
  - For period of time paid interest only on term loan
  - Now paying P&I
  - Insurance \$\$\$ + good budgeting has O/D in +ve



## Case Study

How else does RFC help

- Assisting with Farm Household Allowance Financial Improvement Agreement
  - Regular contact with RFC and Farm Household Case Officer
- Using Training and Advice Supplement to Full Potential
  - Short Farm management course
  - Advice on nutrition/rations for feedlot
  - Upgrade truck licence
  - Horse management course

## Case Study

### Goals for the future

- Opportunistic feed-lotting of lambs
  - Current farm land owned does not have scale for stand alone income
- Plan in place for after 4yrs on FHA
  - More off farm work
  - Transition from shearing to other employment (truck driving/farm hand)
  - Opportunity for wife to earn off farm income in horse industry (through gained qualifications)

# Barossa/Hills/Murraylands Rural financial counsellors



Chris Turner  
0437 321 107



Lynton Keen  
0448 092 294



Julianne Fiebig  
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**FREECALL 1800 836 211**



join our  
mailing  
list now

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