



Brentnalls SA
With you **for** life.

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Succession Planning for Agribusiness

Why establish a succession plan?

Despite the fundamental importance of succession planning, it is often neglected in many farm businesses.

Business owners should recognise that the need for a fully documented succession plan is paramount in any business.

It is estimated that more Australian farmers leave the family farm as a result of poor succession planning than for any other reason.

The '10 deadly sins' associated with succession planning.

1. Procrastination
2. Wishful thinking
3. Saving money by not getting advice
4. Trying to beat income tax
5. Confusing equality with fairness
6. Consensus management
7. Not sharing philosophies
8. Failing to teach & test
9. Not keeping plans up to date
10. Keeping it secret

What do family members generally want from succession plan?

The Parents

- Security of assets
- Security of income
- Provide children on the farm with an opportunity to progress
- Treat all children fairly
- Minimise—Income Tax, Capital Gains Tax, Stamp Duty and Legal Costs
- Receive the Age Pension in due course (if possible)

The Children On The Farm

- A clear sense of direction
- Involvement in financial management
- Incentive to increase farm productivity and profitability
- Assurance of eventual ownership
- Financial security
- Minimise Stamp Duty and Capital Gains Tax
- Minimise Income Tax and Legal Costs
- A known time-frame

Other Children Not On Farm

- To be treated fairly
- To be included/communicated with
- A known time-frame

How do we implement your business succession plan?

Our professional team will sit down with clients and their family to identify all issues and formulate their plans. This consultation process will thoroughly review your aims and aspirations, explore the options available to you and deliver a working plan for you and your family to follow.

This plan will be regularly reviewed in consultation with you.

Disclaimer

The information provided in this brochure does not constitute advice. The information is of a general nature only and does not take into account your individual objectives, financial situation or needs. It should not be used, relied upon, or treated as a substitute for specific professional advice. We recommend that you contact Brentnalls SA before making any decision to discuss your particular requirements or circumstances.



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Independent, together.

Succession Planning for Agribusiness

Continued

The importance of 'doing it properly' and exploring all options.

By using a clear approach, you can ensure that all of the major issues and options available to you are fully considered. This results in the establishment of the best possible plan for you and your family.

Some of the more important issues that need to be considered are:

- Establish your aims
- Business structures (Partnerships vs. Trusts etc)
- Use of testamentary trusts
- Pensions and social security benefits
- Estate planning
- Non-Business/farm assets (superannuation etc.)

How can Brentnalls SA help?

At Brentnalls SA, we have the knowledge and experience to help you with your business. Please contact our dedicated Agribusiness team to discuss in more detail on how we can help you.

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