



FAMILY BUSINESS SUCCESSION



**SYMES
ACCOUNTANTS**
BUSINESS & PERSONAL ADVISORS

IT IS NOT ABOUT WHERE YOU ARE
STANDING. IT IS ABOUT WHERE
YOU ARE **GOING.**



Symes Accountants: *helping to grow small business*

FAMILY BUSINESS SUCCESSION

Transitioning the Business to the Next Generation:

What is a Succession Plan?



Creating a succession plan ensures you can do all of this through a smooth process in developing the best people to succeed you, whilst taking into consideration any key issues and risks that may be encountered during the transition.

Symes Accountants understands that every business and family is different and are here to help business owners to relax and enjoy their lifestyles, manage their income streams, and support the next generation to continue the business with everything they need to be successful in their own right.

*Successful Succession Plans ensure all parties
know and appreciate where the business is going in the **FUTURE**
but also respecting where it has come from in the past.*



WHY PLAN FOR SUCCESSION?

Future-proofing the Family Business

Succession planning is very much more than about making sure there is enough money in the bank. It is about ensuring the future generation is able to be successful with the day-to-day running of the business without struggling with the weight of a job they are unprepared for or with experience they don't have.

Have you considered the following questions?

- *Who do you want to take over your business in the future when you want to retire, or can no longer continue working?*
- *If your family does not have the desire to take over the family business, would you be happy to sell the business outside of the family?*
- *Do your children want to take over the business but have limited or no business experience, or lack experience within the industry you are in?*
- *Are you open to change through different approaches to business and new technologies?*
- *Have you actually had a formal conversation with the next generation about what your plans for the future are?*

Succession planning is a process that is continuously evolving and needs to be re-addressed regularly as family circumstances change i.e. births, trauma, death and marriages. Effective communication is crucial. There is also the need to consider the values and wishes of all family members, including those who are not actively involved in the day-to-day running of the business.

WHAT'S THE NEXT STEP?

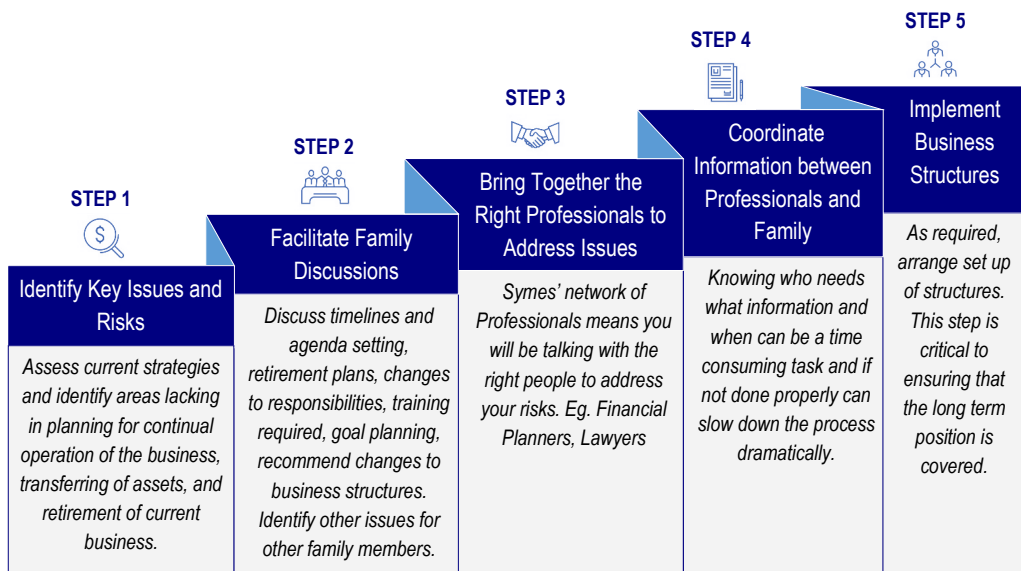
How do you go about setting up a Succession Plan?

It is important that you feel comfortable with any transition of taking a step back from the day to day operations. It is also important that this transition is undertaken in the most cost effective and long term beneficial way for all parties. Early planning ensures a better chance of business survival, and a smooth transition is easier for all family members to adjust to the process.

Business succession usually occurs in one of two ways:

- *through an early and meticulous planning process, creating a smooth transition between agreed parties.*
- *by default, and potentially quite quickly through an unplanned event such as a death or trauma.*

With the knowledge that every business and family is different, Symes Accountants provides a **5-Step Succession Plan Process** which works with every family circumstance.



A REAL LIFE EXPERIENCE

Symes Accountants helped a family business address their Succession Plan.

BACKGROUND

- Locally established building company, in business for 15 years.
- 5-way equal partnership between Dad & Mum, and 3 children. Structure not revised since children have married with their own children.
- Ageing parents looking to ultimately take a step back from the day to day of the business. Considering options should there be a future death in the partnership.

STEP 1 Symes Accountants held initial meeting with client discussing key issues and risks.



STEP 2 With all family members present a timeline for the above issues was resolved and has now been written and agreed upon. Other important elements from other family members were also identified that were agreed to be addressed. There is now a plan in place regarding what needs to be addressed and by when.

STEP 3 Family members were referred to Lawyers for the critical documents to address a formal business partnership agreement, business leases and personal documents ensuring all partners and their spouses have updated Wills, Advanced Care Directives and Powers of Attorney. Family members were referred to Financial Planners for consideration of appropriate insurances (Life, Trauma etc).

STEP 4 Symes Accountants provided service by coordinating information between other consulting professionals and the clients so that implementation was in a timely fashion.

STEP 5 In this case the Family decided that their current business structure was still suitable on the grounds of simplicity. They see the risk of over complicating the business structure is offset by the ability to manage taxation risk through other means, particularly equipment investment and superannuation contributions (deductible).



A referral from you is the best compliment we can receive.

At Symes we Guarantee Fixed Price, No Charge for General Calls and Emails, Calls returned with in 24hours, an Assigned Dedicated Team.

GAWLER

27 Twelfth Street Gawler South SA 5118

PO Box 1847 Gawler SA 5118

T (08) 8522 2633

F (08) 8522 2934

admin@symes.com.au

www.symes.com.au

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where YOUR
experience
starts.

To join the adventure with
Symes Accountants, or to find
out more about what we can do
for you, please contact our team
today.



Peter Caddy

Director

*"Life is about being able to
do what you want,
when you want to do it,
and in whatever manner you want to"*



Hans van Heuven

Director

*"One thing you can give and
still keep is your word.
Be honest and committed
to yourself and others,
and everyone will reap the rewards"*



Stephen Arthur

Director

*"Everything is simpler than you think
and at the same time
more complex than you can imagine.
If we are to truly serve our client then
we are to take care of the complex"*