

03

What Have Others Done?



Case Study: The Benefits of Tackling Succession Early

Meet the Powers, farming in Waterford, they milk 290 cows and supply their award-winning milk to Glanbia. They tackled succession early and are enjoying the benefits.

Tom Power

One of five children, Tom is married to Moya and they have four young children. Tom was in his early twenties when his parents transferred part of their 139-hectare farm to him. Together, they developed the business.

“My parents were ahead of their time; usually parents hold onto the farm until their successor is well into their forties...I knew how hard they worked for everything they had and for them to hand part of the farm to me was a huge boost for my confidence.”

Working together

The remainder was transferred to Tom when he married Moya. Today there are three generations on the farm. Tom feels, *“Having family back-up is hugely important to the success of the farm.”*

Benefits of partnership

Early on, one of the big decisions was moving to a three-way partnership. Following a strategic review with their *ifac* advisor (Eoghan Drea, Partner at *ifac* Dungarvan) it was apparent that tax was going to be an issue in the future and a change of structure would be required.

“It just made sense – we didn’t have a huge wage bill because it was all our own labour; we were milking a decent number of cows and had a good single-farm payment; and we didn’t have any massive capital allowances.” The change has enabled them to improve the farm infrastructure and increase their land base.

Advice to others looking into succession

It’s important to have the discussion early. *“The combination of all our energies and ambitions helped us to develop the farm to where it is today. If they were only handing the farm over to me now in my early forties, I wonder if I would have the same drive that I’ve had over the last twenty years to push it on,”* he said.

He also recommends trusting your professional financial advisory partner. *“We wouldn’t be in our stage of growth without the advice and support from our *ifac* advisor.”*

