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Generating a Plan

Grab hold of the process by using this checklist as a guide to help gather information and put a robust plan in place for your farm succession journey.

- 1.** A 'team meeting' has been held to discuss goals, objectives and expectations, along with some options for both the outgoing and incoming generation. Accept that the business will change.

- 2.** There has been a discussion regarding who wants to be involved and potentially take over the farm business in the future (successor identified).

- 3.** Fair and equitable treatment of all children (both farming and non-farming) has been discussed. Document any parental promises that have been agreed.

- 4.** It has been determined if the farm is profitable and viable today. If not, the necessary changes have been identified to make it profitable and viable in the future, supported by farm financial projections.

- 5.** The farm structure options (i.e. sole trader, partnership, limited company etc.) have been reviewed to ensure farm is in a tax efficient structure that enables farm to maximise all entitlements and grants.

- 6.** Legal considerations (e.g. Will, Power of Attorney etc.) have been examined.

- 7.** If two generations are going to continue working together, have the following been considered:
- a.** Division of workload, management, roles, and responsibilities
 - b.** How the incoming generation skills and knowledge will be developed
 - c.** Discussions around decision making and how it will be handled in the future
 - d.** A net income sharing agreement
 - e.** It may be useful to include a dispute resolution mechanism in any agreement.



8. A team of trusted and experienced advisors have been identified. This team can provide helpful hints and advice related to the various options as the plan is developed.

This team might include:

- i)** Accountant (with specialised farm tax knowledge)
- ii)** Solicitor
- iii)** Bank relationship manager
- iv)** Financial planner
- v)** Facilitator
- vi)** Farm family members.



9. Compile current farm, stock and plant valuations.



10. Compile details of the parents' (if applicable) other interests, assets and liabilities.



11. Get the succeeding child's assets, liabilities and farming qualifications if applicable (required as part of tax review).



12. Compile details of any current or potential developments or diversifications of the farming business.

