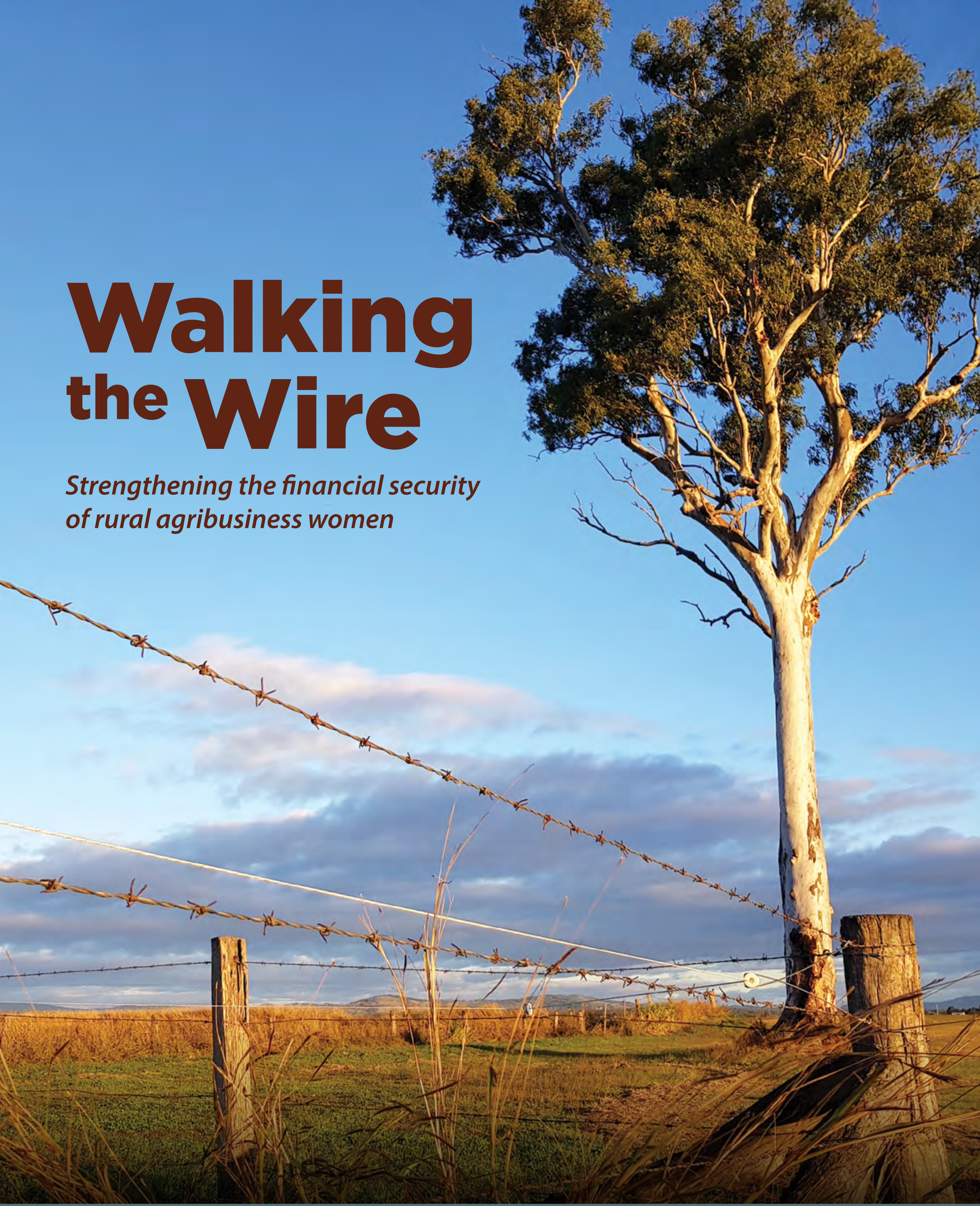


Walking the Wire

Strengthening the financial security of rural agribusiness women

QFF
QUEENSLAND FARMERS' FEDERATION

Queensland Government

A project delivered by the Queensland Farmers Federation and supported by the Queensland Government

FOREWORD

The **Walking the Wire** e-Kit is dedicated to all the hard working and talented women working in agri-businesses across Queensland. Their achievements and stories of resilience to ensure continuity and growth in an ever-changing business environment are inspirational. This project was led by Dr Georgina Davis during her time in the role of CEO with QFF and the final product speaks strongly to her passion and dedication to advancing the economic future for farming business women. Through the development of this resource, I know Georgina was personally humbled by the stories and experience shared by the women involved.

This resource, gratefully co-funded by the Queensland Government, provides an easy to use 'resource package' to assist rural business women to be financially prepared. It aims to raise awareness and provide a catalyst for positive change, identifying the questions to be asked, the assistance, services and resources needed and the considerations that every woman and family business in the agricultural sector should consider.

The tales of sadness, loss and inequity told through the development of this resource have moved all involved. However, there are many positive examples of women contributing vison and skillsets to farm businesses that have opened new opportunities and diversified industry offerings, directly contributing to growth and recognition.

Indeed, some of Queensland's most notable success stories, including farms exporting new products and innovation to the world, or providing agricultural and related products in new ways, are being led by incredible farm businesswomen. There are countless more examples of women working collaboratively and creating powerful partnerships to generate positive change across their communities.

Our project partners who have worked tirelessly to develop this resource know that an e-Kit will not fix everything. The financial insecurity of farm businesswomen is a complex and multifaceted issue, and the sector requires structural and regulatory changes, particularly with regard to the treatment of off-farm income which often maintains the family and the business during difficult times. Business structures often favour male successors over female, leaving women (particularly those marrying into a farming family) with no or a limited voice in the business or decision-making. Additionally, unpaid and unrecognised work continues to be one of the wicked problems which is not limited to agriculture, but impacts many family-owned and small businesses across the country.

I recommend this resource to your family businesses and I urge all women to recognise and ensure that economic security is part of your success formula. My congratulations and thanks go to Georgina and supporting partners on progressing such an important initiative and developing such a valuable resource.

Jo Sheppard
Chief Executive Officer, Queensland Farmers' Federation

WALKING THE WIRE

Statistics on the financial security of women in the rural sector, or lack thereof, only scratch the surface of a very complex and frequently overlooked issue.

This e-resource is designed as a simple guide to provide direction about questions to ask, issues to be aware of and where to find further information, education and obtain initial advice. ***It has been written by rural women for rural women.***

The aim is to provide guidance to help rural women take the next step in securing their financial future, particularly where they may have had difficulty prioritising their own financial security in the past.

At times it is like walking a tightrope or – in our case – a barb wired fence! Women bring their many strengths and add enormous value to their families and agribusinesses.

Rural women have shared many reasons for the challenges in building their financial resilience and security. These include:

- Relationships (ie separation, divorce or domestic violence);
- Family transition and succession;
- Family and business communication;
- Business structures;
- Business knowledge and understanding;
- Financial and legal literacy; and
- Being heard and validated by business advisors.

It is hoped that this e-kit will help empower rural women to have a strong voice in their agri-businesses and provide practical, useful and relevant tips, resources and support.

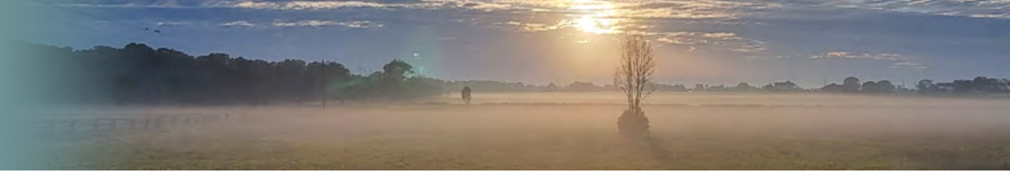
To get the most from this resource, please ask yourself:

What do I want and need?

What do we as a couple want and need?

What do we as a family want and need?

COMMUNICATION



HAVING THE CONVERSATIONS THAT MATTER

Communication is vital. Effective communication is essential for all businesses, but for many farming families relationships are complex. Conversations are very important especially when it affects your well being and security and that of the family. Building trust within the family team takes time.

It is important to consciously try to separate the 'family business' from the 'business of family' and remember that not all team members are family.

Good communicators engage a range of skills and resources that foster healthy working relationships, maintain boundaries and ensure all team members feel valued. They also recognise the impact on other areas of human resource management such as Workplace Health & Safety, business culture, personal job satisfaction and overall performance.

Whether or not your business operates solely with family members or employees staff it is essential that communication processes are transparent, promotes positive decision making and are inclusive. This is especially the case when discussing business performance and financial decision making.

Conversations about farm business succession, financial security, the future and retirement often cause angst amongst family members and are avoided instead of being tackled head on. It is important to remember we all bring our personal experiences, personalities and values to the business. Understanding this, each other and the strengths we individually bring adds diversity and robustness to decision making.

It is important to understand your own communication style and those of the other parties involved. Consider taking the time to write a family charter or a 'working together agreement'. Talk about your shared values, what success looks like for both the business and individuals who work within it. Remember, roles and expectations change with each age and stage of life. Make the effort each year to review your business vision, goals, future goals as well as current challenges and achievements.

TOP TIPS

1. *Start simply. Think of families who you believe communicate well. Make a list of their strengths. Review ways to incorporate those practices into your own business;*
2. *Start early and have conversations before they become critical;*
3. *If help is needed, have someone independent to chair or facilitate conversations;*
4. *Host conversations away from the family home or farm; and*
5. *Establish a family advisory board structure where all members of the business have the opportunity to speak up and be heard.*

KEY QUESTIONS

- *How would you describe family relationships now?*
- *What are the conversations you are, or not, having in the family?*
- *What is one conversation that you would like to have in your family or extended family?*
- *What makes this conversation important to you and what are your motivations or feelings?*
- *What outcome do you want from this conversation?*
- *What are the barriers to getting started?*
- *What assumptions are you making?*

RESOURCES

- A guide to Communication for Farm Families *https://grdc.com.au/resources-and-publications/all-publications/bookshop/2011/01/a-guide-to-communication-for-farm-families*
- Relationships and Communication, National Centre for Farmer Health *https://farmerhealth.org.au/2017/03/20/relationships-and-communication*
- Communication and conflict resolution (Farm Family Coach Elaine Froese): *www.elainefroese.com*
- Farm decision-making: The interaction of personality, farm business and risk to make informed decisions (Grain & Graze, GRDC): *www.grainandgraze3.com.au/resources/Farm_Decision_Making.pdf*
- Tools and Fact Sheets for Farm Decision Making and Farm Boards: *www.grainandgraze3.com.au/cb_pages/gg3_pub_more_informed_decisions.php*
- Managing Stress on Farm: *www.farmerhealth.org.au/wp-content/uploads/2021/10/FINAL-UPDATED-MSOTF-SEPT-2021.pdf*
- Free Rural Resources : *https://www.ruralresources.com.au/*

USEFUL BOOKS

- Fierce Conversations: Achieving Success at Work and in Life One Conversation at a Time by Susan Scott
- Working with the ones that you love – Strategies for a successful family business by Dennis Jaffe
- Getting Out of the Dog House: An inspiring journey of how to get out of the dog house by Corinne Butler

TRAINING AND DEVELOPMENT

- Jill Rigney - The Right Mind International Pty Ltd *https://www.therightmind.com.au/*
- Farm Business Management Skillset in the UQ Skills Women Teaching Women Program: *www.uqskills.uq.edu.au/farm-business-management-skill-set-special-edition*

HELP

- **Farm Family Facilitators do not have a formal network. A good way to find them, and for referrals, is to contact your nearest Rural Financial Counsellor. Visit www.recovery.gov.au**
- **Rural Succession Solutions – Mark Westcott https://westcott.lpages.co/rural-succession-solution-one-clear-path/**
- **Mentoring and Succession Planning – John Moore**
- **Mentoring and Agribusiness solutions. Agri-Business Development Institute – Gordon Stone www.abdi.com.au/**

CHECKLIST

- **Be clear on what you hope to achieve or gain.**
- **Identify the facts and the potential impacts of the issue.** *Brainstorm what's in your head so you are clear. Think about the best language, tone and manner to use in the conversation.*
- **Identify your own emotions.** *Name them so you are clear on how you are feeling and what the challenges are for you in the situation.*
- **Identify who is the right person in the business to be talking to?** *Put yourself in their shoes and think about how they might feel and think about the topic. What are their values, perspective and what is important to them?*
- **Identify the best time with clear purpose and intent.** *Family dinners and social settings are not the best time to address issues of concern.*
- **Begin by being clear on the topic and ask to be heard.** *Name your emotions, express how you feel and what you need. Ask for a response, allowing people processing time if required.*
- **Find a common point of agreement to help with resolving difficult issues.** *Once we agree we can then work through the differences more easily.*
- **Ask a professional if you need help in the conversation.**

CASE STUDY

UNINTENDED CONSEQUENCES

Communication is key …

SITUATION

A failure to communicate honestly can have unintended consequences.

Jack and Jill have been married for 35 years and own a dairy farm. Following school, their youngest son went to work on various beef cattle stations for some years and before returning to work in the dairy with Jack. They have three other children, none of whom are interested in the dairy farm.

The asset value is high but cash flow is inconsistent, subject to milk prices and drought. The youngest son is married with two children under 10. Understandably, he begins agitating Jack for a transition of the farm business, on the basis of wanting financial security for his own family. He has only been back in the dairy business for five years.

Jill is concerned because:

1. Their off-farm assets are a little under $1 million. A friend of hers who is a financial planner has told her that it is likely to be insufficient to fund the income needed to retire.

2. In an unguarded moment, Jill's daughter-in-law told her that her son hates the dairy business but is "sticking it out" as the property is subdividable and will have a high value, so when he takes it over he can sell it and buy a beef cattle property.

3. Jill is concerned that there will be nothing remaining to leave to their other children. She does not want all the children to have equal shares in their assets as she realises that would decimate the business. But she wants to have sufficient assets to fund their retirement, without relying on the farm, so there is some prospect the capital will remain to provide an inheritance to their other three children.

Jack wants to transfer the dairy to his son to provide his son with financial security as he's worried his son will leave if he does not. Jack doesn't believe in financial planners and thinks their off-farm assets are more than enough. He intends to sign a transfer of the farm property to their youngest son as soon as possible and doesn't believe Jill when she expresses concern about their son selling the property after it's transferred as his son has assured him that he won't do that.

WHAT HAPPENED?

Jack will not listen to Jill and will not discuss her concerns.

CONSEQUENCES

When Jack makes an appointment with a lawyer to prepare the necessary documents to transfer the property, Jill feels she is left with no alternative but to seek out the advice of a family lawyer to protect her own financial future. Their marriage deteriorates as a consequence.

This outcome could have been avoided with appropriate communication, financial advice and properly prepared documentation that ensured that any subsequent sale by their son, within a certain time frame, required funds to be repaid to Jack and Jill.

CASE STUDY

WHEN 3 OR 4 IN A MARRIAGE IS A CROWD

Be careful what you wish for …

SITUATION

John and Kate have been married for 10 years and have three small children. Kate has worked on her parents' cattle property since graduating from university and uses her accounting degree in the business. She effectively manages the business as well as working on the farm as and when required, for under market wages.

John is from a farming family and also works on the farm for minimal wages. The business pays their living expenses and the ultimate intention of Kate's parents is that Kate will inherit the farm.

However, her parents refuse to transfer anything to Kate during her lifetime as, although they like John, his older brother is divorced and they are concerned about the consequences of any potential relationship breakdown between Kate and John. They frequently tell Kate that they can't risk losing the farm if she gets divorced.

WHAT HAPPENED?

Kate attempts discussions with her parents about having more financial security for her and her family many times. Tensions rise between her and John, as Kate has a brother who is a lawyer in Sydney, with no interest in farming, but John has a friend who lost his parent's farm in the estate fight with his siblings, and John feels that his family might ultimately end up with nothing.

Kate's parents will not discuss financial security with Kate, as they assure her they will "look after her" in their will and the farm will support her otherwise. Eventually, John has had enough and the marriage breaks down. Kate's parents feel justified in their fears, but Kate is now a single parent and can't help in the business as often. With the business having also lost John, it experiences financial pressure, and doesn't have the growth potential it had when both Kate and John worked together to assist the business and Kate's parents.

CONSEQUENCES

Would John and Kate's marriage have broken down if Kate's parents had been willing to discuss a Family Agreement, Binding Financial Agreements and a staged transition of the business?

Avoiding that discussion, being unwilling to obtain advice on the options and failing to provide financial security for the next generation in the business, was not the best business, or family, outcome.

SUCCESSION

TRANSITIONING THE FAMILY FARM

Photo courtesy of the Chapman Family, Chapman Ag

Transitioning the family farm and avoiding stagnation or dispute... Planning and communication are the keys

Many women can find their financial security at risk at some point in their lives or in farm transition. There are distinct opportunities and challenges with regards to the different stages of succession. The younger members of a family farm may have no financial security (if they have no legal interest in the assets or the business) for themselves or their children and without enough funds to retire independently, the older generation's future is compromised. Both challenges can be transitioned to opportunities through dialogue and documentation.

THE GOLDEN RULES

To obtain that financial security, the right long term business plan must be put in place. There are two golden rules that need to be addressed to ensure that the farm can transition in a manner that does not risk anyone's financial security:

1. The older generation needs to be able to retire comfortably without relying on the farm as their only source of income; and
2. The next generation taking over the business needs to be satisfied that they are taking over a viable business, once the cost of achieving golden rule number 1 has been determined.

Setting out the above rules is simple. Achieving them can become complicated and fraught with difficulty, particularly where communication breaks down.

Without a doubt, one of the largest risks to family farming businesses is the failure to address succession planning during the lifetime of the generation that currently controls the business assets.

COMMUNICATION AND UNDERSTANDING

To achieve a successful transition of a rural family business from one generation to the next requires taking steps to communicate well. Communication between family members can be difficult but should not be avoided.

1. The first step is for parents to ask themselves, as individuals, what they want in retirement, and then talk to each other about their aims for retirement as a couple. Once they know what they want as a couple, they can take the next step of talking to an appropriately qualified financial advisor to have a proper analysis done of what amount of capital they will need in retirement, and how that will be funded.
2. In the same manner, the next generation needs to think about what they want for their future as individuals and, where relevant, as a couple, before the family can discuss as a whole what each family member needs. There needs to be understanding between siblings, in particular for those who are off-farm, about the need for siblings on-farm to take over a viable business. If sharing with siblings means that on-farm children can't take over a viable business, there can be no successful transition of the business enterprise.

It is important that clear communication between parents and children occurs well prior to one child investing their entire financial future in a farming enterprise that parents may have no intention, or ability, to pass on to that child. In some cases, despite the best intentions, parents cannot pass the business on completely to that child in a fashion that will allow that child to continue to conduct the business for their own family moving forward. Although a difficult topic, it's imperative parents are transparent in communicating their intentions.

Has there been any discussion with the off-farm siblings about returns on their investments or opportunities they may have had that on-farm children did not?

For example, if retirement capital can be generated and protected for the balance of parents' lifetimes, off-farm children may expect to inherit capital that can be invested off farm at a much higher return, for little work or effort.

While on-farm assets may be higher value, they can be lower return and higher risk for more effort than off-farm assets such as listed shares or investment property. If those off-farm assets can be built over time to support parents in retirement, these assets can be passed in due course to off-farm children without damaging a viable business in the process.

FAIRNESS IN TRANSITION.

The phrase 'fair isn't always equal' is often used to describe farm succession, because to treat one or some family members fairly may involve treating others unequally. This is because generational transition and success involves several factors.

This is the point at which it is important for a calculation of cost is to be identified and considered.

The following needs to be considered in the context of the next generation being able to take over a viable business:

- The capital to fund retirement needs of the current controlling generation, without reliance on the farm for that retirement income;
- Capital gains tax and, in some circumstances, stamp duty; and Debt re-financing. Know in advance what the bank wants: www.investopedia.com/terms/f/five-c-credit.asp

Siblings off-farm need to understand that a viable business is a necessity for siblings on-farm who have invested their family's future in the farm. Conversely, children on-farm need to be prepared to accept that the parents' retirement capital is a necessity, so that parents can be secure in retirement taking into account income needs and any possible aged care costs, whilst also preserving capital to provide an inheritance for off-farm siblings.

It is only when the above costs have been fully identified that the next generation on-farm can properly assess whether there will be a viable business for them to move forward with for their own family. This should happen well before the next generation has invested their entire future, and their family's future, in the farm.

START EARLY

The issues involved can be complex but they are not insurmountable. The earlier a plan is developed, the more likely a viable business can be passed on. That plan should evolve over time, as families grow and financial circumstances change.

The key things to remember are:

- No ***plan*** can be put in place if family members have not considered what they want, for themselves as individuals, for the family and for the business;
- ***Communication*** is key – it is important for each family member to understand the needs of every other family member to reduce the risk of dispute at a later point in time;
- Get ***advice*** from a trusted team of professionals/ advisors with experience and knowledge in succession and estate planning; and
- Remember the ***golden rules***. It is for parents to assess themselves what they want to do in retirement and how much it will cost. It is then for the next generation who is taking over the business risk to assess whether there is too much risk. Will the business be viable once retirement capital, taxation and/or duty, and debt is funded.

CHECKLIST

- **Do not allow children on farm to build up your assets to be ultimately split with their siblings.** *This is not a fair outcome, particularly if their own family is reliant on the farm;*
- **Ensure that parents' financial stability is secure.** *No one should have their years of hard work wasted and be placed in a position of being unable to retire comfortably;*
- **Parents should avoid guaranteeing or providing security for the next generation's borrowings** *– that reduces financial security in retirement;*
- **Parents should not rely on the next generation for their retirement income** *– unless there is a documented exit strategy if they don't get paid;*
- **The next generation should understand the business and the business risk before making a decision to take over the business** *– if they don't, the business is at risk, as is their own, and their family's, financial security;* and
- **Understand that the planning for a business transition is dynamic.** *Start early, don't avoid difficult conversations, be prepared to update and change the plan as the business, and family, grows and changes.*

RESOURCES

- A guide to succession: Sustaining Families and Farms (Grains Research and Development Corporation) (GRDC) https://grdc.com.au/resources-and-publications/all-publications/publications/2007/03/grdc-guide-succession-sustainingfamiliesandfarms
- Communication for Farming Families – the do's and don'ts https://grdc.com.au/resources-and-publications/grdc-update-papers/tab-content/grdc-update-papers/2014/09/research-update

CASE STUDY

IT'S NEVER TOO EARLY TO LEARN THE ROPES

SITUATION

Harry and Meg have been running a dairy farming business for 30 years, inherited from Harry's father.

It is the second marriage for Harry and Meg, and they both have children from their first marriage, but no children from their marriage together.

Harry's son, Jim, has been employed in the business for about five years, but is not involved in the financial side of the business, and has no understanding of the cash flow or the liabilities of the business.

Harry is diagnosed with cancer and must reduce his time in the business and, due to treatment, is likely to have to exit the business altogether. Harry and Meg have established off farm assets and have sufficient capital to support themselves without relying on the farm, but Jim will need to refinance liabilities to take over the business.

WHAT HAPPENED?

Jim is abruptly introduced to the financial side of the business and decides that he is not prepared to take on the level of liability and the business risk involved, and would rather leave the dairy to go and manage a beef cattle property.

In this situation, the parents had planned for the capital they would need in retirement to some extent, but did need further advice, because of Harry's medical issues, in respect of the amount of capital that would be needed to appropriately support them.

There was no identification of Harry, Meg's and Jim's wants and needs or education around the business to guide transition.

CONSEQUENCES

The business remained viable, notwithstanding these issues, but because Jim had never been appropriately introduced to the accounting side of the business, and had had no involvement in management, nor any training in business management skills. As a result, the idea of taking on the risk of a business was more than he was prepared to deal with at that time.

This family was in a financial position that would have made the succession of the business very achievable. However, a lack of clear communication led to some unexpected consequences that put the business in serious risk.

CASE STUDY

A BUSINESS TRANSITION LEFT TOO LATE

SITUATION

Geoff is in his mid-70s and inherited some of the aggregation that forms part of a large cattle enterprise from his father.

His daughter Kristie is in her late 40s and married with two teenage children. She has been fully managing, and jointly financing with her husband, the cattle business for the last 15 years. In that time, the business turnover is five times higher than when Kristie first took over management.

Kristie has two younger siblings, one brother (a stockbroker) and one sister (a lawyer) working overseas, and a third older brother who has had financial misfortune during his life and has been bankrupt in the past and is currently estranged from the family.

There have been discussions over the years between Kristie and Geoff in respect of ensuring Kristie will be able to conduct the business for the benefit of her own family after her father's death, but no set plan has been identified or agreed upon. Geoff has not been actively involved in the business since Kristie took over management, and has spent his time volunteering for industry groups whilst receiving a share of income from the business.

WHAT HAPPENED?

Geoff begins to show the early signs of dementia at the age of 75. All of the land that forms part of the business is in Geoff's name. The livestock and plant and equipment are in a discretionary trust, the appointor is Geoff, with his legal personal representative to be the appointor on Geoff's death or incapacity.

In the early stages of dementia but still with testamentary capacity, for no clear reason, Geoff decides to change his Will to leave all of the land and control of the relevant trust to the two children who work as professionals overseas and have had no contact with the business. Kristie finds out about this and has no choice but to commence a proprietary estoppel application after unsuccessfully attempting to change her father's mind.

CONSEQUENCES

Ultimately the costs of that dispute undermines a formerly viable business.

Even had Kristie not commenced the application, given the family situation the likelihood of an estate dispute on Geoff's death is very high, and the same outcome would have been likely.

CASE STUDY

GETTING IT RIGHT...

SITUATION

Wayne and Sarah have three children. They went through their own relatively difficult succession process with Sarah's family when their children were very young. Ultimately they bought out one cattle breeding property from Sarah's parent's family business.

As a consequence of what they had learnt from the process with Sarah's parents, they educated their children from a very early age that they would not all be able rely on the original property. All three showed signs of being interested in a future in the cattle industry. Wayne and Sarah therefore encouraged their children into education that could facilitate off-farm income that would also be useful in the cattle business. Their son became a diesel mechanic, one daughter became an agronomist, the third daughter an accountant.

WHAT HAPPENED?

Over time, and to some extent with the assistance of the skills obtained by their three children, Wayne and Sarah used the equity in their original property to add other properties to the aggregation, with the aim being to acquire at least three further smaller properties that could form a base for each of the children to grow their own business.

The children, as they started to earn income, contributed to the family business initially until the debt was sufficiently reduced such that the three properties could be separately financed, at a viable level for each child to take their own business. Each were ultimately assisted by their respective spouses in undertaking their own, separate, business endeavours.

Ultimately the original family property was sold to fund Wayne and Sarah's retirement, with some excess funds going to each of the three children to help improve their businesses and further reduce the children's debt.

OUTCOME

This transition process required long term planning, constant communication and education of the children from a young age so that expectations could be set and managed appropriately.

The same outcome could have been achieved by a retention of the original property, going to one of the three children, as long as the parents invested in off-farm income generating assets in the alternative to a third cattle property, so that ultimately the off-farm income generating assets could fund Wayne and Sarah's retirement.

The family and relationships remained intact.

THE LEGALS

KNOW WHAT YOU DON'T KNOW

Some of the largest issues that lawyers see arise in rural businesses come from a lack of appropriate communication and knowledge around the structures of the business, along with a lack of documentation that can help avoid disputes when issues arise.

Because so many rural businesses are family businesses, sometimes the need to treat the business as a business is lost in the emotion that can arise between family members. It is important to consider that emotional disputes risk the financial future of everyone involved in the family business.

LEGAL ISSUES TO CONSIDER

Important issues to consider, and obtain advice to ensure your financial security is protected, include (but are by no means limited to):

- **In what entity is the business run? Is it a partnership, company or trust?** This has legal implications of who controls what and what assets are at risk are significant, depending on the nature of the entity and the documentation in place.
- **What do the financials of the business say?** Are there loans, unpaid present entitlements or retained profits? What may have been done for financial and taxation reasons could create some long term asset protection and financial security risks.
- **Do you have superannuation and if not, why not?** Statistics indicate that at least one third of all female farmers and farm managers are unpaid contributing family members. There may be serious implications for those women in the event of retirement or divorce.
- **Do you have a will and Enduring Power of Attorney?** Ensure they are up to date, particularly if you are in business with family members. If your spouse is only leaving you a life tenancy or right to reside in the main residence in the will – do you know what that means and are there options that would provide better security?
- **What happens to the business if a key person dies or loses capacity?** Who will control what and where might a dispute arise? These disputes can be avoided if appropriate planning is done, and the correct documentation completed before a tragedy occurs.
- **Document, document, document.** Many disputes between family members arise due to no, or inadequate, documentation showing the arrangements or expectations for involvement in the business, how funding occurs, what needs to be repaid, what happens if wages are inadequate, and who can sign what.
- **Don't fail to plan out of a fear of divorce in the next generation.** Chances are, if your son or daughter-in-law feels financially insecure, you will create the exact issue you are trying to protect against. Binding Financial Agreements, Family Agreements and other documentation not only protect the family assets, they also protect the in-law spouse and conversations about these issues shouldn't be avoided. It's a win-win if done correctly.
- **Don't sign a bank guarantee without knowing your exposure, particularly for women.** Women are often asked to guarantee family loans relating to the purchase of assets in which they have no legal interest. You may be changing an already precarious financial situation into a potentially disastrous one.
- **Be conscious of the signs of elder abuse and emotional and financial abuse.** Get help and encourage loved ones to seek assistance.
- **Be aware of the red flags.** If arguments arise about the same issue over a period of years, it may become complex and entrenched due to the emotions and resentments that arise. When emotions go into overdrive, commercial logic usually takes a back seat, and reaching an agreement becomes very difficult. Learning to communicate appropriately is the key to paying lawyers less money.

Kylie Jervis, Lychee producer, Bundaberg. Photo supplied by Growcom

TRAINING AND DEVELOPMENT

- Seminars and workshops provided by various law firms and accountants (for example, the Central Highlands Development Corporation runs workshops a couple of times a year)
- Legal Aid community education *www.legalaid.qld.gov.au/Get-legal-help/Our-services/Community-legal-education*
- Television Education Network *www.tved.net.au/*
- Legal wise seminars and webinars *www.legalwiseseminars.com.au/legal/?1-traversablecategories=3*
- Resource Consulting Services – various business fundamentals, succession and associated courses

HELP

- *Law firms with agribusiness experience;*
- *Agribusiness accountants;*
- *Independent financial planners;*
- *Specialists in the area in which you need help; and*
- *Community referrals for situations in which someone if feeling vulnerable or need help with next steps.*

CHECKLIST

- **Be wary about what you read on the internet about legal issues** - *some are accurate, some are not.*
- **Look for a specialist in the area in which you need help.** *The law is not stagnant and changes occur regularly. If a lawyer doesn't specialise in a particular area, they may not be up to date.*
- **Most law firms, and many accountants, will provide an initial meeting at no cost.** *Get to know an advisor, ensure they have good knowledge of ways to help you with your problem.*
- **Don't put off or avoid dealing with issues, gaining knowledge of the business and the business structure or knowing how to protect your own financial security.** *The more knowledge you have, and the better you can communicate with family members, and the more likely that issues can be resolved amicably.*

RESOURCES

ELDER ABUSE

1. Elder Abuse Prevention Unit: *www.eapu.com.au/*
2. Public Guardian Queensland: *www.publicguardian.qld.gov.au/investigations*
3. ADA Law: *www.adalaw.com.au/elder-abuse-advocacy/*
4. My Aged Care: *www.myagedcare.gov.au/contact-us/complaints*
5. Community Legal Centres Queensland: *www.communitylegalqld.org.au/find-legal-help/*
6. Queensland Department of Seniors, Disability Services and Aboriginal and Torres Strait partners: *www.dsdsatsip.qld.gov.au/*

AGED CARE

1. My Aged Care: *www.myagedcare.gov.au/*
2. Aged Care Decisions:

QLS

1. Queensland Law Society: *www.qls.com.au/*

DOMESTIC ABUSE HELPLINES

1. DV Connect Women: *www.dvconnect.org/womensline/*
2. DV Connect Men: *www.dvconnect.org/mensline/*
3. DV Connect: *www.qld.gov.au/community/getting-support-health-social-issue/support- victims-abuse/domestic-family-violence/helplines*

WOMEN'S LEGAL SERVICES

1. Women's Legal Service QLD: *www.wlsq.org.au/*
2. Community Legal Centres QLD: *www.communitylegalqld.org.au/legal-help/womens-legal- service*

MENTAL HEALTH HELP LINES

1. 1300 MH Call: *www.qld.gov.au/health/mental-health/help-lines/1300-mh-call*
2. Beyond Blue: *www.beyondblue.org.au/*
3. Lifeline: *www.lifeline.org.au/*
4. Friendline: *www.friendline.org.au/*
5. Qlife: *www.qlife.org.au/*

PRO BONO

1. LawRight: *www.lawright.org.au/find-legal-help/* - can refer pro bono request to its member firms (of which we are one)
2. Community Legal Centres Queensland: *www.communitylegalqld.org.au/find-legal-help/* can help refer to a community legal centre in a particular geographical area for legal help

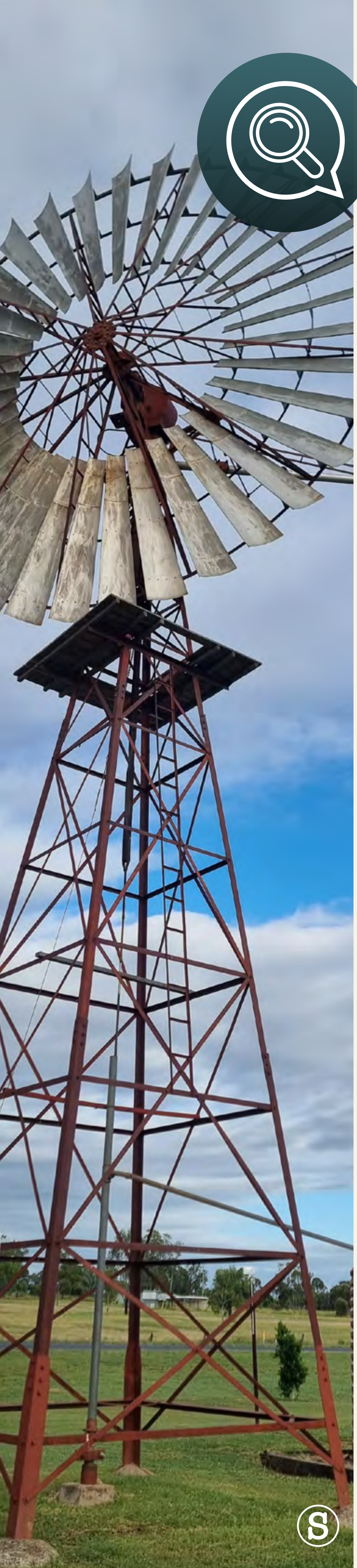
FOR FURTHER INFORMATION ON:

1. Checklists of the information required to complete Wills and Enduring Powers of Attorney;
2. Checklists of the information required to set up a company or discretionary trust; and
3. What you should know about testamentary trusts

Visit the resources tab for further estate planning information: *https://holdingredlich-preview.azurewebsites.net/our-expertise/practice-area/private-client-practice*

QUESTIONS

- **How are the business and business assets structured?** *What control do you have or not have?*
- **What documents do you have and are they suitable?** *Do they protect the assets, the business, your family and your family's future?*
- **What are you signing?**
- **What is your exposure if you have signed something that you didn't get advice about?**
- **What is your role in financial decision making, particularly if that decision making affects you, and your children's future?**
- **Is some or all of your off-farm income being retained to secure your financial future or retirement needs?**
- **How can you guarantee your financial security and that of your children?**
- **Profit vs value - why is this important and is it being discussed?**
- **Is it about equal or fair?**
- **How technically complex is the issue? Does your regular advisor need specialist help?** *Would you have a GP operate on a brain tumour? Specialist help in complex situations may save a lot of money later.*
- **Do you have a will and an Enduring Power of Attorney?** *What happens if you, your spouse, or parents in control of the business lose capacity or die?*
- **Is there likely to be a claim against assets that form part of an estate?** *If so, is the will enough? (In most cases, probably not).*



CASE STUDY

CAREFUL WHAT YOU *WILL* FOR

Badly drafted wills

SITUATION

Bob died on 2 September, 2020 and his will specified for his assets to be split amongst his three children and wife.

His will was completed in a hurry two weeks before he died, when his capacity was questionable. The assets were split at follows:

- Son one: A property and livestock
- Son two: A property and livestock
- Daughter one: A small property and cash
- Wife: Everything else

The will also required that:

- All three children pay out debts on all properties
- The wife was to receive an annuity of $30,000 annually from each child
- If all three children did not comply, all the children's gifts would fail

In the daughter's case, as mum was only 62, the annuity and debt payments meant it was likely the daughter would ultimately have a debt, not an asset.

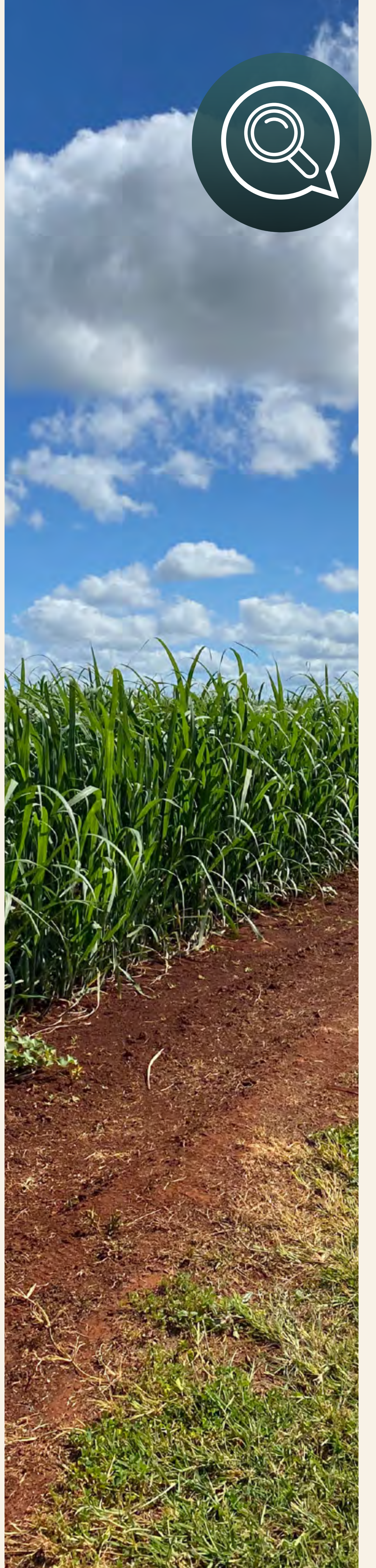
WHAT HAPPENED?

All four beneficiaries made Family Provision Applications against the estate. The Applications were made in respect of the failure of the last two wills due to capacity, and the construction of the relevant clause in respect of the conditions on the children's bequests.

CONSEQUENCES

Costs could potentially exceed well over $3 million between barristers, lawyers, forensic accountants and property valuations.

The estate would pay a significant portion of these costs and it is likely the business will be in severe financial difficulties by the time the matter is finalised.



CASE STUDY

CHOOSE YOUR EXECUTORS WISELY...

SITUATION

Cecilia and Kevin have run a moderately profitable small farm for their entire marriage. Their daughter Casey helps out from time to time and Casey's son Tyson is very keen on the farm and works on it consistently after graduating from high school.

Cecilia and Kevin have also invested in listed shares and a holiday house. They don't do any long term planning about the succession of their assets, and don't really think about Casey and Tyson's interest in the farm which is roughly equal in value to the listed shares and the holiday house.

Casey has an older brother, David. David has bipolar disorder and, when not taking his medication, has been aggressive to his parents and to Casey at times. Casey has, in the past, had to take an apprehended violence order out against David.

WHAT HAPPENED?

At the time of making their Wills, Cecilia and Kevin just opt for simple Wills, leaving everything equally between their children (without identifying specific assets) and nominating Casey and David acting jointly as executors if Cecilia and Kevin cannot act for each other. At this point in time, David is stable on medication.

When Kevin passes, Cecilia is in aged care with dementia and no testamentary capacity. Ultimately she passes within 6 months of Kevin's passing. Casey and David are therefore appointed in both estates to act jointly. Unfortunately, in the early stages of grief over losing his father, David has stopped taking his medication properly. Although erratic, he is capable of appearing reasonable and does not want to resign as executor.

Despite this, David is obstructive, unwilling to agree with anything Casey proposes and delays his decision making. Applying to the court to remove him as an executor would be a difficult and expensive process with no clear guarantee of success.

David obtains a lawyer to act for him in the estate administration with Casey having separate representation. This doubles the cost. Both legal representatives recommend that a mediation be conducted to resolve the estate administration steps to ensure their clients comply with their duties as executor to finalise the administration of the estates.

CONSEQUENCES

This situation illustrates the importance of thinking carefully about who is appointed to make decisions about assets, both in Wills and in Enduring Powers of Attorney.

Saving cost and time on simple proforma documents can lead to great expense later, particularly where siblings don't always agree.

SUPERANNUATION, RETIREMENT & INSURANCE

BEGIN WITH THE END IN MIND

Several key issues revolve around the often-ignored retirement plan, especially for farm businesswomen. The key to enjoying a level of financial independence, and control of your lifestyle as you age, is a well thought out retirement plan.

As with many important milestones in life, it is best not to put this off and start is as early as possible. However, if that boat has sailed the next best time to start is now.

One of the most valuable reasons for having a good retirement plan is the financial security, flexibility and freedom that results. Even if there is not much in the pot, there are some great ideas to make sure you are making the best of what you have.

Research has found that the biggest obstacle to successful farm succession is omitting a retirement plan for the first generation. It must be clear about what you will need in retirement. Get on top of the numbers early, and figure out what you will retire "to".

Superannuation is a key pillar of any retirement plan due to generous tax benefits, protection from bankruptcy and tax free income after 60.

Insurances form a strong asset protection plan and are vital anywhere there is a family business in operation. Combined with other documentation such as a Buy/Sell Agreement, it can protect a family business from the unexpected death of a child or a parent by providing funds so assets do not need to be sold.

Insurance can also provide funds in the event of death, disability or illness, meaning the income can continue or funds are there to pay bills or employ extra staff.

TOP TIPS

- *The first step of a retirement plan is to determine how much money is needed and how to fund the plan so it is not dependent on family.*
- *Pay attention to budget planning leading up to retirement, and do not spend retirement money.*
- *Dispel the myth that retirement is the end. Consider and formalise interactions post retirement with family and the farm business.*
- *Identify a purpose for yourself post retirement.*
- *Superannuation is protection, not an anchor for "the moment". It is a long-term strategy. It must be a standalone asset and not seen as a "lost" asset to the business.*
- *Superannuation can offer a clear outcome for estate planning as it is generally protected from claims on the estate.*
- *Seek specialist risk advice for insurance. It can be complex and the stakes can be high.*
- *Insurance can be useful to ensure any partners who have married into a family business can be adequately provided for after the death or disability of their spouse without having to make claim on the business or other family assets.*

QUESTIONS

- **Are you the first generation?** *Do you have to care for older generation, whilst also caring for your own children?*
- **How do you think the first generation's retirement is going to be funded, without selling the business?**
- **If something dire happened, and you had to leave, what funds or access to funds would you have?** *Do you have savings off farm, or super?*
- **If you do, is the investment plan focused on protecting your capital?**
- **What happens if your partner dies or is permanently disabled?**
- **How are your assets and the family assets protected?** *Is there adequate insurance in place?*
- **Is there a clear path to adequately look after partners of children after a crisis such as death?**
- **Have you utilised your super to manage your estate planning, especially if you think there may be a challenge to your will or if you have vulnerable children who may need protection?**
- **Is super a part of the budget meetings every year?**
  - *Are you using the tax benefits of super every year?*
  - *You may be working off farm part time so your employer super may be limited. Are you topping that up?*
  - *Do you have insurance within a super fund when working off farm or before marriage?*

RESOURCES

- MoneySmart government site for all things financial including calculators *www.moneysmart.gov.au/*
- Westpac - Ruby program for women, facilitators that can deliver financial literacy courses to all regional areas *www.rubyconnection.com.au/insights/finance-and-tax/ruby-financial-literacy-toolkit.aspx*
- Find a Financial Advisor *www.moneysmart.gov.au/financial-advice/choosing-a-financial-adviser*
- My Aged Care website. Access information and calculators for Age Care Home Packages or Residential *www.myagedcare.gov.au/*
- What Will Your Legacy Be? *https://familylegacy.scoreapp.com/*
- "Retire Inspire" 23 Experts share Their Advice on Retirement. For a paperback copy email susan@seedsofadvice.com *www.amazon.com/gp/product/B07P5874Y7/ref=dbs_a_def_rwt_hsch_vapi_tkin_p3_i4*
- Financial Retirement Planning *www.seedsofadvice.com* – Susan Bryant Financial Advisor to Rural Families
- Free Rural Resources : *https://www.ruralresources.com.au/*
- The Pineapple Project podcast episode: *www.podcasts.apple.com/au/podcast/the-pineapple-project/id1340045090*

HELP

- ***Insurances – Specialist Risk Advice - Mark Everingham: www.personalriskprofessionals.com/***
- ***Retirement Planning – Farming Families - Susan Bryant: www.seedsofadvice.com***
- ***Financial Planning Association Australia: www.moneyandlife.com.au/***

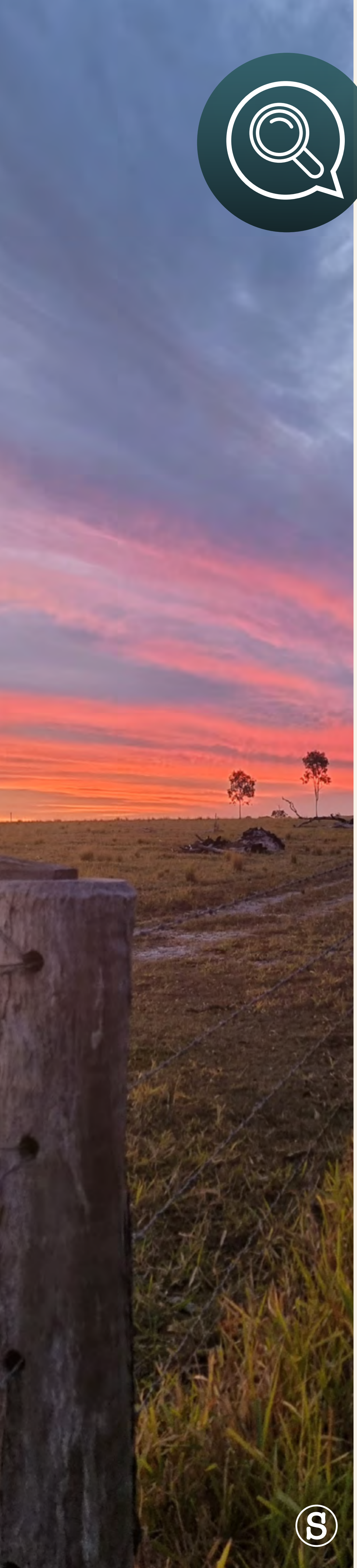
TRAINING AND DEVELOPMENT

Ruby Connection Westpac Financial Literacy for Women

Download the booklet "Good Money Management" here:

www.davidsoninstitute.education/community/women/good-money-management/

Disclaimer: The advice in this publication has been prepared by Susan Bryant of Seeds of Advice without accounting for your specific objectives, financial situation or needs; and because of this, you should, before acting on the advice, consider the appropriateness of this advice, having regard to your own objectives, financial situation and needs, and further seek personal advice from a licensed financial advisor. If the advice relates to the acquisition or potential acquisition of a particular financial product, you should obtain a Product Disclosure Statement (PDS) relating to the product and consider the PDS before making a decision about whether to acquire the product.



CASE STUDY

THE JESSOP FAMILY

SITUATION

The Jessop family were in crisis because their mother, aged 61, was not well and the adult children felt their father, aged 62, wasn't coping. One adult son and his wife lived and worked on the property. He was on what amounted to half time wages with a promise about the property. The daughter was married to a solicitor and they lived in Brisbane.

The property was Capital Gains Tax (CGT) free due to its date of purchase in the late 1960s. There was a second block, bought for $475,000 in 1989 and now worth $2 million. Both properties were in the father's name.

The children wanted their parents to be able to retire and look after themselves but discussions so far had not gone well. The parents had about $900,000 in super but needed to buy a home in Brisbane as well as have funds for retirement including good medical care for the mother. The daughter wanted them to sell a property so they had enough funds but the son felt he'd worked hard for the business and only one property would not be viable. In addition, he did not want to borrow to buy the father out feeling that was unfair as well.

THE REAL ISSUE

What became apparent was:

1. There was insufficient off farm assets to support a good retirement for Mum and Dad.
2. Selling one of the properties would mean a big CGT bill or if transferred a big stamp duty bill.
3. The ownership structures afforded little protection or flexibility.
4. The off-farm investment were 100 percent in shares in both the parents' names.
5. Little or no retirement planning was in place.

THE SOLUTION

The ownership of the business and properties was restructured with assistance from the family's accountant and lawyer. The son and daughter-in-law moved onto the first home block which was CGT free and then leased the second block from the parents to provide further income.

Over a period of two years, the parents transferred the shares in their names to the Self-Managed Super Fund by using the Bring Forward Rules for those under 67 (1 Jul 2021). Thereby, making initial maximum non-concessional contributions of $110,000 each totaling $220,000, and the following financial year, both making three years of non-concessional contributions each of $110,000 equaling $660,000.

In addition, the parents made concessional (tax deductible) contributions each of $110,000 in the first financial year and concessional contributions of $10,000 each the following year, thus transferring the whole balance of their off farm portfolio into the more tax effective structure of super with 100 percent capacity to withdraw at any time with no tax payable. The portfolio was then readjusted to reduce the amount of risk now they were in retirement. This, and the new house, would form the residual estate for the daughter on their death.

THE OUTCOME

The parents were able to ensure a good and timely retirement without burdening the children with debt. The estate, through their wills, left the real assets to the son in recognition of his work for so long on half wages.

Though it wasn't equal the daughter felt it fair that she received the off-farm assets. It also meant she would keep a sharp eye on her parents.

The parents had access to a tax-free superannuation income stream of $36,000 without using any capital, combined with the lease income from the second block some of which was adding to their savings over time.

Everybody is still talking and Mum's health has slowly improved.

CASE STUDY

THE MACKENZIE FAMILY

SITUATION

The Mackenzie family owned a sheep farm producing wool in New South Wales. The mother aged 74 was a widow. She was running the farm in partnership with her two sons while her one daughter was off farm with a professional career. Her first son was married with three children, the second son was single and her daughter was married with one child.

The mother owned three properties with a combined value of $13.5 million. The sons wanted to start their own enterprise in a joint partnership. They secured lending from a major bank to purchase a nearby property for $6 million with a $4.2 million loan, with the balance secured by one of the mother's properties. The bank required life insurances on each son as a loan requirement.

THE ISSUE

Initially the sons attempted to secure the minimum life insurance required to meet bank terms. Thereby, if one son died, the life insurance could be used to repay his portion of the loan and the remaining son could continue the farm business.

THE REAL ISSUE

Farming incurs major risks. In addition to death, a serious permanent disability, critical illness or accident could limit the working arrangements of the two sons with a massive impact on their operations and their ability to service the loan.

The mother was budget conscious and did not want to pay for trauma insurance, which is the most expensive type of cover. It provides for a lump sum payable immediately on diagnosis of a long list of specific conditions including loss of mobility and performance of everyday tasks.

In addition, the first son who was married with a wife and children had no assets to leave to help support them after death as any insurance to cover the debt repayment would leave no residual. His widow would look to the partnership and possibly to the mother's estate for financial support. The mother assured they would give the wife $500,000 to buy a house in town in that circumstance.

THE SOLUTION

After some persuasion, each son received $2.5 million life insurance with the same amount of Total and Permanent Disability (TPD) Insurance: $250,000 of trauma insurance and $3,000 a month of Income Protection Insurance.

The first son also took an additional amount of life insurance and TPD Insurance to ensure that on his death his widow and children would receive $3 million to buy a home with sufficient funds and pay ongoing education costs and living expenses. The partnership paid the premiums on that policy as the partnership would benefit from the arrangement given it was agreed that one of the policies was to be used to pay down debt.

THE OUTCOME

While preparing the insurance applications, the first son was involved in a motorbike accident early one morning, moving some sheep to another paddock.

But did he have insurance cover?

By using a financial advisor to write the insurance, it was set up so that even though the policy had not yet been accepted nor paid for, a claim was successful for income protection insurance of $3000 a month for 12 months.

The family put a workman on at home and took a rental apartment close to the hospital where the son was recovering for almost a year.

In the long term, the mother's assets were protected and the first son's wife and family were protected in the event of his death or disability.

THE FINANCIALS

TAKING A LOOK AT THE FINANCES

THE FARMING BUSINESS

Rural enterprises are no longer the types of business that rely solely on working hard. Owning and managing an agribusiness is complex, with many considerations to remain viable, sustainable, competitive, and meet increasing regulatory demands.

Staffing is also a current issue which can play havoc with fair workloads for the business owners, managers and existing workers.

As a family business, factoring in retirement plans and funding those plans, are an additional layer of consideration for most agribusinesses.

It takes experience, skills and confidence to make strategic decisions, delegate, change direction and re-plan as necessary. The complexities of working within a family-owned business can add a new dimension of intricacy, as often all business owners and employees are required to follow the one vision laid out by the business plan and feel part of the family and a 'team'.

BUSINESS PLANNING – *Fail to Plan, Plan to Fail*

Getting buy-in from everyone concerned during the business planning phase is vital. The most successful family businesses start planning early and involve all family members. Planning does not have to be complicated and can be scaled up or down, depending your business size and situation.

The key stages of business planning are:

1. Consult your team and family and think about your current situation (where are we now?);
2. Consult your team and family and think about your vision for the business (where do we want to be?);
3. Broadly analyse and clarify your goals to reach your vision (what do we want to achieve?);
4. Determine your strategies on how you will reach those goals and vision (Will it work? How will we get there?);
5. Understand your risks;
6. Monitor business performance (Are we there yet? How do we stay here?); and
7. Modify your plan – revisit your vision and adjust goals or strategies if needed.

LOOKING AT YOUR FINANCES

A woman's relationship with money is shaped by many factors and financial literacy faces a profound gender gap. But this isn't just a matter of lack of knowledge or confidence. Education should start from an early age because upbringing and life experience have big impacts on financial futures and success.

A woman's financial literacy (knowledge and skills) and their ability to meet their financial goals (putting those skills to work) can be improved at any time. A basic understanding of financial records, trusted advisors to assist with interpreting and analysing figures is empowering and facilitates planning and goal setting.

A finance plan for an individual and a business can differ but generally comprises common documents including:

- Start-up costs (on-off costs of a new business/product or expansion);
- Statement of financial position (net worth);
- Statement of profit and loss;
- Balance sheet;
- Projected cashflow budget;
- Gross margins (to compare business options); and
- Break even analysis.

It is common practice to firstly identify your current financial position before developing a projection of your business's performance and cashflow needs. At this point, you may trial your system to test your business options before implementation.

TRAINING AND DEVELOPMENT

Keen to make improvements to your farm business, but not sure where to start? Build on your existing knowledge with the 4-day **Farm Business Management Skillset** (AHCSS00030). This subsidised course covers business strategy, risk management and succession planning, as well as the interpersonal and communications skills relevant to the farming environment.

UQ Skills (RTO #1511) offers a special 'for women, by women' edition of this training, aimed at celebrating women in agriculture and building confidence. This session is perfect for business owners and higher-level managers operating a farm within a family environment.

For more information visit: https://uqskills.uq.edu.au/farm-business-management-skill-set-special-edition

TIPS

For marrying into a family agribusiness…

1. *Understand, have control of personal finances separate from the older generations' personal finances.*
2. *Use separate financial advisers, accountants, solicitors for personal advice independently of those that advise the family business. Thereby ensuring that you are receiving the best and independent advice as an individual and as a couple.*
3. *If possible maintain your own source of income, separate from the family business, at least to the extent of providing some income that is not completely reliant on the family business if you otherwise have no, or limited, control of assets and financial security.*
4. *Seek to understand if the family agribusiness can actually afford, on a year in year out basis, to pay your partner, and/or yourself, market wages.*

   If not, why are you individually/as a couple working in the family business? At the very least, an agreed transition to secure your own family's financial future from the family business in due course must be documented even if the transition period will take place over time - before sacrificing financial security to support a business that may not ultimately be able to support you in the future.
5. *Establish a credit rating as a couple/individual separate to the family business, and preferably use separate financiers in respect of growing your own independent assets.*

TOOLS

Use a tool to help with your planning:

- *SWOT (strengths, weaknesses, opportunities, threats);*
- *STEEP or PEST analysis (social, technological, economical, environmental, political); and*
- *SMART Goals (specific, measurable, attainable, realistic, timely).*

KEY QUESTIONS

- *How is the business currently going?*
- *What is your level of debt?*
- *What is your business cashflow position?*
- *How are you paid from the business?*
- *How do you decide how the funds from the business is spent? Do you have a say or delegation?*
- *How do you monitor and track your business performance?*
- *How can you guarantee you and your children's financial security?*
- *How do you make sure you have your own funds?*

RESOURCES

- Farming the business, Sowing for your future (GRDC, November 2020): *www.grdc.com.au/resources-and-publications/all-publications/publications/2015/01/farming-the-business-manual*
- Reclaim my financial independence and learn money skills
- How to write a business plan and review farm performance (NSW Department of Primary Industries, Tocal College, 2010): *www.tocal.nsw.edu.au/publications/farm-management/agguide-how-write-business-plan*
- UQ Skills Business Plan Template: *www.qff.org.au/projects/*
- Free Rural Resources : *https://www.ruralresources.com.au/*

TOOLS

- SWOT Analysis Tool: *www.business.gov.au/planning/business-plans/swot-analysis*
- Key Financial Ratios Fact Sheet (GRDC November 2013): *www.grdc.com.au/__data/assets/pdf_file/0016/117322/8116-key-financial-ratios-fs-pdf.pdf.pdf*
- Farm Financial Tool: Cash Flow budget Fact Sheet (GRDC November 2013): *www.grdc.com.au/__data/assets/pdf_file/0024/165921/8135-farm-financial-tool-cash-flow-budget-fs-pdf.pdf.pdf*
- Finance – learn how to keep business records, manage your cash flow and prepare for tax time with the tools and resources: *www.business.gov.au/finance*
- The 5C's of credit - What the banks are looking for *www.investopedia.com/terms/f/five-c-credit.asp*
- Workforce Planning Toolkit (Jobs Queensland): *www.jobsqueensland.qld.gov.au/workforce-planning-connect/*

HELP

- *Rural Financial Counselling Service;*
- *Agribusiness relationship managers – vulnerable, customer advocates, hardship units;*
- *Financial Information Service (FIA);*
- *Lifeline and community services including Drought Angels;*
- *Independent financial advisors;*
- *Fairwork Australia; and*
- *Queensland Rural Industry Development Authority (QRIDA).*

CHECKLIST

- Be proactive and inclusive with business planning;
- Clarify the balance of work, family and life;
- Be clear on roles and responsibilities on the farm;
- Establish structure within the business, using process and documentation;
- Use analysis methods: SWOT, STEEP and SMART;
- Start planning succession and retirement now;
- Test budgetary impact using relevant financial documents before implementation;
- Review your business plan findings to give clues to your risks;
- Use measures to help monitor how your business is tracking against your plan's goals, objectives and vision;
- Adjust your plans sooner than later;
- Know your risks early;
- Brush up your communication and interpersonal skills, be self-aware;
- Understand conflict management tactics and stress management strategies;
- Put stress management on your meeting agenda and talk about it regularly with your family and team; and
- If you are having trouble, do some training or call in the experts such as a mediator.

ADVISORS

THINGS TO CONSIDER ...

IN USING AN ADVISOR:

- Are you comfortable that you are being heard, not judged and that your interests will be protected?
- Does the advisor have extensive experience in your area of concern?
- Do they speak to you professionally, candidly and with respect?
- Does the advisor listen to your needs?
- Is the advice you are receiving independent? Are your best interest being looked after?
- Do you need a team? *There is rarely a one size fits all approach to receiving all the advice you need and you should be wary of advisors who say they can solve every problem you have. In family business in particular, advice will normally need to be a combination of legal, accounting and financial to ensure that all issues are covered appropriately.*
- Keep your advisors separate. By having a different accountant, financial planner and lawyer ensures a good level of accountability and prevents one part of a business "feeding" the other with referrals.
- Are they registered with their professional body?
- Do they specialise in clients just like you?
- Do they have extensive experience dealing with your type of issues?
- Are there any bans on them on the MoneySmart website?
- Are their fees clear and transparent?
- Are they good communicators?

NEXT STEPS

WHAT WILL I DO NEXT?

AS A COUPLE WE NEED TO...

AS A FAMILY WE NEED TO...

THE BUSINESS NEEDS TO...

WHAT WOULD SUCCESS FOR ME, MY FAMILY AND THE BUSINESS LOOK LIKE ... 5 YEARS FROM NOW?

ACKNOWLEDGEMENTS

A special acknowledgment must be extended to the following professional rural women for their time, photos and detailed contribution to this e-kit:

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***Kylie Wilson**, Partner, Holding Redlich*

***Susan Bryant**, CEO Financial Advisor, Seeds of Advice Financial Planning for Rural Families*

***Janne Dipple**, Trainer, Facilitator of Adult Education, FarmReady Pty Ltd*

***April Cavanagh**, Head of Agribusiness, Suncorp*

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