

Cashflow for Families

The Issue

At some point, in most families, your assets start to be discussed as 'our assets'. Surprised? Don't be surprised, be ready. Whether it's moving out of the family business, or, more permanently, you have 'moved on', there will be trauma and anxiety that comes with the changes. It is particularly concerning to those family members who rely on the family business for employment or on distributions for some cashflow.

What we do for you

Family members need clarity when it comes to dealing with family assets. Yes, we know the assets are yours and not theirs, but let's just accept human nature. We can help bring peace amongst the family by realistically considering all expectations, developing the right plan and then communicating the plan effectively. What we do for you is:

- a. Take the time to listen to your concerns, understand the assets involved, understand your wishes and the people, relationships and situations involved.
- b. Where the family patriarch/matriarch is no longer with us, those managing the family assets will benefit from these steps as a means of engaging all family members.
- c. Taking our cue from you, where appropriate, spend some time with those other people and hear their concerns. Any kind of action like this will need early communication from you about the engagement.
- d. Applying our experience and understanding of your business, assets and general situation, and the matters outlined in discussions with you and, where agreed, other family members, we can begin to formulate a plan for the future, incorporating a cashflow forecast, identifying the cashflows applicable to various family members.
- e. Where appropriate, we can facilitate a family meeting to discuss the plan. Alternatively, we can help you formulate a communication about the plan which invites discussion.

- f. All of the above should be done in conjunction with consideration of your will and the intentions you have expressed in that document.
- g. This process may lead to ongoing engagement with family on a regular basis.

As you move into “succession” mode, there will be ongoing disclosures made where you think is appropriate. Effective cashflow management is essential to ongoing family harmony.

The Benefits

The benefits to you are:

1. Family ‘peace’ Is not easy to achieve and maintain. Taking these steps will hopefully contribute to achieving some peace in this regard.
2. From your own personal perspective, you will have taken positive steps to put proper arrangements in place. Our experience will enable us to efficiently communicate required changes and outcomes to your legal adviser.
3. For those managing the family assets for siblings, a sense of order can be achieved, with boundaries put in place and expectations re-set.
4. Setting these plans out can help take the emotion out of the conversation, with the focus moved to the assets, numbers and what can and can’t be achieved based on facts and not desires.
5. Our experience is that, deep down, families want to remain as one. By working hard to deal with these issues, hopefully the relationships, and not the money, take precedence.

What’s next

Contact UHY to arrange a discussion about how we can best assist you. Connect with us and connect to possibility.