

YOUR OUTCOME ■ OUR PURPOSE

Where to now? Preserving and passing on your wealth

Dan Simmonds

Harwood Andrews' Focus

- Protection from business risks
- Protection from relationship risk
- Protection from tax on death



Clients must understand structure and how it works for succession, asset protection and tax planning



Role of trusts in asset protection and tax planning

- The importance of the trust deed
- Control of trusts
- The future of trusts

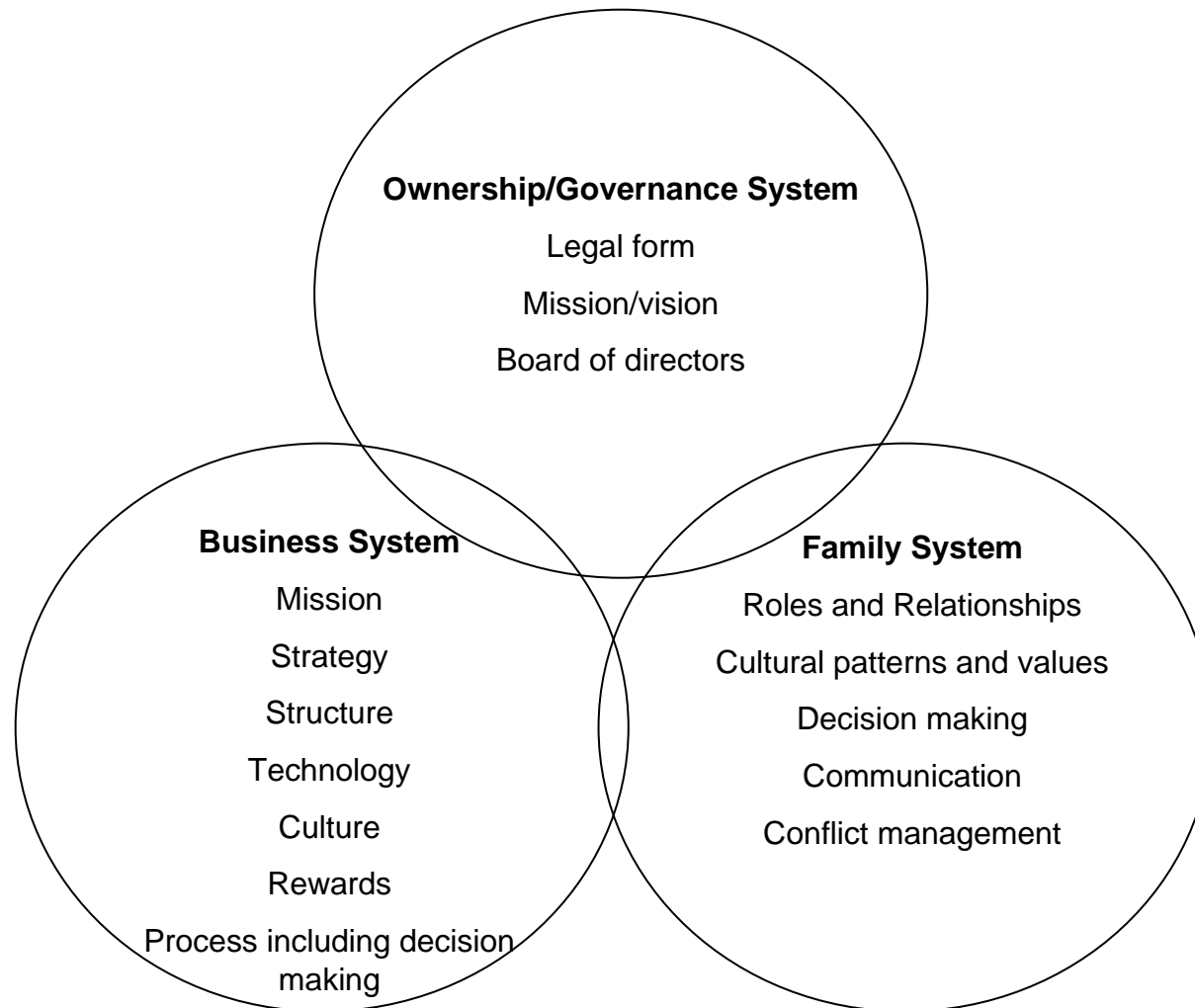


The protected spouse

Strategies to avoid relationship risks



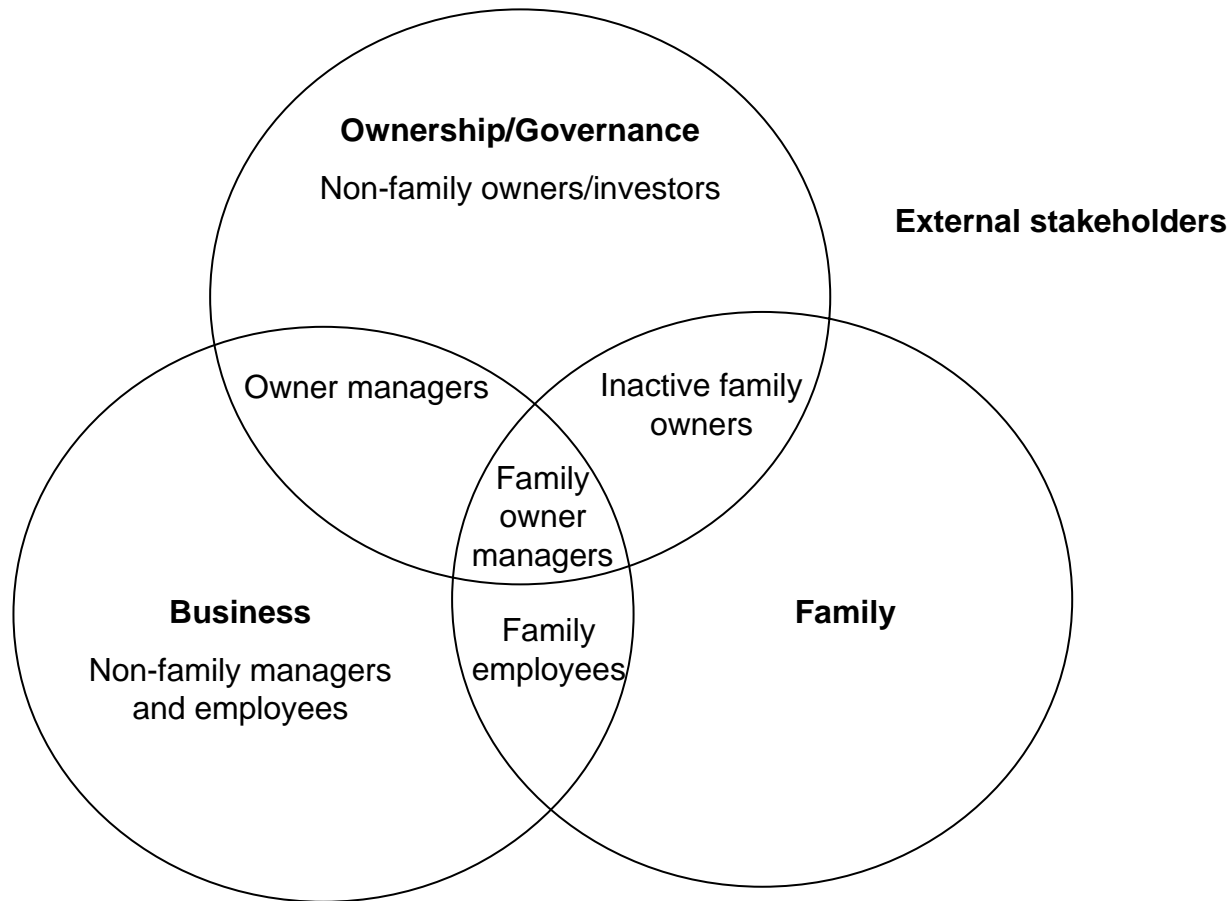
Systems of a family business



Source: Consulting to family business by J Hilburt – Davis and W Gibb Dyer



The family business



Family constitution

- Succession
- Business principles
- Investment strategies
- Roles for family members
- Family council (appointment, structure, role)
- Appointment to board of directors



Family constitution continued

- Other governance issues
- Employment
- Remuneration
- Profit distribution
- Buy/sell provisions
- Right of sale including of interest



Issues to consider in making a will

- Assets owned by spouse
- Assets in trusts
 - Statement of wishes
- Children involved in business
- Loan accounts and gifts made
- Superannuation – if family member benefits need to equalise



Issues to consider in making a will continued

- Equalisation in other circumstances (e.g. gifts made during life time)
- Second marriage
- Business succession
 - Control
 - Funding (working capital and securities)
- Risks of potential beneficiary
 - Business
 - Relationships



Issues to consider in making a will continued

- Children with specific needs
- Specific bequests
- Multiple or single testamentary trusts
- Restrictions on capital distributions or loans to beneficiaries
- Restrictions on a testamentary trust borrowing
- Mutual wills

