



**T**AKE some time to contemplate this – I am sure you will find it interesting. Then ask yourself the following questions:

- Five years ago where did I see myself being today?
- 10 years ago where did I see myself being today?
- 20 years ago where did I see myself being today?
- Where are you now by comparison?
- How did it happen?

Now consider the following questions:

- Where do I want to be in three, five, 10 or 20 years' time?
- Where do I want my operation to be in three, five, 10 or 20 years' time?
- Is everything in place to make this happen?
- Do I know my spouse/children/parent's answers to these questions?

We get so busy in our lives and businesses (primary production is a business) just getting through the day, month or year that we don't find time for long-term planning. This applies to all people from all walks of life – even accountants.

**Planning should be all-encompassing**

# Planning should cover all possible scenarios

Following is a list of issues that need to be attended to and planned for:

- **Your estate planning.** It is critical every one of all ages knows what will happen with their affairs on their death or incapacity. Do you? How long is it since you last did a will or do you even have one? Do you have an enduring power of attorney? What circumstances have changed since you last did your will? Do you know what assets are covered by your will and which assets are not? Have you made plans to deal with your assets not covered by your will?
- **Business operation planning.** Before you can plan for the future you need to understand your current position. Do you know your financial position? What are your assets and liabilities and your

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net wealth (the balance sheet)? What has been the cash flow and profitability of the operation over the past 12 months, three years or five years? Can it be improved? Where is the operation heading? How will the operation get through

the next 12 months? Are you growing or is your operation fully developed? Would you like to expand? How will you get there? How often do you meet to plan?

- **Lifestyle planning.** Do you have holidays? I always tell clients that the best investment you can make is a holiday. Most of us don't know how stressed we are until we get away from our businesses and begin to relax. Getting outside our front gate and seeing what is going on elsewhere can give us valuable perspective. Regular holidays are good for family relationships. You don't only relax and have a good time but you also tend to refuel your enthusiasm and passion for your business. What are the personal goals and dreams of the individuals in your family operation?

Life is too short to not have a go at achieving your dreams.

- **Wealth planning.** At the end of every 12 months have you accumulated wealth, stood still or gone backwards? Are you accumulating off farm investments? Where do you want to see your wealth position or balance sheet in the future? Is a plan in place to achieve this?
- **Taxation planning.** Are you paying too much tax? Is it crippling your operation? Are you structured appropriately to make your tax level acceptable? Have the taxation ramifications of all other planning been considered?
- **Retirement planning.** When do you want to retire and will you have the investments to fund this retirement? Where do you want to retire to? Have you taken advantage of superannuation to make your retirement tax effective?
- **Succession planning.** Are you planning to hand the reins over to the next generation or someone else? Does the next generation want the reins? Do you have a plan in place as to how to do this? If so is it still relevant? Have I got you thinking? Over the following months I will discuss these subjects in more detail.