



**FINANCE**

with Stefan Wissenbach, chairman of THE WISSENBACH GROUP

# How to make a happy exit

For tax reasons alone every owner of a privately run business should have an exit strategy plan. Yet, surprisingly, few business owners actually have one. Normally they are too busy just to stop and think about what will happen when they finally decide to call it a day.

Many entrepreneurs suffer from the fact that they haven't found time to put together a proper business plan. Many business people prepare a will, which is planning for death, but there are a very high number who do not have a written plan for when their businesses are very much alive. You can't make anything happen proactively until you are clear about the future.

Most entrepreneurs are technicians suffering from entrepreneurial seizure. Invariably they are trapped in the monster they have created. They find they are working IN their business rather than ON their business. As a result, everything else suffers.

Every business should be being built to be sold, even if the owner chooses not to sell it in the end. On that premise business owners need a plan that gives them the flexibility, on their own terms, to free themselves from the clutches of the monster!

It makes good sense to consider an exit



strategy sooner rather than later, as this allows the shareholder director to leave the company in the most efficient way possible. And tax planning now is likely to be easier and less disruptive than paying tax later. What is more, planning an exit strategy gives confidence to co-directors, employees, family and clients – not to mention the bank.

Strategic planning is vital if owners want to ensure that they end up with the maximum cash in hand after taxation. With proper advice and planning taxes, can be substantially reduced, deferred or even, in some cases, eliminated.

There is a range of financial planning tools which can be applied to the development of an exit strategy. These include international investments, cashflow injections to support the balance sheet and facilitate exit plans, retirement planning, corporate protection and capital tax planning which, planned effectively, can reduce or remove the twin threats of Capital Gains Tax and Inheritance Tax.

So remember – whatever demands and pressures are placed on your time today, it's important to start thinking about putting that strategic plan in place. Start working on the business, rather than in it. ■

Stefan Wissenbach is Chairman of the Meriden-based Wissenbach Group, a wealth management and investment specialist consultancy which offers innovative financial strategies and advice to high net worth clients. The Wissenbach Group has produced a booklet entitled "All the key questions every business owner should be able to answer". For your complimentary copy, please contact Allyson Owen on tel: 01676 524460. For further information on the services offered by The Wissenbach Group please visit [www.wissenbach.co.uk](http://www.wissenbach.co.uk)

