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Video Transcript

Post-sale planning and investing

Andra Ilie: Good morning, everyone, and welcome back to our 6th webinar of the Beyond Business Ownership Series on the topic of post-sale planning and investing. Now, I hope everyone's had a very good summer break and managed to relax and recharge. My name is Andra Ilie and I am a senior advisor on Family Office Governance and Philanthropy at HSBC Private Bank. Now, before we kick off, just a quick reminder to say that if you did miss our first five webinars of the series, please do contact your relationship manager for a copy of the recordings. Now, for today's session, we will be asking you to imagine that you've just sold your business and are thinking about what to do next. So over the course of the next 75 minutes or so, we will be taking a look at some of the decisions and options that are available to you. And joining me today for the discussion are four of my HSBC colleagues. Kirsty Moore, Head of our Relationship Managers for high-net-worth individuals in London. Russell Prior, Head of our Family Enterprise Succession for EMEA. Mrin Ramakrishnan, Desk Head Investment Counsellors and Patrick Power, Financial Planner in our UK Wealth Planning Team. Thank you very much to my colleagues for joining me. Just before we get started, I wanted to make a couple of things clear. So first of all, HSBC and our panelists have no responsibility for and are not providing legal or tax advice in this webinar. And therefore, any views that are expressed or any information that is provided do not constitute legal or tax advice and should not be relied upon as such. And finally, for our audience this morning, if you'd like to ask any questions, there should be a question box at the bottom of your screens. So, please do feel free to write them there and we will do our best to come to them at the end. So, housekeeping over. Let me start today's conversation at the very sharp end. A business owner that has just sold their business for a considerable amount of money is likely to be approached by a number of financial services, professional advisory and wealth management institutions. And we often talk to individuals feeling a little bit overwhelmed with all of this choice and not really knowing where to start. So, Kirsty, as an experienced practitioner in this space, how do you advise clients at this moment in their journey and what should they be looking for from advisors? As well as what's distinctive about your approach?

Kirsty Moore: Absolutely. Thank you. So, look, I would actually say so whilst we're looking here at post-sale planning, there's a lot of the work that can go in before. And arguably actually at the point, as you say, where lots of people may be approaching the individual once they've sold a business, actually, it's too late. My biggest advice I'd say and it will come through I think consistently when you talk to me and my colleagues is about planning. And what I would say is that you need to build a relationship with a wealth manager well in advance of that sale. What I do know from all the years of dealing with people selling businesses, at the point of the transaction, it's incredibly busy. It can be very stressful being completed late into the night. And actually, if you've already got a well-established relationship with a wealth manager, it can give you the confidence to know why you're going to do the deal because actually you're clear on the value you need and what it's going to do for you and your family in the future. You have the security of knowing that when the sale completes, your money is going to go somewhere safe that's ready to accept those larger sums. A lot of retail banks won't be able to just take in multiple sums coming in. So actually to have a bank that's experienced and used to that so that when the proceeds come through, you get that call to say "They're here, congratulations", that is worth a lot. So I would definitely say take the time to build a relationship well in advance. It's definitely a personal thing. You need to feel comfortable and have trust in the teams you deal with. The other factor though is actually, as I say, spending the time sort of investing in getting to know the relationship. But also, it's not rushing into anything. That's the other thing that I would say is that actually it's OK to take those funds in, earn some good interest and as you'll hear from us today, spending the time making sure that post the sale, the plan is absolutely right. You do not want to be rushed. In terms of us, we are hugely experienced of looking after entrepreneurs. It's what we do. It's what we love. And therefore I think sort of that's what I would say in terms of what differentiates us. We have many, many years of experience both on this today but also through the business to really help and support and guide. So, that's initial thoughts, Andra.

Andra Ilie: Great. Thank you very much. And I love the positivity and enthusiasm that we're starting this conversation with. And I think what also resonated with me is the fact that you mentioned building the trust and building those relationships. And that's something that's come up very, very frequently in our past webinars as well. So, very pleased to mention that. Now, before we dive into the practical aspects, I'd like us to focus a bit on an area that often gets missed out. And that is that of goals. So we often say to clients that the most important thing to do before making any decisions, exactly as you said, Kirsty, is to pause and reflect. But it's also to pause and reflect on what it's all for. So more so, before a sale, we talk to business owners about trying as best as they can to come up with a vision. And that's a vision for their post-sale wealth and what that will mean for themselves but also for their families. And we know that that's not an easy task and it doesn't always make it to the top of a very packed agenda pre-sale. So for my panel, in your experience, how prepared are business owners to face the world post-sale? Do they have these visions? And how do you approach this topic and help them build their objectives both personally and financially? And for this, I wanted to come to you, Russell, first because I know you do a lot of work in this space.

Russell Prior: Good morning, Andra, and good morning to our audience. A great question you posed there. I guess reflecting on this, I fear that business owners aren't as prepared as we might expect. And there are two significant statistics that come up from our research that I think highlight this quite well. And firstly, around about two-thirds of business owners from this research we've done don't have an ownership transition plan. And secondly, many, perhaps as many as three quarters of business sales start for unplanned reasons. And I think both of these highlight the importance of preparation and planning because you just don't know when things are going to start. So, when I'm talking to business owners about their post-sale world, and to come back to that point about vision, I talk in terms of them building and having three visions, specifically a vision for their wealth, a vision for themselves and a vision for their family. What I mean by this is are they clear about what that newly realised wealth is for, what their lives will look like and what they will do with their time post running and owning their business and how will this impact their family more broadly. So, a vision for your wealth talks to being clear about what your wealth is for. And clearly this will depend upon the amount of wealth that's realised from the sale. Sale proceeds are delivering a level of wealth that I would call core wealth. Then the goals are likely to be around how that wealth will be managed to support you for the rest of your life. If the wealth being generated extends into what I call surplus wealth, then perhaps as the term suggests, this will open up a wider range of other opportunities, whether that's supporting the next generation, spending some of that money on asset purchases, investing in new business opportunities, or indeed, giving away some of that money in the form of philanthropy. Having a vision for yourself I think self-evidently speaks to how ex-business owners at this point in time will spend their time. I guess if we reflect and certainly on the conversations I've had with business owners, whilst running their businesses, they're typically running in full gas. And when that stops and when the adrenaline of the deal which is its own special thing I think has passed, all sorts of things can arise. And it's just as important to prepare for this and have a plan to how to deal with yourself and your time as it is to deal with the sale proceeds. Finally, this vision for your family, the impact on family post-sale comes both from how the individual reacts and how that wealth is managed. And this is even more important if there are children and they're young and there is surplus wealth. And I guess why is this important to have this? Well, one key reason for this is that you will be asked, and you alluded to this in your opening question and Kirsty did in her answer, you'll be asked all sorts of questions by all sorts of advisors and you'll face loads and loads of decisions about the future. And when they ask these questions, the advisors typically expect you to know the answers. And actually so being clear about these visions, be it for your wealth, for yourself, for your family will really help you to answer these questions. I'm sure Mrin and Patrick, when they join the conversation on this, they'll allude to and highlight some of these questions that need to be asked and answered. So, yeah, I think that's why we would say being as clear as you can about these things is so important.

Andra Ilie: Great. Thank you very much, Russell. That's really insightful. And Patrick, can I come to you as well on this one, please?

Patrick Power: Yes. And hi, everyone. So, the question is, are business owners set up to face the world? How are they set up to face the world post-sale? Well, it depends. Echoing what Kirsty said where clients have done pre-planning, they've simply got more options, they've got more opportunities. Where we've met clients who've -- we've been introduced to clients who sold their business, they've just got less options and less opportunities really. And I can explain that by answering the second part of the question which was how do we help them set clear objectives, personal, financial, etcetera? I think where the planners can add value within the team because we work closely with the investment specialists, but where we can actually add value is by filling that information gap. So, when we engage with clients pre-sale, I know this is a post-sale conversation but I want to emphasise that so much value can be added by having good quality conversations pre-sale. Typically when we engage with clients, they won't be in the sort of home straight of selling the business because then you just can't get access, they're far too busy. But they'll have a good idea of the kind of ballpark sale price, whether it's a full exit or there's a bit of cash and paper or an earn-out. But they have a pretty good idea of the shape of the deal. And they'll have thought about life after the deal about lifestyle costs if they're going to do some traveling, buy holiday home, boats, etcetera. But the questions are really, will the asset base they receive be sufficient to maintain their lifestyle and the costs of running those extra assets they're purchasing? Because you've exchanged a situation, we have irregular cash flow of dividends and salary, etcetera, and you're exchanging that for capital which will be invested. But how does that all work? How do the cash flows work? Other important decisions pre-sale, some fundamentals such as will I stay in the UK or will I exit? That takes us in a completely different direction. So for the purposes of this, I'm going to assume staying in the UK. So, filling the information gap, we essentially simulate the post-sale position with some long-term cash flow analysis. So we create your post-sale balance sheet so you can actually - it becomes a little bit more real as you see it on paper. And then we run a long-term cash flow analysis that takes your purchases, puts those on the balance sheets, assumes inflation. We look at a typical investment portfolio, just a hypothetical one at this stage and explain how cash flows work there with dividends, coupons, capital growth, etcetera. Crucially though, if we can identify that actually and to be honest, in most cases, we identify this surplus wealth that Russell was alluding to. Pretty much most of our clients will not only afford their lifestyle costs, the shape of their asset base in the future might be flat, it might be increasing or might be slowly they're burning through the capital but at a sustainable rate. But there's usually surplus wealth that's identified. And it's really, really crucial that you identify this pre-sales process because there are certain opportunities you've got pre-sale to actually capture that surplus wealth and place it in a trust environment where you curate the funds and provide maximum protection for your bloodline. And we're talking intergenerational wealth here. The trustee gives you the maximum protection for that. The issue is post-sale and that means when heads of terms are signed, when you don't get a thing called business relief. Business relief gets you 100% on most qualifying businesses, 100% relief from inheritance tax. So you can actually place substantial assets into trust. Once you lose the business relief, trusts are quite expensive. Gordon Brown back in 2006 made them very expensive with a lifetime transfer charge with 20% entry charge on anything going to trust. You've got a small nil rate band to play with. But with the wealth we're talking about, essentially it's a very expensive structure. So you've got a big opportunity presale to actually get a substantial amount of the surplus wealth, wealth you're not going to be able to spend out of the estate. And then you can curate that for future generations. In turn, you'd have to meet with estate planning lawyers to set up the trust and write the letter of wishes. But that gives you the opportunity to apply some really deep thought to the purpose of that wealth. And that can really assist in when you're writing your wills, the letter of wishes for the trust, etcetera, and actually gives you a really good vision for that wealth going forward. So, I'd say they're the main areas we can help with. Where we have met clients who've not done the pre-sale planning, unfortunately, the first thing we need is a time machine to actually take advantage of this aspect. So, it's something that I can't emphasise enough.

Andra Ilie: Thank you very much, Patrick. So, if I'm hearing you and Russell correctly, the best post-sale planning you can do is pre-sale planning and have a think about those visions and actually what you're going to do after. Mrin, what are your thoughts on this question?

Mrinalini Ramakrishnan: Hello, everyone. Thank you. Just to say what my colleagues talked about in terms of thinking about goals is quite important. Very often, our business owners and entrepreneurs have been so immersed in running their businesses that they haven't really talked about or thought about their exact financial goals. And I think being introduced to an investment specialist team and the team around you that have had a lot of experience with dealing with clients who have been in the same position as yourselves is interesting because we start asking you open-ended questions that help you think about your financial goals, whether it is about your lifestyle and how much income you think you might need to generate to fund that lifestyle. If this is not your retirement phase, then are you looking to put aside monies to buy another business or invest in another venture? And as was discussed previously, do you have any other large purchases you're considering, whether it's second home or a holiday home, traveling for a long time. And then of course, your children and the next generation, are you considering funding any of their financial needs or their education needs for your grandchildren or your children? So, asking you those open-ended questions really help you think about what it is you need from a financial perspective and what this pot of money that you have built up over the years of working so hard needs to do for you. And answering those questions helps an investment team come up with a framework that can integrate those goals and come up with a portfolio that really is bespoke to your requirements. I think the one thing that we also explain to our business clients is that you can have various pots of money with different objectives, different liquidity requirements. Maybe we take a little bit more risk for certain pots of money. You may need income generated from certain pots of money. And we integrate all of that into the portfolio framework that we come up with for you. That is when we work very closely with your wealth planners like Patrick and team who then will generate the cash flow to ensure that what we have put together for you meets your requirements. So, it's very much an integrated approach and we ensure that what we come up with is going to suit your requirements. So, I can't stress enough the importance, as all my colleagues have said, to really take the time to work with an experienced team to put down your financial goals, your personal goals, your family goals and help us come up with a plan that is bespoke to you.

Andra Ilie: Thank you very much, Mrin. And I guess again, this goes back to what Kirsty was saying at the beginning which is the importance of building that strong relationship with your relationship manager who can then assemble that team for you just to make sure that all of your interests are looked after. So, if we move on now, I just wanted to have a little bit of a look at practical aspects to consider because these are some of the questions that we get quite a lot. So, I know that many people who've exited the business find it quite challenging to imagine a world in which they don't have to work extremely long hours. And for some people, this can mean wanting to make swift decisions when it comes to the post-sale management then their time and finances. And others sometimes find it a bit harder to commit to a course of action. So if I can just ask you in practical terms, what do you actually see clients doing after a sale both with their time and capital? And how can you support them? And I wanted to come to you first, Russell, on this one.

Russell Prior: Thanks, Andra. Look, clearly there's a mix of responses here from business owners. There are some business owners, whether because of their business or the business line they've been in or maybe a professional background in something like finance, they feel more comfortable with some of these areas and therefore some of the practicalities. But equally there are many for whom this is new, for whom a lifestyle financed by wealth and investments is totally different. And in that sense, it is quite hard to generalise. So, beyond what I said a couple of moments ago about being clear on those three vision areas, in my area, I also work with and I see a need for clients to have help around what I might describe as the emotional impact of that wealth on them, their partner and their family. And I think we've highlighted that it can be quite impactful. And it's one thing dealing with the rational, practical aspects, but actually the emotional side of things is often just as troubling or just as important. So, perhaps I could just highlight a couple of examples of what I mean by this at a more practical level. So, one area in particular is that of communication about that wealth because as you highlighted, it's a change in the form of wealth when a business is sold. The instinct of many families in the UK I find is not to talk about their wealth within the family, often for fear of how it might impact family relationships and specifically with regards to children, what the impact might be on children. But there's something of a paradox here, I find. Families with newly realised wealth and particularly where there is surplus wealth ought to be thinking about the financial education and preparation of their children for either the wealth or the lifestyle that they're going to have. And yet, as I've alluded to, often the opposite happens. They don't want to talk about it and yet parental lifestyles and spending can and sometimes do change markedly. That lack of explanation therefore is something that I think becomes problematic. Children see what their parents are doing but often there's no talk about it and they're left to work things out for themselves. So, this issue about how communication is dealt with is really important. And I guess what we would see as a practical issue for tackling this is to build a wealth narrative. So, for the parents to say, "Look, what is the wealth form," to explain that and then to be able to explain with family and children what does this mean in terms of the behaviors that then ensue and the decisions that are taken, the implications for that. So, communication can be a really big and challenging area. Let me give you just one other example in the different space perhaps alluding to some of the issues that Mrin will have to deal with. It's what I'll call attitude to taking risk. When I talk to business owners exiting their business about the risks that they've taken and have been involved in taking when owning and managing a business, I always say, "Gosh, the amount of risk you had to manage feels enormous." But they often say to me, "No, no, actually, we were quite comfortable with the process of managing the level of risk." And they don't actually see it as taking risk which I think is a really interesting one. And yet when we come to managing post-sale wealth, many say that they don't want to be taking much risk. It's really interesting to see this difference in view and maybe it's because of this sort of familiarity and comfort issue. So again, I think that's another practical area where a lot of help can be provided by helping to make clients comfortable with the decisions that they'll be facing.

Andra Ilie: That's great. And I guess again, that talks to the point around having somebody in your corner who has the right level of experience and has dealt with a lot of these situations before trying to explain and almost like articulate that attitude towards risk. Kirsty, what are your thoughts on this?

Kirsty Moore: Just building on what Russell said, so we did some research recently that showed over a half of all business owners after they've sold a business plan to stay in the business world. And I think that's really interesting. Now, it doesn't necessarily mean restarting business but that can be in any capacity in philanthropy and non-exec directors in terms of reinvesting in other businesses. And I'm always fascinated when a lot of the people we see seem quite concerned about what they're going to do with their time in the next phase of life. But what I find fascinating is these are incredibly skillful people that have a huge amount to offer, whether it'd be in all those areas I mentioned. There are people starting businesses where they can be mentors. They could potentially invest in restarting a business itself. There's a lot of things that people can do with their time. And to bring to life again, you're looking at practical examples. Often we see people that have a high-level vision for that what it might look like. So, I can think of a particular sort of couple that sold a business. They already had a charity. They were involved in their business and it was really important to them this was maintained. So, we were able to support and guide them how actually those things that always did matter previously could be maintained through life post-sale. So that was an area that was hugely important. The other one that's hugely important was they wanted to give back. They wanted to invest in other startup businesses and use their knowledge and experience. And again, that's something that again we were able to support in trying to make some connections which can be hugely powerful. So there's the piece, as we've all said, about getting comfortable to what the wealth can bring and the goals and talking about it. Most people didn't start up business to make money, they start up their business through a passion, through an interest and they've worked incredibly hard and done incredibly well. So, it's then looking at those two parts. You're absolutely right, the wealth itself, the objectives. But also say the bit I tend to find people are more fearful on is what they're going to do with their time. I often think of it that it can be a little bit like a J-curve initially till people get comfortable with what the future looks like. It can feel - I've certainly spoke to some people that it can be quite a negative experience. But once they're through that and have clear use of their time, their objectives and really see the value, they can bring, you're away through that J-curve and people have a very, very happy, successful future.

Andra Ilie: That's brilliant. And there is this example that Russell and I always laugh at which is entrepreneur who sold his business and despite not having an office anymore still getting on a train to go back to where the office is because the question was, "Well, what do I do with my time now?" So I think you touched on a really important one, that piece around what do you do with the time? Because it was all filled by all of those hours in the business. So, if we move on to how do you structure that wealth and how do you govern it because I think that's also a really important area, so when we think about that longer term structuring and planning post-sale, what are some of the key areas that business owners should focus on in order to protect and grow that wealth after they've exited? And Patrick, I know you have some thoughts on this.

Patrick Power: Yeah. And the keywords are protect and grow. And always start with protecting what you've got and also protecting the future wealth because if you're going to build, you want to build on very solid foundations. So the protection sort of area is really the foundational area. And we're talking about wealth that's not just your wealth but also potentially the next three generations' wealth, intergenerational wealth. So, protection of that is a key issue when we think of the biggest risks to erosion of wealth. Biggest risk to that wealth is probably wealth tax called inheritance tax which is levered on each generation. Over three generations, you have an effective wealth tax of 80%. So once again, with the pre-planning, you can do a lot of mitigation in that area. There's also another threat to the wealth which is divorce in subsequent generations which could happen and that can increase the erosion of wealth. So, you can protect all of this through having a good relationship with your estate planning lawyer, setting up that trust structure pre-sale. It's not the end of the world if you weren't able to do that. There are other things that can be done, but that gives you the maximum protection, getting that wealth out of the estate but you're still curating it and then you have that issue of managing the transition. So at some point, other personalities will take over that curation role. So, the wills need to be reviewed, read every year but reviewed periodically. Usually, wills would have a letter of wishes for any trust that activates a second death. And those letter of wishes can be changed whenever, same with the trusts. But you're giving solid protection for the bloodline with regards to that. And also life cover, life cover is often overlooked but it's an essential part of any plan especially on the protection. You can hedge out the cost of inheritance tax over a specific time period so you're buying time while your strategy takes effect because it can take time for inheritance tax strategies to take effect. You've also got the whole of life insurance which is guaranteed to pay out. But you'd really look at that as an uncorrelated asset class and investment asset class because the returns tax free paid outside the estates through a trust can be very, very high compared to sort of equity-type returns if you view that as a family because you're looking at two or three generations so the benefits of that to the family. So, that's on the protection side. On the growth side and this is really Mrin's sort of area on asset growth but from a structuring point of view, there are three kinds of structuring areas we look at with wealth. First of all, there's the legal structuring. So, a lot of clients will have wills that we really need to have a sight of so we can make sure that the way we set up our accounts, our current account, bank accounts, investment accounts, savings accounts is in sympathy with a will because sometimes trusts activate at first death and assets have to flow into those trusts. If we put everything in a joint tenancy joints account, then that doesn't go through the will, it passes on survivorship. So, we need to make sure that we're in line with the will and any updated wills. We can open a suite of accounts, separate sole accounts, joint accounts, etcetera, so we can achieve that. Then we have the tax efficient structuring and this is where we'd actually look at making sure you use your tax allowances, ISAs, etcetera, CGT exemptions, not that they're much these days. And look at potential tax deferral options where you get the gross roll-up effects over time that can protect the wealth as well reducing that fiscal drag. The fiscal drag is essentially inflation, investment management charges and tax. Tax is the big one. And then we have the cash flow structuring. And there are various ways of doing this but I'll give you one example and that's what we call the three pools approach. But that's when you effectively have pool number one which is where you spend your money, spend your lifestyle costs. Pool number three at the other end which is your long-term asset growth, your long-term investment fund. And that may have tax deferral structures, pensions. It will have your discretionary and niche investments, etcetera. And the idea there is that although most of it is very liquid, psychologically, you really need to tie that up for at least three to five years at least to give it a chance to grow because that's your main growth fund. Then in the middle between those two, we create a liquidity fund which is mainly cash. The idea there is that you have two to three years' worth of living expenses, tax costs, earmarked expenditure and an emergency fund for unforeseen situations and you just pump through your sort of living allowances each month like a salary to pay for your lifestyle. And as that cash pot depletes, we can top it up from the long-term -- tax efficiently top it up for the long-term investment pause. Now, it's a canary in the cage as well because if that cash pot depletes at a much faster rate than we envisaged, then we need to look at your budgets because it would appear you're spending more than we'd budgeted for when we got together with the cash flow analysis. If actually it's not depleting by as much as you thought, then you're not spending as much and you can send some money from that cash pot over to the long-term investment pot. So that's one example of how we would structure the cash flows. Every client is different.

Some clients have an earn-out so they have other non-exec directorships so they have other cash flows coming in. So we can adjust that plan to take that into effect.

Andra Ilie: Great. Thanks very much, Patrick. That's some really helpful practical advice on this. So, I guess now that we've spoken about the structuring piece, Russell, can I come to you on the governance element of how should business owners protect and grow their wealth?

Russell Prior: Yes. Thanks, Andra. I think you highlighted an area that interestingly is often overlooked, this issue of family and wealth governance. And I think it's particularly, even more particularly important once we get into the realms of surplus and intergenerational wealth. Reflecting on what Patrick was saying, I think it becomes somewhat self-evident that families who've been through a sale can often end up with a very broad range of assets and a number of different wealth structures often involving overseas assets, too. There'll be, as Patrick said, wills, letters of wishes. And often these can be quite complex. I guess if you throw into the mix that issue of the general lack of communication around wealth, then it's not unusual for affairs to be quite complicated. So, whilst many business owners of course can look forward to many years of life ahead of them, and I think increasingly these days actually decades at post-sale, it's also prudent to have a plan should something happen prematurely. And this is what I call in governance terms having a Plan A which is you're here for a long time, and sadly Plan B you're not. But it's important to have in these circumstances an appropriate governance framework to deal with either eventuality. So, if you do this, it's very helpful for the family in terms of creating clear and well-understood objectives for the wealth, for the family, clarifying the roles that members might have, what's expected of them in relation to the wealth. But also because if a sad event were to happen, it can really help the family to avoid some of the problems and the negative consequences that can arise. Perhaps I just bring that to life because governance isn't necessarily a well-understood concept in terms of family wealth. But let me give you an example if I can that might try and bring this to life. So, the family I've been dealing with recently, married couple, 14 age children, it's a relatively recent form of business owner with now UK and overseas properties, business investments, collection of classic cars as it happens, and an investment portfolio. And within this, the former business owner, the principal if I can call the person that, they are sort of managing a lot of this themselves taking a very active role in the management of this. So, whilst there are wills in place, the kind of the long-term goals for the wealth and the governance framework wasn't kind of very well developed and therefore that sort of coordination and communication regarding the wealth between external advisors, future trustees, things like that weren't in place and there was no next generation preparation plans. So, given the individual's role in managing that wealth, I would say the Plan A looks absolutely fine. If the principals are out for a long time, I think things look well prepared. But actually, if something were to happen to that principal in this scenario, I think there would be a huge exposure around the role, the understanding of the situation, the recording of it, where everything is, the relationships with the advisors, what would need to be done and who would do it. I think it could be quite troubling and that's really where a governance framework can really help support families in this situation with making sure they're prepared for what I call Plan A or Plan B.

Andra Ilie: Great. Thank you very much, Russell. So, if we now move on to the investment side of things, if we have a look at investing the proceeds that could arise from a business exit, what sort of expectations do former business owners have regarding this area? And again, how do you approach this type of conversation? And Mrin, can I come to you on this one, please?

Mrinalini Ramakrishnan: Thanks, Andra. I think following on from what Russell said about risk and control that business owners have, oftentimes we find that business owners who've had years of experience running their business know their business model quite well, have enjoyed some really steady and good returns find it hard to give up that control and have an investment specialist now be the person who makes those decisions about their assets. So, giving up control is one issue that we do find that it is a journey with business owners. And while others are quite happy to hand over those monies to an investment advisor or a specialist to invest their money in line with their objectives and goals and income requirements and then be updated on a regular basis. So, giving up control is something that we work with a lot of business owners with. And it's a journey, it evolves over time. As an example, we've recently had, not recently, over the last few years, we've had a couple who've sold their businesses and wanted a very simplistic approach in how the monies are invested. We invested in a discretionary portfolio across various asset classes. It's managed in house by our asset management team and they have very regular updates and review meetings to tell them exactly how the monies are invested, how it's going, check in with them regarding any changes in their requirements whether it's income or risk or any other financial goals. And we tweak that as required. But over time, we've been educating them about other asset classes that we think would be suitable for them and would actually be nice to complement their existing investment portfolio. And it's an education journey whereby once they're comfortable with it, we start introducing some other asset classes that we think would actually make their portfolio a little bit more robust and optimal for what their requirements are. So that's one conversation and expectation management that we do, because it's not something that they may start off at the outset of a business exit but it evolves over time. So, that ultimate say in control is built into the framework. We ensure that if that is what they want, if they want control, we have some business owners who want control and then we invest accordingly where they have the ultimate say in every investment decision we make. And that's what we call the advisory approach. And others are discretionary. And very often, it's a combination of the two. So, it's very much understanding that interest in financial markets, the need for having control, maybe the experience that they've had with other investments, it may just be in a few stocks and real estate but then we broaden that out over time. The other thing that I do think is important is making sure that if you want the next generation or your children to get involved in understanding how monies that have been potentially set aside for them or they are involved in the business that was exited, we educate them as well. So really get them involved in understanding how the monies are invested and make sure that they are comfortable for any monies that they receive, as well how that should be invested. So as I said initially, different pots of money may have different goals, risk objectives and we want to ensure that whoever's pot of money it is, we educate them, make them comfortable and take them on their journey. For me, that is one of the important lack of control over education pieces. The second is in terms of really working with the wealth advisors, when Patrick was talking about generating income and how you generate income, there's natural income that a portfolio can generate. Whenever you invest in stocks, you receive dividends. You might invest in some bonds, you receive income. There are just a plethora of other products that we could actually introduce into the portfolio. Structured products is an example. Although they have cash flow, they can be structured in a tax-efficient manner and so we would want to talk about that and involve the wealth planner to ensure that that's the right thing for the portfolio. And apart from income and liquidity risk, we also want to make sure that we consider other interest areas that we would want to incorporate into the portfolio. So, it could be structural themes. AI is one that a lot of clients are aware of and interested in. And therefore, we can integrate those interest areas into the portfolio. So really trying to delve into their interest, their values and how they want their monies to be invested is something that we also want to incorporate into the portfolio.

Andra Ilie: Great. Thank you very much, Mrin. Lots of useful thoughts there. Now, if we turn to other goals, so some entrepreneurs decide to relocate post-exit. I know Patrick touched upon the sunny destination before, but that is something that some business owners decide to do, just move away somewhere and enjoy the benefits of their life's work. But this will impact the mechanics of funding their lifestyle. Now also, I know, Kirsty, you've referred to some statistics before about what other owners do in terms of staying involved in the business world. Others become philanthropic or further their interest in philanthropy. Others invest in impact assets or maybe the AI piece that, Mrin, you were just referring to. So I know we touched upon some of these before, but perhaps we can explore in a bit more detail the practicalities that clients should be mindful of when building these longer term goals. And Kirsty, can I please come to you on this one?

Kirsty Moore: And obviously, I think one of the areas we haven't touched on yet but is often a first thing that's looked at is things like mortgages. Clearly, we're in a higher interest environment now. So, often one of the first things somebody may do are looking after sell and of course it depends what rate. If they have a fabulous fixed-rate mortgage, they may not be looking to do this but others will be looking to pay off mortgages. So certainly part of what we do with all our clients is we look at their current asset base, we look at what they have, if it's sensible to have it. You touched on earlier people's plans. It's not uncommon. Maybe somebody may look to buy a second home overseas. Then we're thinking of FX, we're thinking of sort of what currency then the assets in the future. So very much when we're thinking of the goals, we are looking at all the practicalities of are they looking to buy a house, are they looking to buy art? And then we build the whole lot together as part of their plan. And exactly, I think a lot of this has been touched on earlier. But again, we are seeing more that sustainable investing often nowadays can be a goal for people. And importantly, we can tie in the investment plan we're putting together with that own personal objective for them. So that's just a couple of additional goals that I would highlight that I think we see fairly commonly.

Andra Ilie: Thank you very much, Kirsty. Patrick, any thoughts on this?

Patrick Power: On the sunny destination issue, it's essential to really get some tax and legal advice well before the exit if that's something that you're seriously considering. For instance, there's no point in setting up trust structures, etcetera, which are aimed at a UK, domicile and residents, if you're going to go to a country that doesn't recognise trusts. So that could be an expensive mistake. So you'd need to do that planning very early on. But I think most people who are thinking of exiting UK would have known about that. It won't be a spur of the moment thing. Other goals, I think I referenced what Russell was talking about is that we're kind of creating other goals or identifying other goals that the clients should focus on the transition of wealth to the next generation, the transition of that governance role because the creators of the wealth generally would take over those roles in their different structures. They'd wear different hats but they'd have their personal wealth, the trust wealth. And at a certain point, you really need to educate the next generation to take over those roles and responsibilities to create that wealth for the following generations and so on and so forth. So, it kind of creates these extra goals that the clients may not have been aware of but we've now sort of made real. So, I'd mention that as potentially another goal there.

Andra Ilie: Great. And I guess that fits in with Russell's piece from before around communication and communicating those goals once you've articulated them. But Mrin, what are your thoughts on this? What are you seeing in terms of other goals?

Mrinalini Ramakrishnan: So, I'll pick up on a couple of things that both Kirsty and Patrick actually touched upon. So, let's start with the moving abroad and to a sunny destination and why not? I think what's important is if you are doing that and getting your tax advice and legal advice, what we can do within the portfolio is ensure the expertise we have within our team on international investing and also want to make sure that you are familiar with the nuances of that international investment. Whether it is the FX that you need to consider if you're living somewhere in Europe and earning in Euros to maybe pay off the interest mortgage that you might have or your living expenses in that country, it may be just for a part of your money. So making sure that we integrate all those objectives into your investment portfolio to ensure that the FX and the offshore nature of those monies are also incorporated when we come up with your plan is something that having an experienced team around you can help with. The other goal, as Kirsty mentioned, I think is very relevant in the current market and we find that more and more investors are interested in investing sustainably. Climate change is a topic of conversation in almost every meeting that we have. And very often, clients want to see how they can incorporate environmental, social and governance goals or lenses when selecting investments. So pleasingly, we have quite a robust platform and proposition to suit those needs. And in fact, we're currently raising a private equity fund focused on impact investing. So, it's something that we do want to incorporate. So other than the investment objectives that might be set out at the outset like the normal ones, your income and risk and return expectations and time horizon, having these other conversations is something that really brings the portfolio framework to life because it doesn't necessarily mean the entire pot of money is invested in those type of investments. But we ensure that we can incorporate where possible and size that based on your interest. I think as we said from the very beginning, we want to ensure that we really have those conversations with you pre-business sale and exit so that you can start thinking about it, so that the framework we build is quite relevant to you and you know exactly how involved you want to be in managing those assets, whether you want to do that in phases and what else we can introduce you to in terms of our thematic ideas. I think that is also something which is quite interesting because the world is changing as we know it, the interest rate environment is changing. We need to ensure that your money is not just growing but also keeping up with inflation. And so certain investments are going to be better suited for that. So that education piece and ensuring that your portfolio is staying current, so thematic and tactical yet working for the future, keeping up with inflation and making sure that your goals are considered constantly. And they evolve over time, I think that's key. When we come up with a framework, it's not a one-point discussion, it evolves over time and we want to make sure that we incorporate that in the portfolio.

Andra Ilie: That's some great advice and especially the one about the evolution of the goals and understanding that it's not something static. Russell, any thoughts from you?

Russell Prior: Yeah. One that we've touched on a couple of times is perhaps the topic of philanthropy. I think we're seeing this becoming ever more topical for the clients we're talking to. If I reflect on this, most of our clients will have given money to charity during their lives up to this point of a business sale. And it could be in the form of direct gifts, charity. It could be direct debits, regular giving in that form, subscription support for charitable organisations. Well, I guess what this moment in time around business sale does is to provide people who are interested in giving to charity or philanthropy to be able to stand back and to almost take a more organised or strategic approach. And to be honest with you, this is often supported by the release of significant wealth and this kind of gives them the opportunity to do something much more significant. But the desire to do it is very often something that has been within them for a long time. I guess what's interesting to me also though in this space is that most of the people I deal with and talk to about philanthropy in the UK want to do something under the radar. They're not interested in big publicity around what they're doing. So, one of the consequences of that issue about wanting not to sort of be too public about it is they're not entirely sure who to talk to. There's a slight fear that if they go talk to charities about it, the charities will say, "Well, thanks, great. This is a real opportunity for us to have a major donor," when actually what they want to do is to have a slightly more sort of fundamental conversation. So, I guess this combination of philanthropy being for them, in a sense, a new topic or looked at through a new lens, combined with that desire to do something carefully and quietly means that we're regularly asked and we're getting a regular flow of requests for conversations by clients about what are their philanthropic options and how might they approach the topic. And I guess this is a focus that's quite different from some of those issues to do with managing wealth. Here, it's all about philanthropic impact. It's about social and environmental change. It's not about basis points or things like that. So, it's a really interesting and different sort of nuance to the conversation. Perhaps just one final thought on this linking to something else we've talked about, and my colleagues have also highlighted, many of the principles that we talk to around the issue of philanthropy also want to involve their children and for this to be a family endeavor. And for those that do this well, philanthropy is a brilliant vehicle for developing and educating the next generation, not only in terms of the family values, not only in terms of the charitable and social impact, but also in terms of the management of wealth or the governance around wealth. Many of the families use philanthropy to cover all of those topics within the family.

Andra Ilie: Thank you very much, Russell. And I love the fact that all of you have referred to not just that financial return that you get off the back of making those investments from that capital generated after the exit, but also the socio, the cultural and the emotional returns that you get through impact investment, through philanthropy and so on and so forth. So, it's really great to hear that you're talking to clients about it. So, coming to the final piece just before we open up for questions, and this is my absolute favourite, I would very much like to hear from each of you a post-sales story that has stood out for you personally, whether successful or not. And I'm also quite interested to hear why you've chosen it. So, Mrin, can I come to you first on this one, please?

Mrinalini Ramakrishnan: Thanks, Andra. So, I had a couple in mind and I'll start off with one. If I have time, we'll talk about the second one later. This is more where the client and his wife were extracting profits from a business rather than a complete exit. So obviously, they were still busy running their businesses. And initially, they wanted to have a very hands-off approach in managing their assets. This was money that they've made so they wanted it fairly low risk, low touch apart from - and speak to us maybe every six months to see how their investments are doing. So, based on this low-involvement, low-touch approach, they invested only in a discretionary portfolio that was managed in line with their risk profile. But over time, as the conversations continued and our relationship and the trust in us was built up, and this goes back to that developing a trusted advisor relationship over a long period of time, they were open to other investment ideas where they had to understand the nuances of products and understand the risk and return. And we incorporated that into their portfolios. They then introduced us to their daughters who also reeducated over time and they have now set up trust for them and now are investing for their children as well. So, I think this is back to what I've talked about in the past that this evolves over time, their approach and how they manage their wealth. And it's been a five-year journey. It's been an excellent relationship. And what we like about the story, what I like about the story is it started off with a certain approach. It's now come to quite a different approach in terms of their understanding of investment products, their comfort level with us and trust in us in telling them what we think is more suitable for them and then introducing the next generation to us as well. So I think from that perspective, it just shows how relationships and goals and interest in the financial markets also evolve over time. And we are here to hold your hand and educate you through that journey.

Andra Ilie: Wonderful example. Thank you very much, Mrin. Russell, one that stood out for you?

Russell Prior: Yeah. I'm going to build on what I was saying about philanthropy and family if that's OK in the example I share dealing with a family situation where there was significant surplus wealth, intergenerational wealth opportunity, but the children were still relatively young. They were sort of in the university stage. There was the inevitable conversation around the impact of wealth on motivation for children and children's futures, but also a real desire for there to be education and development of education. And in this case, the parents set up a charitable foundation themselves registered with the charity commission. They donated into that charitable foundation a small but nevertheless meaningful amount of money, set up sort of a governance framework around that where the children had real opportunity to drive the sort of philanthropic programmatic aspects of this. But also put in place which I found really interesting was a light touch but nevertheless real governance framework so that the children had to bring their ideas to sort of the board, if you like, around the giving. But also, they were involved in creating the investment portfolio and had that interesting debate about, "Well, what are the investment goals? Do we want to drive maximum income now so we can give more? Or do we want to build a more sustainable real rate of return?" Mrin alluded to protecting against inflation so that the capital grows over time so we can both give now and into the future. And it was really interesting to see how the use of that philanthropy, the desire to do something, both parents, very philanthropic, was used as a really good example to build sort of the financial education for the children that was building them up for, Patrick alluded to this, for future roles that the kids were going to have in relation to that wealth, but they could do it in a way where they weren't explicit about it right now. It was implicit but it was all building for the future.

Andra Ilie: Great. That's another very, very good successful story with lots of takeaways, hopefully, for our audience. Kirsty, how about you? What's one that stood out for you?

Kirsty Moore: I'm going to talk about successful story but I'll sort of give the flip of it where it doesn't work. So, Patrick talked earlier about the importance and indeed the change that happens when somebody sold a business and suddenly that regular income flow isn't there. So, the example I've got in mind was for a family we work with to really help them understand what we thought their cash flow would look like. Now, acknowledging they weren't sure exactly how they're going to spend their time, how often they were going to travel, but we worked with them to do a really deep cash flow about what we thought expenses could look like. The reason we wanted to do that was because for them, it was really important to have enough monies to fund their lifestyle, but it was also hugely important to understand what good they could do with the money. So, whether that was - we've talked about charity work for them, but it was actually about supporting others to start the business journey and supporting other startup businesses. But they quite rightly wanted to understand what looked like for them and their family and future generations before they did that. Now, obviously for a lot of people, investing in other businesses can be incredibly rewarding but they wanted to not think about those investments. They wanted to think anything they earned from that was additional monies, so therefore they needed to understand the rest of their money, so was it really going to work for them? So that was why this concept of cash flow planning, looking at income needs, looking at the future and really spending time was hugely important. Now, what I've learned through this is that a year on we revisited and weren't quite right in terms of what we thought they'd spend, what their plans were, but we had enough flex built into the plan. And indeed, because we worked towards this idea that the other investments weren't going to yield anything, actually it was a really, really positive picture for them and they really, really learned. And I think something I find quite interesting is that it actually gave them the rights to spend the money and know what they could and couldn't afford and actually enjoy it. The flip of that is I've certainly come across other people that the money burnt a hole in their pocket. They hadn't planned. They hadn't worked out the cash flow. And suddenly, there they are a few years on feeling very, very upset with themselves for having not planned and then how the rest of their life is now impacted by those early days of slightly flippant spending. So for me, why I share that story, the first success is that it may take a lot of time, frankly, and you may need to recognise you don't get it right first. But actually, by really thinking about what the future could hold and what things matter and planning it all cash flow, planning it hopefully leads to no nasty surprises and no regrets, importantly, a few years down the road.

Andra Ilie: Thank you. That's brilliant, Kirsty. And I guess it just talks to this whole point of it's a big change in somebody's life exiting their business, both from a financial but also from a time perspective. And I guess the cash flows that you mentioned are something that we do quite a lot and it's something that can give you just that peace of mind that you thought about it which leads me very nicely into Patrick's thoughts on this. So Patrick, one that stood out for you, please.

Patrick Power: It's not one, it's kind of an amalgamation but really very much echoing what Kirsty said, building flexibility into plans is absolutely vital. So, where we identified the surplus wealth, we're not going to plan with 100% of that surplus wealth because that was just a direction of travel kind of rough estimate. So you plan with say half of that at the most. It still has meaningful benefits for the future generations, but you're not going to go right up to the wire here because real life is going to be different. It's going to take time for clients to understand what their real living expenses are, especially in the first few years when they might want to tick off a few items from the bucket list and they go traveling, etcetera, where the expenses will be quite high and then they settle into a sort of a normal passive expenditure. It might take five years before they settle on what's in inverted commas normal. So, we build enough flex into the plan to take that into account. And that's why the cash reserve, the sort of liquidity pot is so important because that's like a shock absorber between your spending and your long-term investment fund. So that's really worked. And when we review clients, we're always asking, "What's your cash position? What's the horizon looking like with earmarked expenditure?" Because capital expenditure always crops up with home remodeling, new kitchens, bathrooms, landscape, all this kind of stuff. So if we know it's going to happen, we can make sure that the cash flow is there to meet it. And also, take your time. So, successful outcomes, clients have done the pre-planning and when the exit happens, we say, "Look, just take a holiday. Take your time. There's no rush." And often they'll come up by saying, "Yeah, we're going to buy a place in Spain where we just went." So, we've got enough flex in the plan so that you can actually reduce the investment pot without messing up the plan and there's enough flex to afford those extra items should the plan change. Equally where we've had really good pre-exit planning conversations with clients, we provided all the information in that information gap and they've decided not to do it. Well, that's fine. As long as you've got the information, it's your choice. What we don't want is for them to exit the company and then read something in the paper to say, "Oh, I could have done this." We've already explained these are your options. So, as long as we've given the clients all the options and put them in touch with the right specialists on the tax and the legal side, then that's a good outcome.

Andra Ilie: Which again goes back to that whole piece around planning and just making sure you have these discussions early. Thank you very much. I know we could continue this conversation for a very long time, but I just wanted to perhaps open up for questions just because we've had a few coming through. So, the first one is actually - well, there's a few ones that come along the same sort of theme. So there's a few people asking, when should they get in touch with us? Even if they're sort of like five, six years away from a sale at the moment, when is that right moment when they should contact perhaps a relationship manager and start building those relations? So, can I direct this to you, Kirsty, please?

Kirsty Moore: Yeah, absolutely. What I would say is that one of our experiences is that often approach for a sale comes unexpected or earlier than people are expecting. So, whilst you may not be thinking is it sounds like the person asked the question which is quite way off. In reality, that may actually end up two, three years off. So, what I would say is that we are always happy to have a conversation. It may be that we're more limited in terms of how we can help to perhaps that window of two, three years off. But absolutely, the key thing is to have the conversations and make sure you don't miss any of those opportunities I'm going to say because that offer may just surprise you. So, I would say as early as possible.

Andra Ilie: Brilliant. Thank you very much, Kirsty. And Patrick, this is one specifically for you. So what do you do if you don't have a time machine? What's that first thing that you do if you realise you've just exited and haven't really done much planning?

Patrick Power: Well, I'd rather be in your position than mine. So, that's the first thing. You're still in a very good position. It's just dealing with the reality of what you can do. So, it's understanding the current sort of landscape with regards to estate planning. There are other options. They're not as secure as a trust, but some clients look at using corporate structures to sort of curate wealth in there. So, we'd always set up a meeting with an estate planning lawyer who can give you actual advice in that. Because I'm not a lawyer, I can't give you advice in that. But what we can do is give you an overview of the current landscape to say, "What's the art of the possible? You are where you are. What can you do?" And we're quite happy to have those conversations and produce planning on that basis and then attend the meetings with the lawyer. We can host those meetings. That's no problem for us.

Andra Ilie: Great. Thank you very much. Another one here, perhaps one for Russell. How do you, in practice, articulate those goals and visions you mentioned? So where do you start and how do you bring your family into the conversation if this is something you've not really discussed before?

Russell Prior: Thank you, Andra. That's a big one. Look, I think the first thing to do is to recognise I think the three areas we've discussed. I think very often, people have got a sort of a philosophical understanding around the wealth side of things and what their intention for the wealth is. And whilst I absolutely agree with your earlier comment that people don't really set up businesses initially to sort of make money, they find themselves in this position. But I think underneath it all, there is a philosophical kind of understanding. I think this is helped by having some of the conversations with the specialists that you've got on the call this morning. I think that can really help. I think that the scale of the wealth also can really help to sort of narrow that down. The cash flow planning exercise that Patrick talked about, that can help to narrow things down as well. So I think that's the first one. I think the issue of the kind of the vision for yourself is a really interesting one. I think it might have been Kirsty that alluded to this issue. There's so much more that can be done that people are in a position to do post-sale than perhaps they kind of give themselves sort of credit for. And again, part of this is just dealing with the emotion of the situation there is. So, we know from the conversations I have with business owners that issue of letting go is one of the biggest challenges. Just even beginning to contemplate that future world is the first step actually, recognising the emotions, expressing those emotions. We were having a conversation with a set of business owners just yesterday. I think there was a huge emotional release around the table by people recognising that they are all in that sort of similar situation. And then on the family, the vision for the family, if there's you and partner and children, then I think part of this is starting with a conversation with your partner. It surprises me, continuously surprise me just how often when I have sort of two partners in front of me and I say, "Well, what's your vision?" And they say theirs. And I say to the other, "What's your vision?" And they're about 70% in agreement and then the other 30%, they kind of look at each other and go, "I didn't know you thought that. You haven't told me that." And I think it's about closing that gap. So, a lot of it is just talking. A lot of it is beginning that journey of exploring these things that maybe have been inside but you haven't necessarily shared.

Andra Ilie: Great. Thank you very much, Russell. And Mrin, perhaps one for you, if I can ask you just to perhaps give a very quick answer on this. Are there any other example investment strategies that people should think of for their funds day one after the sale? Should these comprise more liquid versus illiquid investments?

Mrinalini Ramakrishnan: Thank you. That's a very good question only because it depends on where you are in that planning and journey post-exit. So if you know exactly what your plan was pre-exit, then I think we will be able to help you allocate monies for just liquidity needs. And that might be your travel money or just spending money and then get on with investing the other pots of money or at least start on that journey of investing in things which are less liquid. But oftentimes, we find that it's just such a relief when you've done that business there. And maybe with the headlines that you're reading in the newspaper and expenses that are mounting, you may want to just put brakes on that. And if that is the case, luckily compared to three or four years ago when you were not making much interest by just keeping in things which are quite liquid, the options to place your money in something that's fairly liquid and earning you a decent return may not be keeping up with inflation but quite substantially higher than what you were making four years ago or even three years ago is absolutely fine. As I said, this journey and this investment plan is fluid and flexible. And so if at some point you say, "I actually want to just pause. I want to travel. I want to take a break. I want to reassess. Let's not make any of the investments," there are lots of opportunities out there. So, it's just based on where you are and if your goals have changed or if you're feeling a bit nervous, we're here. We can completely shift until you're ready.

Andra Ilie: Great. Thank you very much. Now, I'm conscious, we only have a few minutes left of this. But before we close, again this is something that both Russell and myself really like to do is I'd like to ask each of our panelists to leave our listeners for the final closing thoughts. Perhaps for those that are getting nearer the stage, the exit stage or perhaps that are fearing those post-exit unknown, what would be the one piece of advice that you would give yourselves if you were the ones to exit? Russell?

Russell Prior: I guess I'd say that the sale of business undoubtedly is very involved. The question about how long in advance you should think about it is also an onerous process. But I guess for me, in the bigger picture, the sale is just a moment in time and actually it's the gateway to the next phase of your life. And therefore think of it in terms of that wonderful opportunity for a long and enjoyable next phase.

Andra Ilie: Perfect. Kirsty?

Kirsty Moore: For me, I would say it's all about the right team. Both the team that support the actual business sale but also that team that will support things we've talked about, how ideas around use of your time, ideas around use of your capital can sometimes feel a lonely place I think for business owners going through this. To get the team that you trust around you as early as possible, it would just make the whole thing smoother and easier.

Andra Ilie: Excellent advice. Thank you very much, Kirsty. Mrin?

Mrinalini Ramakrishnan: Yeah. I would echo Kirsty's comments. The team and a team that's experienced that matches your goals, your financial goals. So, get us involved early so that we can help you plan those investment goals and then leverage that experience that we have in ensuring that we do it in the best manner that suits you. So that would be my closing comments.

Andra Ilie: Thank you very much, Mrin. And Patrick?

Patrick Power: I'd just say that the business owners I meet have got so much drive and so much of their time is involved in running that business and it's a huge responsibility. I'd really say try and take just a little bit of time to shine a light on your own personal financial planning and family financial planning affairs because that can do the world of good. And also, inform you that you need to set aside a bit more time to have these conversations with estate planning lawyers and it would be a really good investment. It's like the J-curve that Kirsty mentioned. That's a really good analogy because a lot of those conversations between spouses on the wills, etcetera, can require deep thoughts and they can be very emotional and it can cause arguments. But it's good work that needs to be done. You're planting the seeds for future growth. So, that's my passing thought.

Andra Ilie: Great. Thank you very much. And thank you very much, Kirsty, Russell, Mrin and Patrick, for sharing your views and thoughts. I'm sure our viewers have gathered some very useful insight. I know I did. And for our audience today, I do hope that you've enjoyed the session and the discussion. And if you have any feedback, please do complete the Share Feedback tab. And if there's anything from today's conversation that you found particularly interesting or would like to explore in more detail or you'd like to speak to one of our experts, please do get in touch with your HSBC Relationship Manager. And finally, don't forget to sign up to our Future beyond Business Ownership webinars. Thank you very much and have a great rest of the day.