

How Do Financial Advisers Help Business Owners?



Steven Boyce

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[vc_row][vc_column][vc_column_text]Business owners are unique. It takes an entrepreneurial mind and a desire to control your destiny to take the leap of faith and become a business owner. As they grow, businesses require considerable time and mental energy and the reinvestment of significant financial resources to get to a point where business owners can extract wealth for themselves. Principal and Wealth Adviser [Steven Boyce](#) has interviewed and assisted some of Western Australia's most successful business owners. Through numerous interviews, Steven found that those who had the most success and were the happiest with their financial affairs had a vision, a plan *and* a financial adviser. We asked Steven to reflect on a time he assisted a business owner client in achieving financial freedom through more informed, educated decisions.

Financial advisers look at the whole picture

Undoubtedly successful, in just ten years, one of Steven's clients grew the family business to be

turning over tens of millions of dollars. Over the past few years, they were fortunate to be in a position where they were able to extract significant dividends each year. Like many business owners, the family prioritised their business affairs above their personal financial affairs. The family was not taking full advantage of all the available financial planning strategies. They realised they did not have the time or expertise to implement and manage a comprehensive investment strategy effectively. Steven explains that, like many families, his client has benefitted significantly from engaging the right advisers. Previously, this business owner relied on the expertise of their accountant, who lacked a complete picture of their affairs and was not allowed to give financial planning advice. They tried to manage the investment strategy themselves, then engaged a stockbroker who only gave them limited investment advice, not looking at how they could holistically add value to their entire financial affairs. According to Steven, this resulted in time lost and increased stress for the family. Ultimately, the family felt that no one was accountable for providing planning advice and building a long-term family investment strategy that aligned a suite of investments to their family goals. Too many opportunities were slipping through the cracks. Steven emphasises that a competent accountant and an independent financial adviser who will holistically manage a plan make for a powerful team. They bring context and insight to help inform the key decisions made by the family and take care of the finer details to implement the family vision.

Utilise technical expertise to create the financial plan

Only after you build a vision can you create an optimal financial plan and [make great decisions](#) around your options. Steven highlights that one of the immediate benefits for his client was paying less tax due to different tax planning conversations with the accountant. Investors are typically hardwired to focus on the fees they are paying. Whilst not unimportant, taxes usually create a much larger drag on how quickly you can accumulate wealth and have a similar but negative, compounding effect on investing. Steven believes business owners should become more deliberate around how they invest and the tax structures they invest in, to minimise long-term tax obligations. Financial advisers should provide strategic advice, engage the entire family, and make future-proof estate and legacy plans. When large amounts of capital are involved, advisers are invaluable in simplifying the complex and becoming an advocate for their clients.

To achieve true success, you need to trust others and learn that you cannot do it all. Capital Partners is here to help. If you or someone you know could benefit from advice, do not hesitate to [contact us](#) or speak to your adviser.

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Steven revels in the time and latitude he enjoys in his role – the freedom to focus on each client as an individual, with a particular focus on business owners, divorcees, executives and both pre- and post-retirees.

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