

Case Study: Sale of Business

Client:

An Entrepreneurial family was in the beginning stages of selling their multi-million-dollar business.

Net Worth: \$50 million

Situation:

One of The Client's trusted advisors got TAG Family CFO involved in the early phases of the sales process to streamline the pre-sale business planning and develop a strategy to organize the family finances, estate planning, financial reporting and overall wealth transfer set up. During the sale of the business, TAG Family CFO coordinated the transition of personal financial matters that were previously handled by the corporate CFO that included cash flow reporting, bill pay, personal bookkeeping and administration work for the family.

Solution:

TAG Family CFO's initial engagement included the following:

Pre-Sale Business Planning

- Organize and track operating entities, real estate and assets.
- Itemize inventory
- Help with the transition of business accounting department and business CFO to provide accurate company information
- Closing out all out-standing business accounts – banks and vendors
- Reconcile business bills, credits and refunds
- Assisting with the transition of accounts to new buyer, to include A/P reconciliation and payroll transition
- Managing garnishment employee notices and workers compensation to notify new buyer
- Rolling out and closing down the company's 401k plan
- Transferring all pending transactions and accounts to the new owner
- Opening accounts for new business entity

Family Office Setup

- Set up accounting systems and procedures to track new business entities, trusts and partnerships
- Expense reporting and personal bookkeeping
- Cash flow management and bill pay
- Track and record new investments
- Consolidate investment funds
- Provide timely monthly financial reports to assist with future financial & estate planning needs
- Personal assistance work for the family

Results:

With the early involvement of TAG Family CFO, the Client was able to achieve clarity of his financial portfolio, with a complete, organized overview of the business transaction and newly established entities. The smooth transition of the sale process allowed for the Client to focus on his investments and enjoy financial peace of mind, without spending time on administration of the family office and in-house bookkeeping.