

# My assets assessment tool

The **My assets assessment** tool is a series of statements covering all activities involved in a business transfer project.

## The purposes of this tool are to:

- make you aware of the various factors you must consider during a business transfer;
- help you identify your main concerns regarding the transfer;
- help you assess your preparedness for the acquisition;
- enable you to make a list of key steps, decisions and actions to take during the process;
- encourage you to plan this important step.

## Instructions:

1. Read each of the following statements, and carefully consider your current situation. Write down your concerns.
2. Add the total number of Yes's and No's. Enter the results in the Overview of my assessment section. Calculate the difference between the two results. This difference is simply an indicator to help you understand your current situation with respect to your business transfer.
3. Taking into account your assets, assess your level of preparedness (low, average, high) in the section My preparedness for and understanding of the transfer process.
4. After completing the exercise, examine your results and fill out the section What are my three main concerns?
5. Finally, fill in the table entitled Action plan to reduce/eliminate my concerns, and use the plan to guide you in the process, being sure to stay on schedule.

You can share the results of this exercise with the transferors.

## My assets assessment

FACTORS AND ACTIVITIES INVOLVED IN A BUSINESS TRANSFER	YES	NO
1. I've prepared an acquisition plan (transfer).	<input type="checkbox"/>	<input type="checkbox"/>
2. I am aware of the importance of properly planning the entire transfer process.	<input type="checkbox"/>	<input type="checkbox"/>
3. I am familiar with all the components of a transfer plan.	<input type="checkbox"/>	<input type="checkbox"/>
4. I take part in the discussions regarding the business transfer plan.	<input type="checkbox"/>	<input type="checkbox"/>
5. I have extensive training that will prepare me to manage a farm.	<input type="checkbox"/>	<input type="checkbox"/>
6. I manage several operational tasks in the business.	<input type="checkbox"/>	<input type="checkbox"/>
7. I participate in major business decision-making discussions.	<input type="checkbox"/>	<input type="checkbox"/>
8. I have open discussions about the transfer with my family members.	<input type="checkbox"/>	<input type="checkbox"/>
9. I have already begun working with a <i>centre régional d'établissement en agriculture</i> (CREA) or a human relations professional.	<input type="checkbox"/>	<input type="checkbox"/>
10. I have a clear idea of which improvements need to be made in order to better position the business following the transfer (investments, productivity, efficiency, etc.).	<input type="checkbox"/>	<input type="checkbox"/>
11. I have read the strategic development plan, and I understand it well.	<input type="checkbox"/>	<input type="checkbox"/>
12. I have a clear idea of the transfer scenario (one-time transfer, progressive transfer, gradually selling off assets, other).	<input type="checkbox"/>	<input type="checkbox"/>
13. I know the fair market value of the business.	<input type="checkbox"/>	<input type="checkbox"/>
14. I have a good idea of the selling price in the case of a transfer to a family member.	<input type="checkbox"/>	<input type="checkbox"/>
15. I have a good idea of the debt load that the farm can withstand without risking its continuity.	<input type="checkbox"/>	<input type="checkbox"/>
16. The current financial structure of the business is optimal.	<input type="checkbox"/>	<input type="checkbox"/>
17. I have already studied all of the financing options related to the transfer.	<input type="checkbox"/>	<input type="checkbox"/>
18. I'm aware that my parents or the owners might have to finance part of the transaction.	<input type="checkbox"/>	<input type="checkbox"/>
19. I am aware of the various government succession assistance programs.	<input type="checkbox"/>	<input type="checkbox"/>
20. The current tax planning for the business is optimal.	<input type="checkbox"/>	<input type="checkbox"/>
21. I have assessed the insurance needs in order to protect the continuity of the business in case of unforeseen events.	<input type="checkbox"/>	<input type="checkbox"/>
22. I know what role I want to play in the business once my parents or current owners retire.	<input type="checkbox"/>	<input type="checkbox"/>
23. I can rely on the support of a group of competent business transfer specialists who work as a team.	<input type="checkbox"/>	<input type="checkbox"/>
24. I am aware that Desjardins can help me and guide me through the entire business transfer process.	<input type="checkbox"/>	<input type="checkbox"/>

# My assets assessment

## Overview of my assessment

My assets = \_\_\_\_\_

My liabilities = \_\_\_\_\_

The difference between my assets and my liabilities = (-) \_\_\_\_\_

## My preparedness for and understanding of the transfer process

Checkmark the statement corresponding to your assets assessment

Low 0-8       Average 9-16       High 17-24

## What are my three main concerns?

Here is an example:

1. What is the business's ability for repayment after the final assets transfer step?
2. How will I approach my new role in the business and maintain harmony among family members?

### ACTION PLAN TO REDUCE/ELIMINATE MY CONCERNS

CONCERNS	ACTIONS	TARGET DATES	PERSONS INVOLVED	FOLLOW-UP DATES
1) Earn a college degree	Register by next fall	May		
2) Master the intricacies of strategic planning				
3) Will I earn enough money during the co-management period?				