Family Continuity Diagnostic

Illustrative Findings Extract

A fictional composite example demonstrating the structure of a continuity review.

An illustration of how family decisions, professional questions, continuity exposures and implementation dependencies are separated before structures or instruments are selected.

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ILLUSTRATIVE EXTRACT | VERSION 1.1

COMPOSITE-CASE & CONFIDENTIALITY NOTE

This is a wholly fictional composite created to demonstrate the form and discipline of a continuity review. It does not describe a client, engagement or outcome and contains no client information. Terms such as 'Confirmed' refer only to the illustrative working record; they do not constitute audit, assurance, legal, tax, investment, financing or fiduciary conclusions.

In an actual matter, scope, circulation, confidentiality, information-sharing permissions and retention would be governed by agreed written terms and applicable professional duties; no legal privilege is claimed by this illustrative document.

01 / ILLUSTRATIVE WORKING EXTRACT

Context, presenting question & diagnostic frame

The presenting question became useful only after the family, enterprise and evidence state were separated.

Context Snapshot

LABEL	ILLUSTRATIVE PRESENT POSITION
Founder	Established Operating Company nearly three decades ago; remains the principal operating, capital-allocation and relationship decision-maker.
Spouse	No day-to-day operating role; participates in major family decisions and relies partly on enterprise-linked income.
Child A	Eight years in Operating Company with functional responsibility; governance, capital-allocation and lender-readiness criteria are not yet agreed or evidenced.
Child B	Independent career and no expected operating role; long-term expectations as a non-operating owner have not been formally tested.
Entity set	Founder remains majority personal shareholder. Property LLP owns premises used by Operating Company; Family HoldCo holds selected family investments.
Funding context	Supplied materials refer to Founder-linked bank mandates and personal guarantees; a complete exposure and release-condition schedule is absent.

REVIEW BASIS Two illustrative family discussions plus selected corporate, banking and estate-document summaries. No audit, valuation, legal opinion or product assessment was undertaken.

WHAT THE FAMILY INITIALLY ASKED

How should we divide ownership fairly between our children?

What the diagnostic actually revealed

CENTRAL FINDING

The family does not yet have an asset-division problem to solve. It has four prior decisions to make: what fairness means, who should control the enterprise, what security must remain outside operating dependence, and what must continue if the Founder becomes unavailable.

- Founder dependency extends beyond title to approvals, banking, capital allocation and key relationships.
- Equal economic participation and equal operating control are different decisions.
- No demonstrated liquidity source presently supports equalisation without first testing enterprise cash flow and financing constraints.
- Corporate, estate and banking documents exist, but their combined effect has not been professionally reconciled.
- Release or substitution of Founder guarantees has not been evidenced; lender determination remains required.
- Child A's operating experience does not itself establish governance or lender-readiness.
- Child B's expectations, and the family's implementation ownership, remain incompletely recorded.

02 / ILLUSTRATIVE WORKING EXTRACT

Continuity Status Record

Evidence state, resolution path and action state are recorded separately. A named owner is not the same as a concluded matter.

CONTINUITY ELEMENT	EVIDENCE STATE	RESOLUTION / ACTION STATE	BASIS IN RECORD & NEXT CONTROL
Founder intention	**Partially Confirmed**	**Family Decision Pending**	Intention to benefit both children and preserve continuity is consistent; priorities, constraints and transition horizon remain unapproved. Family to decide and record.
Shareholding position	**Confirmed**	**Professional Review Required**	Current cap table and entity records supplied. Corporate counsel to confirm and reconcile across entities.
Decision authority	**Partially Confirmed**	**Professional Review Required**	Delegations and bank mandates appear Founder-centred. Relevant corporate, estate and banking specialists to confirm authority.
Ownership / control alignment	**Not Yet Evidenced**	**Family Decision Pending**	No agreed position on voting, board rights, economics or exit. Decide principles before considering instruments.
Transition liquidity	**Not Yet Evidenced**	**Professional Review Required**	No consolidated equalisation or liquidity-capacity analysis. CA, valuer and banker to quantify capacity, timing and constraints.
Personal guarantees	**Partially Confirmed**	**Professional Review Required**	Supplied facility materials refer to guarantees; a complete schedule and transition conditions are absent. Banker and counsel to confirm.
Wills / nominations alignment	**Partially Confirmed**	**Professional Review Required**	Existence is evidenced; dates, asset references and entity interests are not reconciled. Estate-planning lawyer to review.
Family decision on fairness	**Partially Confirmed**	**Family Decision Pending**	'Fair' is expressed; criteria, timing, control and risk allocation are not agreed. Family to define it.
Implementation ownership	**Confirmed**	**Assigned**	Family sponsor and specialist workstreams are named. Briefs, milestones, permissions and evidence requirements remain to be agreed.
Completion status	**Partially Confirmed**	**Completion Evidence Not Recorded**	Some advice and actions are reported; execution and closure evidence is incomplete. Maintain a dated closure log with documentary support.

STATUS VOCABULARY

EVIDENCE STATE

Confirmed: supported in this illustrative record; not independently audited or legally validated

Partially Confirmed: some support exists; a material element remains open

Not Yet Evidenced: sufficient supporting material has not been supplied

RESOLUTION / ACTION STATE

Family Decision Pending: the family must decide; advisers do not presume the outcome

Professional Review Required: the designated specialist must conclude within scope

Assigned: an accountable owner is named; completion is not implied

Completion Evidence Not Recorded: specified completion evidence is absent from the working record

03 / ILLUSTRATIVE WORKING EXTRACT

Keep three records separate

A continuity review loses discipline when evidence, aspiration and inference are allowed to become one narrative.

Confirmed facts

- F-01 Founder remains majority holder and the central operating decision-maker.
- F-02 Child A has an operating role; Child B has no day-to-day role.
- F-03 Property LLP owns premises used by Operating Company.
- F-04 Family HoldCo holds selected interests within the family's broader asset structure.
- F-05 Founder-linked guarantees and elevated banking authority appear in supplied materials.
- F-06 Wills and nominations exist; only their existence, not their alignment, is confirmed.

Record rule: confirmed means supported within the stated illustrative scope; it is not professional assurance.

Family intentions

- I-01 Both children should benefit fairly; the family has not decided whether fairness means identical value.
- I-02 Child A may lead operations, subject to readiness and appropriate governance.
- I-03 Child B's economic participation should not depend on joining management.
- I-04 Spouse's security, access to funds and decision dignity should not be weakened.
- I-05 Enterprise continuity should be preserved without presuming a forced transfer or sale.
- I-06 Existing advisers should remain responsible for their respective professional work.

Decision rule: an intention remains open until the family approves its meaning, limits and timing.

Assumptions requiring confirmation or family testing

- A-01 Equal shareholding would be both fair and workable.
- A-02 Economics can be separated from control without unintended legal, tax or commercial effects.
- A-03 Operating Company cash flow could fund equalisation.
- A-04 Guarantees and banking mandates would adjust automatically when ownership changes.
- A-05 Wills, nominations and entity rights point to the same outcome.
- A-06 Operational capability equates to board, ownership and lender-readiness.
- A-07 Acceptance of different sibling roles can be inferred without an explicit family decision.

Control rule: no instrument should be designed around an unresolved assumption.

04 / ILLUSTRATIVE WORKING EXTRACT

Decision & Dependency Register

Decisions precede documents where an instrument depends on an unresolved family choice. Advisers inform decisions; they do not inherit the family's decision rights.

ID	CONSEQUENTIAL DECISION	DECISION OWNER	KEY DEPENDENCY	IF UNRESOLVED
D-01	What should 'fair' mean in this family?	Founder, Spouse, Child A & Child B	Economic picture; roles; time horizon; risk	Every route could embed an untested fairness assumption.
D-02	Who should exercise operating authority, and when?	Founder & Board, with family understanding	Readiness criteria; governance; relationship handover	Title could change without usable authority or accepted accountability.
D-03	How should economic participation and control relate?	Founder & Spouse; family decision	D-01; corporate-law, tax & valuation input	Deadlock, value misalignment or unintended rights could be created.
D-04	What security and access must Spouse retain?	Founder & Spouse	Cash-flow, estate & legal analysis	A transition could inadvertently weaken access, income or decision dignity.
D-05	What valuation and equalisation basis is acceptable?	Family	D-01; CA, valuer & banker input	Funding strain or an unstated subsidy between children could result.
D-06	Who can act during Founder incapacity?	Founder, Spouse & Board	Corporate, estate & banking authority	Operating or financial paralysis could arise at a critical time.
D-07	How should personal-guarantee exposure be addressed?	Founder & Operating Company Board; lender decides consent	Facilities, collateral, credit review & D-02	Founder or estate exposure may persist; facilities may be affected.
D-08	Who owns implementation and closure?	Named family sponsor	All specialist outputs & execution evidence	Advice could remain fragmented and completion could be presumed.

DECISION AUTHORITY The family decides its intended outcomes and acceptable trade-offs. Each specialist reaches conclusions within professional scope. A third party, including a lender, retains its own discretion.

05 / ILLUSTRATIVE WORKING EXTRACT

Continuity Exposure Map & Professional Workstreams

The map describes present-state exposure without scoring it. The register then routes each technical question to the professional responsible for answering it.

Continuity Exposure Map

DIMENSION	PRESENT STATE	CONTINUITY EXPOSURE
Ownership & Control	Architecture unresolved	Economic intention, voting authority, board rights and exit arrangements have not been designed as one coherent set.
Liquidity Readiness	Capacity not evidenced	No demonstrated source covers equalisation, spouse security, transaction costs and financing constraints.
Succession & Governance	Authority concentrated	Operating approvals, banking, capital allocation and important relationships converge on Founder.
Documentation Alignment	Cross-document review outstanding	Corporate, estate and banking instruments exist; their combined effect has not been professionally reconciled.
Family Readiness	Implications untested	Different operating roles have not been translated into accepted rights, responsibilities and communication rules.
Implementation	Closure control absent	Activity is reported without an integrated dependency, ownership and completion-evidence record.

Professional Workstream Register

RESPONSIBILITY NOTE Each appointed specialist determines and owns scope, analysis, advice and sign-off within that workstream. Coordination status is not professional sign-off.

SPECIALIST - RESPONSIBILITY RETAINED	QUESTION REFERRED	EXPECTED OUTPUT / COMPLETION EVIDENCE
CA / tax adviser	Reconciled economics, distributable capacity and tax consequences of available pathways.	Accounting/tax analysis; dated issue note and open-item list.
Corporate lawyer	Operative ownership rights, governance authorities, transfer constraints and approvals.	Corporate legal advice; approved drafting and execution guidance.
Estate-planning lawyer	Alignment of wills, nominations, incapacity arrangements and entity interests.	Estate legal advice; adviser-approved execution set.
Banker	Mandates, guarantees, consents, credit conditions and release requirements.	Credit decisions and terms; written lender response or owned exception.
Independent valuer	Interests requiring valuation, appropriate basis and relevant valuation date.	Independent valuation scope and signed opinion.
Trustee / other specialist	Relevant fiduciary, custody, beneficiary or jurisdictional obligations, if applicable.	Applicable professional determination and completion evidence.

06 / ILLUSTRATIVE WORKING EXTRACT

Priority Sequence - Next 90 Days

These are decision and evidence gates, not rigid deadlines. Immediate authority triage may run in parallel with longer-horizon family decisions.

NO.	WORKSTREAM	INDICATIVE WINDOW	ACTION & EXIT EVIDENCE
01	Decision First	Days 1-15	Define fairness criteria, operating-control intention, spouse guardrails and transition horizon. Exit evidence: approved family decision brief.
02	Professional Confirmation	Days 10-35	Reconcile ownership, authority, estate, banking, tax and valuation questions. Exit evidence: specialist issue notes and explicit open-item list.
03	Documentation	Days 30-60	Draft only against approved family decisions and confirmed technical positions. Exit evidence: adviser-approved execution set and responsibility matrix.
04	Funding & Liquidity	Days 35-70	Quantify equalisation, spouse-security and facility effects; test feasible sources without presuming a product. Exit evidence: family-approved direction with CA/bank confirmation.
05	Implementation Closure	Days 60-90	Execute, record approvals, complete filings and custody, update mandates, and obtain releases or acknowledgements where applicable. Exit evidence: closed evidence log or dated, owned exceptions.

Sandeep's Role

WITHIN THE ROLE

- Diagnose the continuity system, not an isolated instrument.
- Clarify intentions and record where they remain incomplete.
- Separate family decisions from technical questions.
- Map dependencies, owners and decision sequence.
- Brief and coordinate existing specialists.
- Maintain the working record.
- Record implementation status against specified evidence.

NOT WITHIN THE ROLE

- Make the family's decisions or determine what fairness must mean.
- Issue legal, tax, investment or fiduciary conclusions outside agreed scope.
- Replace, supervise or dilute the responsible specialist's judgment.
- Presume a product, structure or lender decision.
- Treat advice, signing, payment or coordination status as sufficient evidence of completion.

ROLE BOUNDARY Sandeep coordinates questions, sequence, dependencies and the evidence record. He does not adopt, approve or replace a specialist's conclusion.

07 / ILLUSTRATIVE WORKING EXTRACT

Practice Standards & Closing Record

This extract demonstrates a controlled method. It does not claim a past client outcome, complete diagnostic or assurance of any future result.

PRACTICE STANDARDS

Clear scope. Clear roles. Clear record.

Scope before action.	**Facts, intentions and assumptions remain distinct.**
Family decisions remain family decisions.	**Specialist responsibility remains with the specialist.**
Diagnosis precedes instruments.	**Implementation is evidenced, not presumed.**
Information is requested with restraint and for a stated purpose.	**Separately remunerated or regulated implementation is separately governed.**

Any regulated or separately remunerated implementation is outside the diagnostic unless expressly included under separate written terms, with applicable authorisations, disclosures, consent, remuneration and responsible-provider accountability.

What this extract is intended to demonstrate

1. **Quality of diagnosis** Seeing the continuity system, not merely its individual assets, instruments or documents.
2. **Clarity of decision architecture** Making consequential choices, decision rights and dependencies visible before structuring begins.
3. **Professional coordination** Directing each technical question to the appropriate specialist without blurring accountability.
4. **Implementation discipline** Treating recommendations as incomplete until action and specified completion evidence are recorded.

> *For relevance conversations, broad non-identifying context is sufficient at the outset.*