



Family Business Governance Checklist

Formal Business and Legal Compliance

- Do we have a formal, legal shareholder agreement for the business?
- Do we maintain proper books of accounts for revenues, expenses, profits, and drawings?
- Do we maintain double books of accounts in the business?
- Do we have a formal business structure, such as a private limited company?
- Is the ownership pattern legally registered in Forms A and 29, or is it only orally specified?
- Are business assets held in personal names?
- Do family members use business assets or resources for personal use?

Business Family

- Do we have our family mission, vision, and values defined, documented, and agreed upon?
- Do we align our family business with these principles?
- Do we provide orientation for the next generation?

Family Business Policies

- Do we have a written and agreed-upon dividend policy?
- Do we have an employment policy for the next generation?
- Do we have a remuneration policy for working family members?
- Do business leaders encourage the next generation to pursue formal education in relevant disciplines?

Structures and Plans

- Do we have a Family Council? Who chairs it, and how often does it meet?
- Does the owners' council meet regularly to discuss business performance? How many times did it meet last year?
- Do we have a formal family plan?
- Do we conduct regular management meetings?
- Do family issues disrupt the business environment?
- Do business or workplace issues affect family relationships?
- Do we have a formal Management Development Plan for family members?
- Who is included in the management development team?