



Managing from afar: The role of the active farm manager

As the great wealth transfer unfolds, as outlined in our whitepaper [Why the Modern Family Office Matters](#), we are seeing more families pass control of their agribusiness assets to the next generation. Often, these successors may not have the time, expertise or desire to actively manage the asset over the long-term.

This is where an absentee owner arrangement offers value. It allows families to preserve their farming legacy and connection to the land, while enabling the next generation to pursue their own careers and interests beyond agribusiness.

Best practices for successful absentee ownership

There's no doubt that managing a farm remotely presents unique challenges, whether that be time zone differences, labour resources, regulatory requirements or environmental factors. With the right strategies and support in place however, it can be highly rewarding.

Best practices to ensure absentee farming success include:

- **Monitor financials closely**, leveraging accounting software or a farm accountant to track budgets, expenses and return on investment
- **Build a stable team of employees** who are highly experienced and competent to execute the farm strategy
- **Embrace technology for real time oversight** such as satellite imagery, drone footage, livestock tracking systems and cloud-based farm management software
- **Establish clear standard operating procedures and an OHS framework** to ensure consistency, accountability and safety in daily operations
- **Build local relationships** with suppliers, co-ops and agricultural advisors to help with sourcing, market access and local insights
- **Understand legal and regulatory requirements** to maintain compliance with land use laws, local labour regulations and environmental standards
- **Plan for emergencies** and implement appropriate strategies to respond to unplanned events such as natural disasters, equipment failures and labour shortages

Appointing an active manager – what to expect

Many absentee owners hire a trusted third party, such as Mutual Trust, to handle the day-to-day operations of their agribusiness and ensure it functions efficiently and profitably. This includes everything from crop and livestock management to financial reporting and farm business oversight, essentially acting as the owner's representative on the farm. Key benefits of this approach include:

A stable, skilled workforce

Australian agribusinesses face persistent labour shortages. This can make it challenging to recruit and retain skilled workers, comply with employment laws and safety standards and maintain productivity. An active manager will put a suitable workforce management plan in place to address these considerations and ensure the farm operates effectively.

Strategic oversight

Designing and implementing a compliant and informed farm strategy requires local presence and expertise. An active manager will be able to establish a suitable strategy which complies with relevant regulatory frameworks and industry standards, while considering payroll, human resource and OH&S requirements, supplier arrangements, livestock welfare, biosecurity measures and operating procedures.

Business administration and planning

Effective business administration is critical for agribusiness management, providing the structure, foresight and control needed to operate profitably and sustainably. An active manager can take on budgeting and financial planning, capital improvement evaluations and technology upgrades, while responding to market shifts or opportunities and managing risks.

Succession planning

Navigating generational transitions requires careful consideration, particularly for absentee owners who may not have a suitable successor to eventually take on asset ownership. An active manager will support the succession planning process and/or help to prepare the asset for sale while preserving its value.

Transparent communication

Finally, the active manager will share regular updates (i.e. monthly and annual reports, video calls and site visits) to keep families informed and confident, acting as their eyes and ears on the ground.

Mutual Trust Case Study

Legacy in the Landscape: Managing Mussett Pastoral from abroad

Mussett Pastoral* is a large-scale mixed livestock and grazing property that has been in the Mussett family for decades.

Recently, the patriarch passed operational responsibility of the farm to his daughter, Rebecca. While Rebecca now resides in the UK, where she juggles a busy career with the demands of raising three young children, she remains deeply connected to the farm and the legacy it represents.

Rebecca decided to keep the farm operational as an absentee owner, engaging Mutual Trust to perform the role of the farm's active manager.

Now, when Rebecca and her children travel to the farm each autumn, they stay at the property's homestead. Rebecca enjoys reacquainting herself with the landscape and spending time on the land, introducing her children to the same experiences she cherishes from her own childhood. These visits are more than holidays, they're opportunities to strengthen family bonds and pass knowledge to the next generation.

Being an absentee owner of a large-scale agricultural enterprise can feel daunting for someone with a busy life outside the farm gate. Mutual Trust meets with Rebecca each quarter, virtually, to discuss the farm budget and report on P&L actuals and cashflow projects, while providing all the services required to make absentee ownership a seamless experience for Rebecca.

This includes:

- Developing and managing operational and capital expenditure budgets
- Quarterly farm visits and detailed budget reporting
- Cashflow forecasting, including overdraft planning
- Implementing long-term farm strategies (three, five & ten years)
- Livestock and agronomy advice
- HR management (recruitment, contracts, KPI and salary reviews, onboarding, payroll)
- Bookkeeping and financial administration
- Tax compliance and advisory
- Attendance and reporting at family meetings

Through this arrangement, Rebecca enjoys maintaining her connection to the land and her family's legacy without compromising her life abroad. Mussett Pastoral continues to grow, guided by tradition and supported by Mutual Trust's Agribusiness expertise.

*Names changed to protect privacy

For over 100 years, farming and land stewardship has been an important focus for Mutual Trust's founding families and many of Mutual Trust's clients. Over this time, we have established a proven track record in developing and managing personalised agribusiness strategies, working closely with our Family Office and Tax & Accounting teams to ensure the service is a fully integrated component of a client's total wealth picture. Our clients have a broad range of agricultural holdings, including sheep, cattle, agistments and grain, which we help them manage throughout all seasons and conditions, right across Australia.

If you would like to discuss how we can work with you to design and execute a tailored agribusiness strategy and maximise returns from your agricultural investments, please contact your Relationship Manager.

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