

OPINION

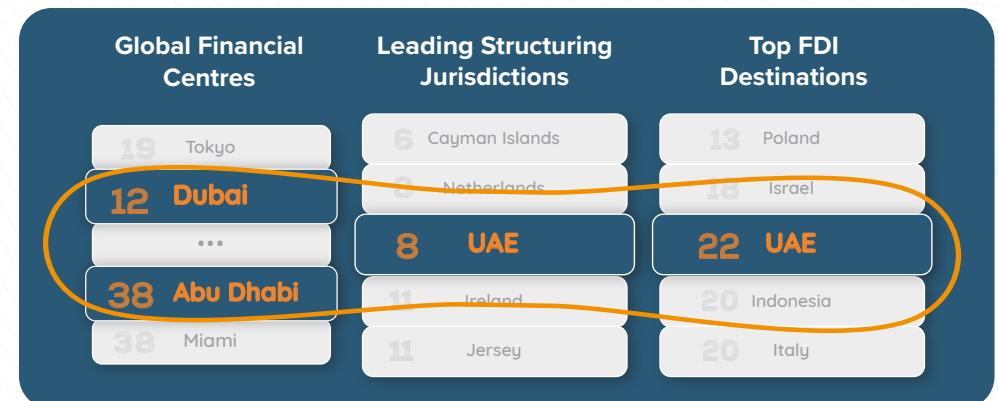
FINANCE SPOTLIGHT SERIES 2025: OUTSOURCING THE FINANCE OFFICER FUNCTION IN FAMILY OFFICES

INTRODUCTION

Over the last decade, the UAE has become one of the top locations for the world’s wealthiest to secure their assets. With family businesses comprising 70% of the country’s private entities, this trend is unlikely to abate. As a result, family offices are very popular in the country, with ultra-high-net-worth (UHNW) families creating these private wealth management entities for intergenerational asset protection.

Whether it is a single-family office (SFO) exclusively managing the assets of just one family, or a multi-family office (MFO) set up for the benefit of multiple families, both types manage investment portfolios, optimise tax liabilities, manage any philanthropic undertakings, and, more generally, devise tailored strategies to manage familial wealth prudently and in concert with the family’s wishes and needs.

The role of the family office's Finance Officer is critical to successfully maintaining and building upon the family's wealth.



Sources include:

1. GFCI 37 Report 2025 | www.longfinance.com
2. FDI inflows, top 20 host economies | www.unctad.org

THE KEY ROLE OF A FINANCE OFFICER IN A FAMILY OFFICE

Many family offices – SFOs and MFOs – outsource the Finance Officer function, especially when they don't have the scale or resources to justify a full-time, in-house Finance Officer.

Outsourcing allows family offices to access the requisite strategic financial planning, investment analysis, reporting, tax management, and other financial services, tailored to the needs of the families, without the cost of hiring a dedicated executive. Larger or more complex family offices may choose to have a dedicated in-house Finance Officer, especially if they require a more hands-on, integrated approach to managing their principal family/ies' wealth.

As with all key roles in any organisation, hiring the right talent is vital, but it can be challenging and costly. Whilst the calibre of the individuals remains crucial, for a family office, cultural fit is equally important, as family office staff must be able to interact with the family sensitively and productively.

TYPICAL ACTIVITIES OF THE FINANCE OFFICER IN A FAMILY OFFICE

To optimise performance management and reporting in line with the family office's mission and investment strategy, it is important for the financial stewardship of a family's assets to be centralised and managed by a highly competent finance function, led by an experienced and suitably qualified Finance Officer.

The activities of a family office's Finance Officer and his/her team may typically include:

- Reporting of investments performance, to assist advisors and family members in effective decision making.
- Liaising with investment advisers to ensure impartial expert investment advice.
- Overseeing custodianship of relevant assets.
- Formalising policies and procedures, including investment strategy and treasury procedures, as well as authorisation matrices.
- Implementing appropriate governance and management structures.
- Cost control, budgeting and forecasting.
- Reporting to regulatory authorities under IFRS.
- Liaising with auditors, as appropriate.
- Implementing suitable information technology.
- Financial and management continuity planning.
- Structuring and tax optimisation.
- Managing the family's multi-currency cash flow and treasury activities.
- Accounting, tax and payroll activities.

OUTSOURCING VS IN-HOUSE

An SFO typically develops over time, evolving from supporting the founder’s basic financial and non-financial needs, to expanding to the family-at-large and providing a broader menu of services, to ultimately evolve into a fully-fledged organisation managing all the family’s investments and affairs. An MFO’s portfolio of client families will grow over time too, ultimately gaining the critical mass to justify hiring in-house resource.

Outsourcing key functions like the Finance Officer role and ancillary support functions such as accounting, tax and payroll, is often preferred in the early phases of development. It enables the emerging family office to ‘hit the ground running’ operationally - quickly, flexibly and cost-efficiently - so that it can focus on optimising returns and managing the family or families’ affairs efficiently, whilst assessing longer-term needs.

Weighing up the options

Category	Outsourced	In-house
Confidentiality	Specialised firms have robust confidentiality protocols.	Direct control over confidentiality measures. Information stays within the family office.
Conflict of Interest	Can provide impartial advice, especially when dealing with sensitive family dynamics. Independence is readily demonstrable.	Fuller alignment with interests of family/families.
Goal Alignment	Contract-bound to meet specific objectives.	Greater understanding of goals and values of family/families.
Cost	Cost-effective part-time or specialised services with no long-term benefits such as pensions/end-of-service benefits.	Predictable fixed salary, benefit costs, training costs and operational overheads.
Management	Reduced management burden: outsourced provider handles training and performance. Seamless substitution/back-up, should the need arise.	Direct management allows for real-time modification of priorities and oversight.

Category	Outsourced	In-house
Financial Control	Third-party oversight can reduce internal fraud risk. Proven track record of providing effective control structures.	High control over financial processes and decision-making.
Efficiency	Highly efficient due to specialised expertise. Family office management can focus on core priorities if administrative functions are outsourced.	Fully dedicated to the Family Office, leading to potentially faster responses.
Command of Law and Regulations	Dedicated UAE-focused compliance teams with broad exposure to regulatory environment with numerous clients ensures up-to-date expertise and broader solutions.	Deep understanding of the family office’s regulatory needs, particularly for established family offices.
Wealth Management	Access to diverse investment strategies and market insights.	Tailored wealth management aligned with family preferences.

CONCLUSION

The Finance Officer role in a family office is vital. Having access to the requisite skills and cultural fit in the role is key. Family offices need to carefully evaluate the pros and cons of outsourcing and in-house before finalising their decision. Ultimately, the choice depends on the size, scope, and needs of the family office.

Want to know more about family offices in the UAE?

The key considerations in setting up a family office and the relative advantages and disadvantages of an SFO and an MFO are explained in our factsheet entitled [Single Family Office in the UAE – What Are the Options?](#) and [Multi- Family Office in the UAE – What Are Your Options?](#)

MEET THE EXPERTS



Neil Guthrie
Senior Director - Finance
and Tax - Re/think
neil.guthrie@rethink-hq.com



Charu Spall
Senior Director - Finance
Re/think
charu.spall@rethink-hq.com



Keerthi Voodimudi
Senior Director - Tax
Re/think
keerthi.voodimudi@rethink-hq.com



Yann Mrazek
Managing Partner
M/HQ
mrazek@m-hq.com



Kath Zagatti
Lead Partner - Legacy &
Family Office - M/HQ
zagatti@m-hq.com



Hermione Harrison
Director - Head of Corporate
Governance - M/HQ
harrison@m-hq.com

M/HQ x Re/think is an award-winning multi-services platform catering to regulated financial institutions, family offices and proprietary investments structures. Our one-stop-shop offering is unique in the Middle East: a holistic and cross-disciplinary combination of a market-leading corporate services firm, a regulatory and compliance services practice, and a Family Office/Private Client specialist team, all through one single platform.

DIFC

Office 116, DAMAC Tower B
Dubai International Financial Centre
Dubai, UAE

+971 (0) 4 347 2700

Dubai (Mainland)

Office 08, Al Gurg Tower 3
Baniyas Road, Rigga Al Buteen
Dubai, UAE

+971 (0) 4 295 5727

DMCC

Office 28, Armada Tower 2
Cluster P, Jumeirah Lakes Towers
Dubai Multi Commodities Centre
Dubai, UAE

+971 (0) 4 261 9241

ADGM

Office 203, 11th Floor Al Sarab Tower
Abu Dhabi Global Market Square
Al Maryah Island, Abu Dhabi, UAE

+971 (0) 2 812 4105