



C&D RESTRUCTURE AND TAXATION ADVISORY

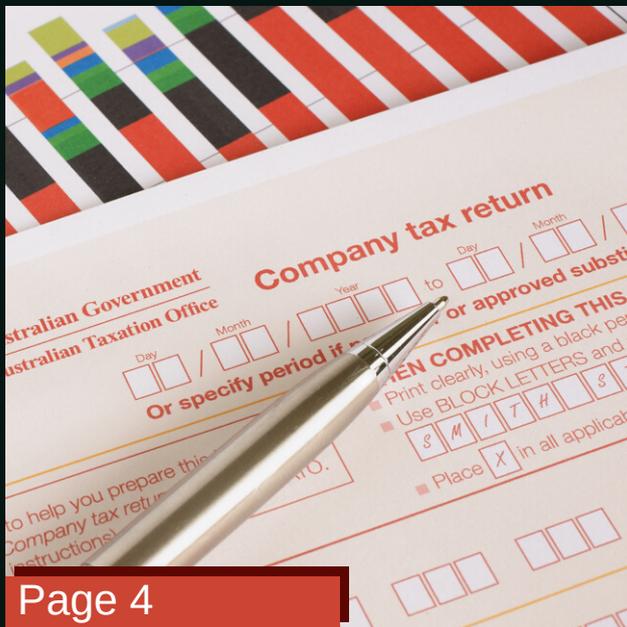
Monthly Newsletter & Industry Updates

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WHY BOOKKEEPERS SHOULD IMPLEMENT PPSR AS PART OF THEIR PRACTICE

by Craig Dangar



As bookkeepers continue to be an integral part of businesses, we are observing an increase in bookkeepers offering a PPSR management service as a component of their bookkeeping engagement. As the gatekeepers to the day to day operation of the businesses' financial situation there is an opportunity to integrate the billing or invoicing function with a comprehensive PPSR structure, assisting businesses to protect themselves.

The value of comprehensive PPSR functionality has increased as the process is generally poorly completed by businesses. Registration is often incorrect and not always implemented on time,

resulting in an inability to collect outstanding debts. Businesses have used it as an afterthought or not at all. This has been meant that cash flow is adversely impacted or that the businesses are simply unable to recover debts owed.

For bookkeepers looking to differentiate themselves or to offer a better solution, offering the PPSR functionality is a valuable tool. Habit forming around the PPSR reduces the risk of registrations being missed and once processes are in place, for businesses it becomes a simple aspect of client engagement. Much like reconciling accounts or loading up receipts, PPSR can be integrated seamlessly.



Case Study

In November 2012, HGA Hire provided a \$300,000 water tanker to Kentor Minerals on a 'dry hire' basis. Unfortunately, there was little in the way of paperwork between the parties. HGA had acquired the water tanker specifically for this hire contract and had obtained equipment finance from Cato Bank. Neither the bank nor HGA's finance broker had mentioned the existence of the PPSA.

Section 267 of the PPSA outlines that where the PPSA has not been properly aligned, an interest in property vests in the grantor (in this case, Kentor Minerals). Because HGA failed to comply with the PPSA, its interest in the water tanker now vested in Kentor Minerals. Consequently HGA lost its water tanker.

How We Can Help

We have assisted bookkeeping and accounting firms to implement a comprehensive process to offer PPSR as a component of their bookkeeping function.

In implementing these processes we ensure that staff are educated to not only the requirements but why they are important and what can go wrong.

In our approach, we prepare engagement documents for clients, assisting them to re-write standard terms and then assist explain to clients the new agreements that they are signing. Every business has a need for the PPSR, but understanding that need is what will make all the difference.

[Contact Us](#)



CASE STUDY: SIGNIFICANT ATO DEBT REDUCTION

by Craig Dangar

Scenario

we were approached by a business owner that had substantial ATO debts (approximately \$250,000) and were facing insolvency from the Commissioner. The business had several years of poor performance and was struggling with cash flow from the substantial payment arrangement they were facing.

The losses throughout the business exceeded \$900,000 over the last nine years yet at the same time the Director was drawing a salary of \$200,000 per annum with tax withheld.

The Options

1

The first option for the Director was to pull the pin and finalise the business.

We were concerned that the business had substantial personal liabilities that would have rendered the director bankrupt, the director owned his house in his personal capacity.

2

Option two was to appoint an administrator and negotiate out the debts of the business, upon reflection we found that the cost of this option would exceed \$150,000 once all steps were taken. Another poor option.

3

Third option was to review previously lodged returns and undertake a tax assessment. This option was explored and upon reinstatement of the correct returns the company, resulted in a refund position of \$150,000 before the remission of substantial GIC and penalties.

The Takeaway

We often face business owners that have not necessarily understood the consequence of their personal tax position against the business, we encourage a taxation review and an alignment of the taxation position of the business against the personal. Once we reviewed and re-submitted the returns not only had the debt reduced but the business was able to survive. If you're interested in a review of your tax position, you can contact the team on **1300 023 782** or schedule an appointment via the link below.

[Contact Us](#)



IPA PRESENTS

NATIONAL CONGRESS 2019

27 – 29 NOVEMBER

NATIONAL WINE CENTRE OF AUSTRALIA
ADELAIDE, SOUTH AUSTRALIA

EVENT PARTNER



The half way point and highlight of our road trip this year will be our attendance at the 2019 Institute of Public Accountants National Congress in Adelaide. We'll be exhibiting at the Congress, so if you're attending, be sure to swing by the C&D booth for a coffee and a chat with our Principal Consultant, Craig Dangar.

For those not lucky enough to be in attendance, we'll be posting regular updates and highlights from the Ipa National Congress on Twitter and Instagram. Also, keep an eye out for our summary of important takeaways from the event which we'll be publishing on Facebook and LinkedIn after the conference.

So far, the road trip has allowed us to get in touch with some of our more remote clients and connect with people in rural towns we may not have otherwise met. We're looking forward to a great couple of days connecting and swapping tales with more people over what should be a fantastic gathering at the National Wine Centre.

Follow Our Trip**@cdrestructure**



PARTNERING WITH C&D

Wondering why you should partner with us?

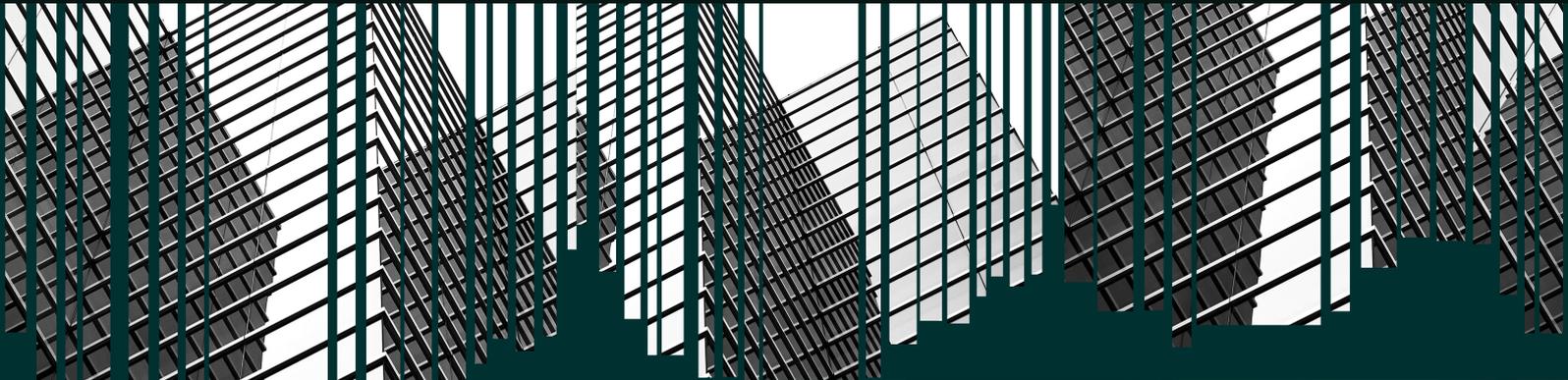
Your clients are safe in our hands. We pride ourselves on being small enough to dedicate our resources but having enough firepower to react when required. We have assisted businesses small and large and always offer service beyond expectations.

As a specialist firm we offer a tailored solution for your clients that is practical, and responsive

We don't offer competitive services and at the end of the project, work with you to re-integrate the business.

We have worked closely with professional firms since our inception and will ensure that

you are involved in each step of the process. Understanding your role as the gatekeeper to the relationship, we want you to be comfortable with the recommended solution and will involve you completely in the decision making. We offer a solution that ensures your preferred level of involvement at all times.



Visit Us

Newsletters are a great way to keep people updated, but at C&D, we always prefer a face to face chat. We've recently moved into new offices at Yeronga and we're welcoming new partners and clients to come and get to know us over a coffee (or a beer if you catch us at the right time).

If you want to get in touch,
Email team@cdrta.com.au
Call 1300 023 782
Or schedule a time that suits you on our website at cdrta.com.au



New Offices

Shop 3, 156 Park Rd Yeronga