

# Business Horizon Review



**Do you intend to claim the small business capital gains tax concessions when you sell your business?  
Have you dealt with the things that could deny you the concessions?**

## We believe

At Nexia, we enjoy working with business owners through their business lifecycle – start-up, growth, maturity, exit. We believe that business owners should be rewarded for what they do – taking on risk, creating employment and wealth.

But it saddens us to see a business owner not fully realise their just rewards only because certain matters didn't get a little attention along the way.

They poured all those years of hard work into their business, only to see up to 47% of their reward disappear in tax. That's a long way from a possible 0% disappearing, if only those matters had got that little bit of attention.

## We see

Having advised on many business sales over the years, we have seen situations where things featured in a business years before being sold which caused a denial of one or more tax concessions.

This happens more often than you might think, and the saddest part is that in the vast majority of cases, some planning

## How we can help

Nexia Australia offers to undertake a **Business Horizon Review** to identify anything that could cause the eventual sale of your business to miss out on any tax concessions.

in the years before the sale would have produced a very different result. At Nexia, we pay attention, and we "see" solutions.

## Review scope

The review will include things like:

- Whether the business or its legal structure feature anything that could deny the CGT small business relief concessions (there are some well-known culprits).
- For a business commenced pre-September 1985, whether it might have lost its tax-free pre-CGT status.
- Identify assets to be extracted from a company or unit trust in order to facilitate a sale by way of selling the shares/units (which can potentially produce a lower tax impost).
- Anticipating things to be done to satisfy the 15-year CGT exemption.
- Noting any other matters that come to our attention.
- A concise report will be provided that sets out any issues identified and recommendations.

## We will:

- Undertake the review;
- Prepare and deliver the report; and
- Meet with you to discuss.

## Ideal time to have the review

The ideal time to undertake this review is 5-10 years ahead of the anticipated sale. Leaving it until less than 5 years

away escalates the risk of being unable to redress identified issues that will deny the tax concessions.

## Price

We will deliver the above for a fixed price of \$3,500 + GST.

This is a relatively small cost that can provide great peace of mind. This peace of mind is in knowing that anything which might unnecessarily deny various tax concessions upon exiting your business has been identified.

## Next Steps

If you would like us to undertake the review, please provide the following (if we don't already have this on hand):

1. Group structure diagram
2. 30 June financial statements for the last five years
3. Most recent tax return
4. Most recent management accounts
5. Estimated working capital amount for the business
6. Estimated value of the business, and for all assets of related parties; related debts

To discuss further, please contact:

David Montani  
[david.montani@nxiaperth.com.au](mailto:david.montani@nxiaperth.com.au)  
 +61 8 9463 2463

Nexia Perth Pty Ltd  
 Level 3, 88 William Street  
 Perth WA 6000

## Nexia Tax Team



David Montani    Wayne Rogers    Dean Birch    Andrew Ravenscroft

Nexia Perth Pty Ltd (ABN 14 105 426 064) is an independent West Australian firm of chartered accountants using the Nexia International trademark under licence. It is affiliated with, but independent from, Nexia Australia Pty Ltd, which is a member of Nexia International, a worldwide network of independent accounting and consulting firms. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

The material contained in this publication is for general information purposes only and does not constitute professional advice or recommendation from Nexia Australia. Regarding any situation or circumstance, specific professional advice should be sought on any particular matter by contacting your Nexia Advisor. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omission of financial services licensees.

# Business Horizon Review



I agree for Nexia Perth Pty Ltd to undertake a **Business Horizon Review** for a fee of \$3,500 + GST.

(signature) \_\_\_\_\_

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Contact details: \_\_\_\_\_

Date: \_\_\_\_\_

Once the above has been filled in, please email through to David Montani on [david.montani@nexiaperth.com.au](mailto:david.montani@nexiaperth.com.au)

The scope of the BHR is to identify concession-denying or other negative circumstances, and make recommendations. Resolving identified issues or implementing recommendations is outside the scope of the BHR. A proposal can be provided for any such follow-on work after discussing the BHR report with you.

## **Australia**

### **Adelaide**

Grantley Stevens  
gstevens@nexiaem.com.au  
+61 8 8139 1140

### **Brisbane**

Ken Robertson  
krobertson@nexiabrisbane.com.au  
+61 7 3229 2022

### **Brisbane South**

Malcolm Mathews  
mmathews@nexiabrisbane.com.au  
+61 7 3343 6333

### **Canberra**

Michael Bannon  
mbannon@nexiacanberra.com.au  
+61 2 6279 5400

### **Darwin**

Sarah McEachern  
smceachern@nexiaem.com.au  
+61 8 8981 5585

### **Melbourne**

Paul Dal Bosco  
pdalbosco@nexiamelbourne.com.au  
+61 3 8613 8888

### **Perth**

David Montani  
david.montani@nexiaperth.com.au  
+61 8 9463 2463

### **Sydney**

Sean Urquhart  
surquhart@nexiasydney.com.au  
+61 2 9251 4600

## **New Zealand**

### **Christchurch**

Doug Allcock  
dallcock@nexiachch.co.nz  
+64 3 379 0829

[www.nexia.com.au](http://www.nexia.com.au)