

Deloitte Private

Leveraging the potential of  
Family Business in Australia  
*We're with you*

Submission to the Parliamentary Joint Committee on  
Corporations and Financial Services – November 2012



Deloitte.

## Our people

### **David Hill - National Managing Partner / Deloitte Private**

- David is a member of Deloitte Australia's National Executive and a previous member of Deloitte Australia's Corporate Finance Executive, Deloitte's Global M&A Transaction Services Executive and Deloitte's Global Young Partner Advisory Council. Having been with Deloitte for over 17 years, David has extensive experience leading major M&A transactions across Australia and in the UK.
- In January 2011, David was honoured to be selected as a Young Global Leader by the World Economic Forum . This honour recognises the most distinguished young leaders nominated below the age of 40 from around the world.

### **David Pring – National Tax Leader / Deloitte Private**

- David joined Deloitte in 1993 and, after secondments in Europe between 1993 and 1995 and Indonesia during 1997 and 1998, he became a Corporate Tax Partner in 2001.
- In 2010 David moved from Corporate Tax to Deloitte Private to become the National Tax Leader of that group.
- With over 22 years' experience, David provides tax advice to large corporates as well as family businesses and private companies.

### **Peter Pagonis – Senior Partner / Deloitte Private**

- Peter has over 30 years experience and specialises in serving privately owned businesses, family businesses and family offices, typically with revenues between \$10million and \$600million.
- He is actively involved in providing a range of accounting, taxation and business consulting services to retail, manufacturing, service organisations and family businesses across the private business sector.

### **David Smorgon OAM**

- David Smorgon is a long standing client of Deloitte Private.

## About Deloitte Private

- Specialist division within Deloitte that focuses on serving family businesses, private companies, small-cap listed companies and Australian subsidiaries of privately held international companies
- Core business is audit, accounting, taxation and consulting
- Nationally, Deloitte Private consists of 91 Partners and 900 staff
- We have a strong heritage of working with many of Australia's leading family businesses
- We understand the dynamics of a family business and guide them through succession planning, generational change, tax restructuring, wealth management and mergers, acquisitions and divestments

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Since 1993, Deloitte Private has built its reputation on advising Australian family businesses and private companies

Some of our key clients

ESTABLISHED 1915

**HAIGH'S**  
CHOCOLATES

**SILVER TOP TAXI**

**GROCON**

**SUSSAN**

**SUZANNEGRAE**

**SPORTSGIRL**

**WEATHERBETA**

**THE GOOD GUYS**  
DISCOUNT WAREHOUSES

**SIMONDS**  
we're in it together

**TEED'S**  
cameras  
Where Australia Shops for Cameras

**KENNARDS**  
HIRE

**APT**

**HUON**  
AQUACULTURE GROUP PTY LTD

**PAY LESS CASH**

*love*  
**Bewilles**  
JEWELLERS  
BEWILLES.COM.AU

## Deloitte Private recommends:

1. We recommend the Government requests the ABS to consider developing criteria to categorise family businesses, small businesses and private businesses to facilitate more specific and detailed analysis.
2. We recommend the ABS designs its data capture to enable separate reporting on the family business sector.
3. We recommend supporting :
  - a. reforms which will improve transparency and further reduce red-tape for Not For Profits (NFPs)
  - b. NFPs and private investors partnering with Government via the introduction of social benefit bonds to engage in social projects in a way that is sustainable and delivers results
  - c. Government policies which incentivise innovation and commercialisation in Australia
  - d. Government initiatives to encourage sustainable family business practices.
4. We recommend:
  - a. Enhanced Government support for family succession processes
  - b. Relevant training for next generation business owners
  - c. Reduction of compliance costs
  - d. Government undertakes a review of the regulatory framework to stimulate investment in and the financing of family businesses
  - e. Government considers tax incentives and/or changes to regulations regarding debt and equity funding for small businesses.
5. We recommend consideration be given to structural reform of the taxation of trusts and the taxation of family groups to create certainty and simplicity.

## Our view

# Family businesses remain a critical and resilient part of our economy

- Deloitte Private is proud to serve many of Australia's leading family businesses
- We applaud the Government's commitment to a greater focus on this under-represented, but vital, segment of the Australian business landscape.



# Deloitte Private

We're with you

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