



C&D RESTRUCTURE AND TAXATION ADVISORY

Monthly Newsletter & Industry Updates

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PPSR

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C&D RESTRUCTURE AND TAXATION ADVISORY

USE IT OR LOSE IT: THE IMPORTANCE OF THE PPSR

by Nick Cooper

Ramifications of Not Using The PPSR

C&D Restructure and Taxation Advisory recently assisted a client who loaned commercial equipment to customers of his wholesale supply business. One of his customers recently went into administration and held onto a number of machines that belonged to our client.

Problem 1 – there was no PPSR. Without a PPSR, proving ownership of the equipment was problematic and meant that the administrator claimed ownership of the items upon liquidation.

Problem 2 – there was no right to entry to re-claim the items, which meant that the landlord refused to permit our client to enter the premises to remove the items.

Problem 3 – despite being unable to access their items, the administrator claimed that recent payments should be considered as preferential payments, they received a claim back for these payments.



Solution

A small fee and properly registering on the PPSR could have solved the majority of the problems listed. Setting up a structure that considers the PPSR for a business is a simple process and one that any wholesale supplier should be using. One of the biggest risks for small businesses is getting paid. Without having the appropriate structure in place, securing payment and or compensation for owed debts becomes more difficult.

**Read the full article at
cdrta.com.au**



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CASE STUDY: ARMIDALE RETAIL VACANCY RATES

by Craig Dangar

Rural Shopping Strips Struggling

My recent trip to Armidale has highlighted how the development of out-of-town shopping malls has affected inner-town small businesses, with shop vacancies throughout the main shopping strip. It got me thinking about the consequences for retailers and the long-term damage to a central business district. Head of Colliers International, Michael Bate, has said that shopping centres on the outskirts of rural towns are dragging away the traditional CBD shopper. According to a report by the ABC, inner-town retailers in locations such as Mackay and Rockhampton are struggling to keep their heads above water.

Using Armidale as a case study, there are four major "satellite" developments, excluding mini malls, away from the CBD.

My recent walk-through found there were 18 vacant shops just in the main pedestrian mall - only a snapshot of the total vacancies.

Several of these shops had been untenanted for many years and there was a lack of vibrancy as a result of the empty shops.

Cascade Effect

A business closing in an area can be devastating for those businesses that surrounded it. We refer to this as the 'cascade effect'. Once one business shuts its doors, the location starts to look bleak. Shoppers may view the location as being sad, tired or old. This inevitably leads to more closures as consumer interest dissipates, creating a cascade effect of insolvency.

Where there is a risk of a tenant leaving, it is always preferable to have a replacement option or to work with the tenant rather than risking the departure.

Rents Meeting Market

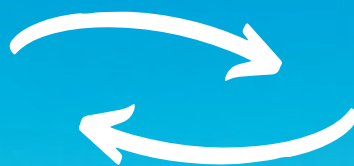
From what I saw, the 'market' rents in Armidale were comparative to locations with 4 to 6 times the foot traffic. A 36m² shop away from the major thoroughfare was offered at \$18,000 per annum or \$500 per square metre - city level rents. Failing to align the rent to the reality of the town has meant that not only is the shop vacant, but potential tenants are dissuaded from opening a business or making a necessary investment in the town.

**Read the full article at
cdrta.com.au**



C&D Road Trip 2019

Brisbane



Adelaide

6,500km

30 Stops

Countless Podcasts

As we plan the annual road trip, we've had people asking "is it necessary?" and "isn't there a better way?". When digital engagement and a phone call can save a month on the road, 6,000km and potentially running out of podcasts, why is it so important? We've found that people are becoming disconnected from each other as we eschew the personal touch for the impersonal interaction of digital. The assumption seems to be that if it's quicker, it's better.

At C&D, we still appreciate value of being in front of people. Understanding what's happening on the ground is the first and most important aspect of what we do. Often times understanding a structure comes from listening, talking and visualising. It's one thing to hear about a situation, but seeing it face to face can make all the difference. A phone conversation rarely gives a complete picture and we risk missing the small details that may be the key to the situation. We'll be documenting our travels, beginning in November, on the C&D Instagram. Give us a follow for more insights, travel updates, and rural industry observations from our journey.

Follow Our Trip

@cdrestructure





PARTNERING WITH C&D

Wondering why you should partner with us?

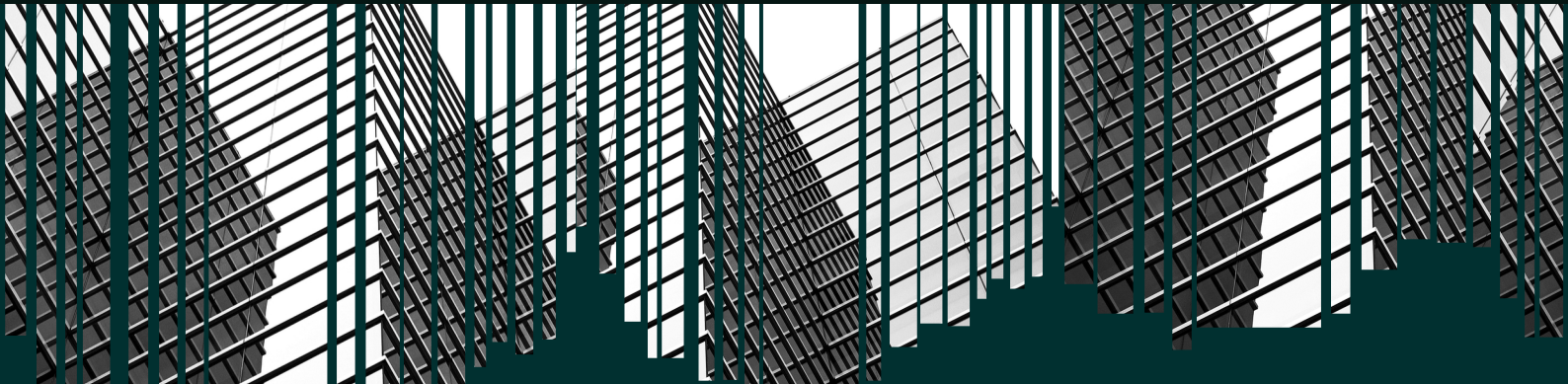
Your clients are safe in our hands. We pride ourselves on being small enough to dedicate our resources but having enough firepower to react when required. We have assisted businesses small and large and always offer service beyond expectations.

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