FUNDAMENTALS OF PROPERTY INVESTMENT IN AUSTRALIA

Malaysian developer and investor’s guide
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INTRODUCTION

This document has been prepared for Malaysian property developers and investors to gain a basic understanding of the Australian economy and the requirements for operating a property development and investment business in Australia.

Australia is famous for its golden sandy beaches, unique wildlife and a rich culture. There are also many other important reasons why Australia remains one of the top locations for property investment:

- Growth rates in Australia are still higher than most OECD countries including US and UK (Source: OECD; ABS, Access Economics)
- Australia has a stable and transparent political environment
- Australia is located in the Asia Pacific region, which is the world’s fastest growing region
- Australia is abundant in natural resources and is in a unique position to capitalise on the growth of its Asian Pacific and Middle East neighbours (including China and India)
- Australia has a well regulated and transparent investment market. Australia has the second highest level of transparency in the world (Source: Jones LaSalle’s Global Property Transparency Index 2006)
- Australia has one of the strongest and most stable banking sectors in the world with almost no exposure to sub-prime and related market risks

In recent years, enticed by Australia’s sound political, legal and financial systems, and the fact Australia is home to three of the top ten most liveable cities in the world, Australia has been the next logical step in many large Asian groups’ international expansion.

Australia’s economy should continue to improve, making it ripe for investor picking. As the world’s 13th largest economy with only the 52nd largest population, increased inflow through direct foreign investment is essential for Australia’s continued prosperity.

Australia’s recent ranking as the third freest economy in the world, behind Singapore in top spot, and then Hong Kong, is testament to strong economic and business principles. Coupled with our bi-partisan commitment to free trade and support for foreign investment and low tax rates, investors will find doing business in Australia as one of the easiest in the world – a fact recently borne out by a joint survey by the World Bank and International Finance Corporation where Australia was named the world’s easiest place to do business.
In general, the Australian corporate sector remains in very good shape with strong balance sheets and a surplus of cash. With low interest rates, low wages growth and low inflation expectations we do not expect to see any dramatic increase in defaults. At some stage we expect these elements will combine to improve business confidence and eventually lead to increased capital expenditure plans.

In the short term, we expect that the Reserve Bank of Australia will keep interest rates low and may cut the official rate further as it looks to counter the current weakness in employment. This low interest rate environment and reduced oil price should be a net benefit to consumers and as such, we expect consumer confidence and retail sales to lift from the current low levels.

The Australian consumer is generally in a strong position and has built up a significant cash buffer as indicated by the high savings rate. These additional savings should stave off any significant rise in housing defaults. Once the consumer has become comfortable with their employment situation and the low interest rate environment, we expect that the savings rate will decrease, adding significantly to domestic consumption and therefore increased revenues for businesses.
For offshore investors, the dramatic fall in the Australian dollar has meant that Australian equities are once again attractive and are offering yields well above that available in their own markets. We also expect that strong offshore demand for Australian bonds will continue thanks to the interest rate differentials and the extremely strong AAA credit rating.

Within the Australian equity market we believe the fall in the Australian dollar will benefit those companies which generate the bulk of their earnings offshore together with domestic retailers, exporters and tourism operators. We also believe that the increased demand for quality healthcare companies will continue due to the ageing demographics and increasing investor appetite from Asia.

Over the coming decade we believe China will emerge as a large offshore investor as it moves its ever growing capital base into more diversified markets. Australia, along with the broader Asian region will be a key beneficiary of these capital flows.

Household income and consumption*

*Household sector includes unincorporated enterprises; disposable income is after tax and interest payments; income level smoothed with a two-quarter moving average between March quarter 2000 and March quarter 2002; saving ratio is net of depreciation
Source: ABS; RBA
Malaysian Trade Relationship
(Source: Department of Foreign Affairs & Trade)

In 2013/14 financial year, total merchandise trade between Australia and Malaysia was $16.7 billion, with Australian exports of $5.5 billion and imports of $11.2 billion.

Bilateral services trade in 2013/14 was $3.25 billion, with Australian exports of $1.8 billion and imports of $1.5 billion.

In 2013, Malaysian investment in Australia was $16.7 billion.

Australian companies continue to pursue opportunities in Malaysia, with the stock of Australian foreign investment in Malaysia at $9.5 billion in 2013.

About the Malaysia-Australia Free Trade Agreement
(Source: Department of Foreign Affairs & Trade)


MAFTA is a comprehensive, high-quality agreement that further integrates the Australian economy into the fast-growing Asian region. The Agreement builds on benefits already flowing to the Australian economy from the ASEAN-Australia-New Zealand Free Trade Agreement, which started for Australia and Malaysia in 2010.

Malaysia is Australia’s ninth largest trading partner, with two-way trade worth $18.2 billion in the 2013 calendar year. The Agreement opens avenues for Australian goods and services into the dynamic Malaysian market.

MAFTA is an important part of the network of Free Trade Agreements that Australia is pursuing to advance our trade interests in the Asian Century.
MALAYSIAN & AUSTRALIAN RELATIONS

Studying in Australia
(Source: Australian Government: Study in Australia)

Australia offers a diverse range of study options for international students, with more than 1,200 institutions and over 22,000 courses to choose from. This is at all levels of education, from primary and secondary school, to vocational education and training (“VET”) and from English language courses to higher education (including universities). Australia’s laws promote quality education and protection for international students.

Malaysian International Students
(Source: Australian High Commission Malaysia)

There is a long tradition of cooperation in education between Australia and Malaysia, starting with the Colombo Plan which began in 1950. On 14 November 2012, a Memorandum of Understanding on higher education between Australia and Malaysia was signed. This builds on an already strong relationship, enhancing school/institution links and exchanges, teacher training and professional development, technical and vocational education and a range of other areas.

Malaysia is Australia’s second-largest source of international students in the higher education sector. It is estimated that more than 300,000 Malaysians have undertaken courses in Australia. There are also growing opportunities for Australian institutions to establish themselves in Malaysia. Three Australian universities now have campuses in Malaysia, and approximately 22,000 Malaysian students study Australian programs in Malaysia.

Malaysian Student Enrolments 2009 – 2014
(Source: Australian Government, Department of Education and Training)
In the past three years we have seen a large influx of overseas investors into the Australian property market. The development of major cities in South East Asia in recent decades has seen a growing capacity for Asian property developers to deliver world class buildings efficiently. This has resulted in an influx of Malaysian and Singaporean developers to Australia.

Below is a map of Melbourne’s Central Business District, showing purchases of property by overseas South East Asian property developers in the first 6 months of 2014.

There have been similar purchases of development sites by Malaysian and other South East Asian investors in other major Australian cities, such as Sydney, Brisbane, Perth and Adelaide.
Examples of some leading Malaysian companies currently investing in Australia:

- UEM Sunrise Berhad
- Oriental Holdings Berhad
- United Asian Group (UAG)
- Employees Provident Fund
- Kumpulan Wang Persaraan Berhad
- Starhill REIT
- Magna Prima Berhad
- Mammoth Empire Holding
- SP Setia Berhad
- PJ Developments Berhad

**UEM Sunrise Berhad**

The Aurora Melbourne Central is a landmark mixed-use development located at 224-252 LaTrobe Street in Melbourne’s bustling Central Business District. The integrated project offers approximately 941 units of residential apartments, 208 serviced apartment units or potentially a hotel, retail units and strata offices in the 92 storey tower.

This property recently sold in record breaking times, with 183 apartments being purchased in two days.

**United Asian Group (UAG)**

The North Melbourne development is only minutes from Melbourne’s sparkling CBD, within easy reach of universities, hospitals, public transport and major road networks ensuring a level of accessibility that is unparalleled.

**Oriental Holdings Berhad**

Perfectly located in Melbourne’s thriving Market Precinct, Jasper Hotel is a vibrant, boutique, full service hotel offering 90 contemporary rooms and suites.
Taxation Considerations

Income tax

Company structure
A company is a tax resident of Australia for income tax purposes if it is:
• incorporated in Australia; or
• not incorporated in Australia, however, it carries on business in Australia and either its:
  - central management and control are in Australia; or
  - voting power is controlled by shareholders who are residents of Australia.

Non-resident companies are taxed in Australia only on their Australian sourced income less relevant expenses.

The corporate income tax rate is currently 30%. However it is proposed to drop to 28.5% from 1 July 2015 for companies with annual taxable income below $5 million.

The payment of dividends from profits earned by a company on which Australian company tax has been paid (called “franked dividends”) to a non-resident shareholder is not subject to any withholding tax in Australia. Unfranked dividends that are paid to Malaysian resident shareholders are subject to withholding tax of 15%.

The income tax consolidation regime allows an Australian resident parent company and all of its 100% owned Australian-resident subsidiaries to be taxed as a single entity. This effectively provides for a pooling of profits and losses within a tax consolidated group (for example, where a number of developments are carried on through special purpose subsidiaries).

A scheme that is used commonly by developers who undertake a number of projects is shown below:

Common Australian Inbound Structure

- Ultimate Foreign Parent Company
- New Foreign Holding Company
- Malaysia
- Australia
- Australian Holding Company
- AUSTCO. (Property 1)
- AUSTCO. (Property 2)
- AUSTCO. (Property 3)
- Tax consolidated group

It is important to determine the structure that will be used to acquire and develop a property, prior to the acquisition being completed. It can be costly to transfer a property from one structure into another after acquisition.

The following provides an overview of the structures commonly used by property developers and associated taxation issues. The most appropriate structure will always depend on a range of factors which commonly include taxation, legal and commercial considerations. It is recommended that advice be sought from advisers to help you determine the structure that will allow you to best achieve your objectives.

The overview below is applicable for property development business activities in Australia rather than property investment for longer term capital growth. For long-term investment in property, different structuring considerations and opportunities need to be considered.

The income tax consolidation regime allows an Australian resident parent company and all of its 100% owned Australian-resident subsidiaries to be taxed as a single entity. This effectively provides for a pooling of profits and losses within a tax consolidated group (for example, where a number of developments are carried on through special purpose subsidiaries).

A scheme that is used commonly by developers who undertake a number of projects is shown below:
Trust structure

A trust exists where there is an equitable obligation binding a person, people or company (the trustee) to deal with property which it controls (the trust property) for the benefit of beneficiaries or classes of beneficiaries.

Two types of trusts are commonly used:

- A **unit trust** is a specific type of trust which divides the ownership of the trust property into a number of units. Unit holders subscribe for units in the unit trust.

- A **discretionary trust** is a trust where the beneficiaries do not have fixed entitlements or interests in the trust funds. The trustee has the discretion to determine which of the beneficiaries are to receive the capital and income of the trust and how much each beneficiary is to receive.

An advantage associated with discretionary trusts is that it allows for flexibility of distributions.

In general, a trust does not pay tax unless it accumulates income that is not distributed to beneficiaries. Rather, the beneficiaries of a trust pay tax at their relevant tax rate on the income they are entitled to from the trust. For example, a company beneficiary that receives income from a trust is required to pay tax at 30% of the distribution.

Distributions to non-resident beneficiaries are subject to a maximum tax rate of 47%. The trustee is required to withhold the tax that is payable by the non-resident on the distribution made to the beneficiary.

Any income that is not distributed by a trust in an income year is generally taxed to the trustee at 49%.

Funding of structure

When investing into Australia, it will be necessary to consider how the investment will be funded, that is, whether it will be funded by debt or equity, or a mix of debt and equity.

Interest paid to non-resident lenders is generally subject to 10% interest withholding tax. Dividend returns will effectively incur a cost of either 30% (on profits taxed to the company in Australia) or 15% (on untaxed profits in Australia). The 15% cost would be Australian dividend withholding tax. As such, there is often a preference to fund investments using debt.

However, Australia has a thin capitalisation regime that limits the amount of tax deductable debt that an entity can have. The rules apply if total debt deductions (which includes all debt, including external or bank debt) of the entity (and its associates) exceed $2,000,000 for the relevant income year. Under the safe harbour debt to equity ratio, a proportion of an entity’s debt deductions can be denied where the entity’s debt exceeds 60% of the total Australian assets of the entity. In such circumstances, it may be possible to argue the debt is an arm’s length amount.

The transfer pricing rules in Australia also require that any interest charged by overseas lenders be at arm’s length rates having regard to the terms and conditions of the debt and the relevant borrowing entity.

Transfer pricing

For Australian property developments, often consideration should be given to charging for services provided from offshore that benefits the Australian project. Such charges can reduce the effective tax rate on profit from the project, subject to compliance with the transfer pricing rules.

The transfer pricing rules seek to prevent taxpayers engaged in international transactions from reducing the tax they are required to pay in Australia by increasing deductions or decreasing income in Australia. The rules focus on the “arm’s length principle” with an emphasis on ensuring that transactions with international related parties are priced in the same way as independent parties would price the same transaction.

The rules can apply to the provision or supply of goods and services, property, technology, and the lending of money, between international related parties. Transactions with international related parties are required to be reported in a taxpayer’s annual income tax return. There are also strict documentation requirements that must be completed at the time of lodging a tax return for the year in which the cross-border transaction occurred.
Transaction Taxes

Goods and Services Tax

GST is levied on the supply of goods and services in Australia and on the importation of goods and services into Australia.

Trading entities which are required to be registered for GST must generally collect from their customers GST of 10% on the value of their supplies. Entities with an annual turnover of $75,000 are generally required to register for GST.

Registered traders can generally claim credits for the GST included in the price of goods and services used in carrying on a business.

The GST margin scheme is most commonly used in connection with the development and sale of new residential premises. The availability of the margin scheme depends on a number of conditions, including how and when the vendor first purchased the property.

Where the margin scheme applies, the amount of GST that is required to be paid on the sale of a property is equal to one-eleventh of the “margin” and can result in substantial GST savings for a developer. The margin is generally the difference between the sale price and one of the following:

- the amount you paid for the property; and
- the value of the property provided in an approved valuation of the property as at 1 July 2000 (if certain conditions are satisfied).

The sale of a commercial property subject to an existing lease can also qualify to be a GST-free supply of a going concern.

Stamp duty

Stamp duty is generally payable on transactions such as the transfer of land (or material changes of ownership in land holding companies and unit trusts). It is also imposed on various other transactions, such as declarations of trust.

The stamp duty legislation in each State and Territory varies. The rates of stamp duty payable in each State and Territory also varies and depends on the dutiable value of the property transferred.

In Victoria, stamp duty savings are also available to purchasers of “off the plan” apartments. A concession applies to purchases of land and building packages or refurbished lots. Under the concession, stamp duty is payable only on the value of the land and any improvements as at the date of the contract of the sale of the apartment (rather than the full improved value of the land at completion).
TAXATION IN AUSTRALIA

The table below summarises the current maximum stamp duty rates for the main States in Australia:

<table>
<thead>
<tr>
<th>State</th>
<th>Dutiable value of property</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victoria</td>
<td>More than $960,000</td>
<td>5.5% of the dutiable value</td>
</tr>
<tr>
<td>New South Wales</td>
<td>More than $3,000,000</td>
<td>$150,490 plus 7% of the dutiable value that exceeds $3,000,000</td>
</tr>
<tr>
<td>Queensland</td>
<td>More than $1,000,000</td>
<td>$38,025 plus 5.75% of the dutiable value that exceeds $1,000,000</td>
</tr>
<tr>
<td>South Australia</td>
<td>More than $500,000</td>
<td>$21,330 plus 5.5% of the dutiable value that exceeds $500,000</td>
</tr>
<tr>
<td>Western Australia</td>
<td>More than $500,000</td>
<td>$19,665 plus 5.15% of the dutiable value that exceeds $500,000</td>
</tr>
</tbody>
</table>

Land tax

Land tax is levied on the unimproved value of land on sliding scales that vary between States and Territories. The value of any buildings on the land is generally ignored in determining the land tax payable. Exemptions from land tax may be available in the case of primary residences and farming land.

The maximum land tax rates for the main states in Australia are as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Taxable value of landholdings</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victoria</td>
<td>$3,000,000 and over</td>
<td>$24,975 plus 2.25% of the taxable value over $3,000,000</td>
</tr>
<tr>
<td>New South Wales</td>
<td>More than $2,641,000</td>
<td>$35,444 plus 2% of the taxable value over $2,641,000</td>
</tr>
<tr>
<td>Queensland</td>
<td>$5,000,000 and over</td>
<td>$62,500 plus 1.75% of the taxable value over $5,000,000</td>
</tr>
<tr>
<td>South Australia</td>
<td>More than $1,052,000</td>
<td>$10,694.50 plus 3.7% of the taxable value over $1,052,000</td>
</tr>
<tr>
<td>Western Australia</td>
<td>More than $11,000,000</td>
<td>$156,560 plus 2.67% of the taxable value over $11,000,000</td>
</tr>
</tbody>
</table>

Congestion (Parking) Levies

Congestion or parking levies are imposed in some of the major capital cities in Australia.

The rules and rates imposed vary between states and territories.

Generally speaking, the levy is imposed on owners of car parks within a designated zone in major city centres. The cost can generally be passed onto the user of the car space, however the owner is responsible for the payment of the levy, with some exemptions available in particular circumstances.

Given the complex nature with varying treatments in the different states, it is important that you contact Baker Tilly Pitcher Partners to clarify the impact of any levy based on your particular circumstances.
Companies

A company is a distinct entity separate from its shareholders and officeholders. Companies are generally either:
- “Proprietary limited” companies – these are generally companies that are often used in private business and cannot raise money from the public
- “Public companies” – these are often listed on the stock exchange and may seek to raise funds from the public

Establishing a company

Companies are regulated by the Australian Securities & Investments Commission (“ASIC”). A company can be set up fairly quickly and the process involved in setting up a company is relatively simple. In order to establish a company, the following information is generally required:
- Name of the company;
- Share capital: in Australia, a company can have minimal share capital, such as $2, $10 or $100. However, shareholders are free to decide that a company should have more share capital if they wish;
- Officeholders: a company is required to have at least one director resident in Australia. A proprietary company is not required to have a secretary but, if it does have a secretary, the secretary must also ordinarily reside in Australia. Company officeholders have a number of legal obligations and responsibilities that they must observe, as required by the Corporations Act;
- Registered office: a company is required to have a registered office in Australia to which correspondence can be addressed. The address of the registered office does not have to be located at the company’s place of business and can be the address of the company’s legal adviser or accountant.

A company is also required to have a Constitution. The Constitution governs how a company will be operated and managed and is effectively a contract between the company and its shareholders and officeholders.

Establishing a Trust

There are many different types of trusts in Australia. The most commonly used types of trusts are unit trusts and discretionary trusts.

A unit trust is a trust where the interests of beneficiaries (often called “unit holders” in a unit trust) is defined by reference to the number of units they hold in the trust. It is common for property and managed funds to be structured as unit trusts. Unit holders can transfer their interest in a unit trust by simply transferring their units in the trust to another person.

A discretionary trust is a trust in which the beneficiaries do not have any fixed interests. A discretionary trust gives the trustee the flexibility and absolute discretion in appointing the income and/or capital of the trust to the beneficiaries of the trust. Discretionary trusts are often favoured by family groups and can offer asset protection.

Requirements of establishing a trust

A trust is most commonly established by a trust deed. A trust deed is a document in which a trustee declares that they hold the property of the trust for the benefit of the beneficiaries. A trust deed also details the rights and obligations of the trustee and the beneficiaries.

In establishing a trust, the following information is generally required:
- The name of the trustee – the trustee is required to manage and operate the trust for the benefit of the beneficiaries. The trustee can be an individual or a company.
- Details of the beneficiaries – in a unit trust, the unit holders will be specifically named and the number of units that each unit holder will hold must be determined. In the case of a discretionary trust, the beneficiaries will generally be a “class” of beneficiaries, such as the family members of a particular person.
There are a number of reporting obligations that businesses in Australia must meet on a regular basis. This section provides an overview of the more common requirements.

**Financial Reports**

All companies are required to maintain accurate and timely financial and accounting information. Certain companies are also required to prepare and lodge financial reports with ASIC on an annual or half-yearly basis. These include:

- **Large proprietary companies.** A company is a “large proprietary company” for a financial year if it satisfies at least two of the following tests:
  - the consolidated revenue for the financial year of the company and any entities it controls is $25 million or more;
  - the value of the consolidated gross assets at the end of the financial year of the company and any entities it controls is $12.5 million or more; and
  - the company and any entities it controls have 50 or more employees at the end of the financial year;
- **Public companies;**
- **Registered foreign companies; and**
- **Small companies that are foreign controlled.**

In general, financial reports should be prepared in accordance with accounting standards. The Australian Accounting Standards meet the requirements of the International Financial Reporting Standards (“IFRS”). In some situations, it may be possible to apply to ASIC for an exemption from lodging financial statements with it.

**Income Tax Returns**

The Australian Taxation Office requires businesses to lodge an income tax return on an annual basis. The due date for the lodgement of a tax return can depend on the size of the business.

**Business Activity Statement**

Businesses that have turnover of more than $75,000 per annum are generally required to register for Goods and Services Tax (“GST”). They are also generally required to report and pay their GST obligations on a monthly or quarterly basis. A business may also be required to pay its income tax in instalments on a quarterly basis under the “Pay As You Go” instalment system. As such, businesses are required to complete and lodge business activity statements on a monthly or quarterly basis.
BAKER TILLY PITCHER PARTNERS

Baker Tilly Pitcher Partners is a full service accounting and business advisory firm with a strong reputation for providing quality advice to privately-owned, corporate and public organisations.

In Australia, Baker Tilly Pitcher Partners has firms in Adelaide, Brisbane, Melbourne, Perth, Sydney and Newcastle. We collaboratively leverage from each other’s networks and draw on the skills and expertise of 1,000+ staff, in order to service our clients.

Baker Tilly Pitcher Partners Melbourne is the leader in the middle-tier market and is the fifth largest accounting services firm in Melbourne after the Big 4 multinational firms.

Baker Tilly Pitcher Partners is also an independent member of Baker Tilly International, the eighth largest network in the world by fee income. Our strong relationship with other Baker Tilly International member firms, particularly in Asia Pacific, has allowed us to open many doors across borders for our clients.

Our commercial services to dynamic businesses

Financial essentials
- Accounting and Business Advisory Services
- Audit, Risk Management and Assurance
- Internal Audit
- Recovery, Turnarounds and Insolvency
- Tax advice and Compliance

Planning and growth
- Business Consulting and Commercial Advice
- Business Performance Improvement
- Business Structuring
- Corporate Finance
- Corporate Governance
- International Business Advisory
- Investment Advisory Services
- Succession Planning
- Superannuation Services
- Tax Consulting
- Technology and IT Consulting
- Valuations

Our private wealth services
- Baker Tilly Pitcher Partners has developed a strong reputation for providing a specialised service offering to meet the unique requirements of international property groups
- Thin Capitalisation
- Transfer Pricing
- Withholding Tax
- Profit Repatriation
- Structuring
- Raising and restructuring finance
- Feasibility studies and financial modelling
- Budgets, forecasts and cash flow projections
- Management reporting and monitoring
- Business planning
- Outsourced accounting function
- Review and Audit of financials

Baker Tilly Pitcher Partners is an association of independent firms | An independent member of Baker Tilly International.

Liability limited by a scheme approved under Professional Standards Legislation.

This report is provided by way of general information and commentary only. The information and commentary is not intended to be advice and should not be relied on in any particular circumstance. Without limitation, this report does not constitute legal, financial or professional advice.
HOW WE CAN HELP YOU

Baker Tilly Pitcher Partners have developed a range of services specifically for property development projects, including:

Outsourced Financial Administration
- Provides access to highly skilled accountants with significant Australian property experience without the need to employ staff
- Appropriately structured client service team to deliver all basic administrative tasks in a cost effective manner
- Work closely with other Baker Tilly Pitcher Partners divisions, such as tax consulting, to deliver a holistic service seamlessly

Accounting and compliance requirement services
- Monthly bookkeeping
- Payment of suppliers and management of bank account
- Lodgement of GST returns and other compliance
- Collation of invoices and comparison against budget
- Reporting presales progress
- Liaising with solicitors to prepare settlement statements
- Disbursement of settlement proceeds to financiers and equity holders

Strategic and Management Advisory Services
- Initial project feasibilities including benchmarking against similar projects
- Cash flow modelling to determine equity and debt required (including management of thin capitalisation requirements)
- Preparation of finance proposals
- Introductions to key contacts within all major Australian Banks
- Full management of the financing process
- Introductions to potential JV partners who may provide distribution networks or unique expertise
- Ongoing financial reporting to management and financiers

Statutory Audits (if required)
We offer a complete range of audit services including:
- Statutory audits
- Risk assessment audits
- Finance security audits
- Due diligence and business acquisitions
- Special purpose audits
- Investigative and forensic accounting
- Internal audits
BAKER TILLY PITCHER PARTNERS
INVESTMENT SERVICES

Baker Tilly Pitcher Partners Investment Services is an investment advisory practice with a strong reputation for providing genuinely independent advice.

Independence
The ability to offer clients truly independent and impartial investment advice is rare in today’s investment environment. Independence requires that financial service providers must not be aligned to any product or platform provider and not receive any payments other than directly from clients.

We are proud to be independently owned and independently operated with no ties to any financial product or service providers and to receive no income other than from our clients. Any commissions inadvertently received are promptly rebated back to clients. Baker Tilly Pitcher Partners Investment Services clients receive advice that is independently researched, provides a wide choice of investment options and is fee only with no commissions.

We can and do make recommendations to you based only on what is in your best interests.

Access to Investments and Research
Strong and consistent risk adjusted returns can only come from the best research. Whatever your objectives, all investors need to have access to a broad range of flexible investments managed by well researched and proven managers. Our independence allows us to draw on the expertise of both our in house team and external investment managers to achieve strong and consistent risk adjusted returns.

With active relationships with multiple fund managers, seven brokers, over ten banking institutions and a range of specialist firms, Baker Tilly Pitcher Partners Investment Services is perfectly placed to provide clients with the best investment opportunities. This includes access to Australian direct investments, managed funds, unlisted corporate bonds, attractive term deposits, initial public offers and placements.

Portfolio Management Service
Our Portfolio Management Service is a fully integrated advice, monitoring and administration service that flexibly takes into account each client’s individual needs and objectives while remaining rigorous in the approach to research and investment selection.

The service includes full performance reporting each quarter and meetings with your advisor. Our service is non-discretionary, so the client will always approve every investment recommendation. Our aim is to provide easy to understand and comprehensive investment advice, so that clients always feel confident and comfortable with all aspects of their portfolio.

Experience
Operating since 1991, we provide investment advisory, portfolio management and administration services to a wide range of clients including family groups, super funds, not-for-profits and a variety of boards and committees in business, government, education, scientific, professional and religious sectors.

We serve a client base of approximately 300 clients for whom we manage in excess of $2 billion. This scale enables us to source sound investment opportunities and comprehensive market research on attractive terms.

Adam Stanley
Investment Advisory Partner
+61 3 8610 5517
adam.stanley@pitcher.com.au
BAKER TILLY MONTEIRO HENG (MALAYSIA)

Established in 1978, Baker Tilly is the sixth largest accounting and business advisory firm in Malaysia, with eight offices across Malaysia and an office in Phnom Penh, Cambodia.

Led by a leadership team of 24 key partners with over 500 professional staff, Baker Tilly Malaysia provides high quality accountancy, business and financial advisory services to multinational corporations, organisations in the public sector, and smaller independent enterprises. We seek to provide professional and meaningful advice that will add tangible value to your business and in achieving its goals.

As an independent member of Baker Tilly International, the eighth largest accountancy and business advisory network in the world with a combined income in excess of US$3.4 billion, we have the opportunity to draw on the expertise of more than 27,000 high-calibre professionals across 133 countries.

Through our subsidiary, Ferrier Hodgson MH, a joint partnership between Baker Tilly Malaysia and Ferrier Hodgson Group, we also provide comprehensive forensic accounting and corporate advisory services. Leveraging on the pedigree and expertise of the Ferrier Hodgson Group in Corporate Advisory, Forensics, Management Consulting and Corporate Recovery, we deliver expert solutions above and beyond that of other firms.

Committed to Servicing our Clients’ Needs

At Baker Tilly, we pride ourselves on providing proactive and meaningful advice that will genuinely assist and add value to your business. We structure our fees in order to ensure clients receive the most efficient amount of partner and senior manager time whilst also ensuring that they benefit from the technical expertise and commercial experience that our partners and senior staff offer.

Why We Are Different

Our Commitment

Baker Tilly adopts a partner-led approach and is committed to providing high quality service to our clients. Our fees are structured to ensure that our clients benefit from the technical expertise and commercial experiences of our partners and senior managers within the most efficient amount of time. Here, we are consistently proactive in providing our clients with effective and timely advice which are tailored to their specific needs.

Our Core Values – Integrity, quality, talent

Our core values are the heart and soul of our work culture. At Baker Tilly, clients are able to expect consistent delivery of work and advice that are of the highest standard and quality.
MELBOURNE
+61 3 8610 5000
partners@pitcher.com.au

ADELAIDE
+61 8 8179 2800
partners@pitcher-sa.com.au

SYDNEY
+61 2 9221 2099
partners@pitcher-nsw.com.au

BRISBANE
+61 7 3222 8444
partners@pitcherpartners.com.au

PERTH
+61 8 9322 2022
partners@pitcher-wa.com.au

NEWCASTLE
+61 2 4911 2000
newcastle@pitcher.com.au

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