



PRESTIGE inhome care

Prestige InHome Care
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14 December 2018

Kate O'Rourke
Principal Adviser
Corporations Policy Unit
Consumer and Corporations Division
The Treasury
Level 5, 100 Market Street
SYDNEY NSW 2000

By email: reportingthresholds@treasury.gov.au

Dear Kate

Subject: thresholds for large proprietary companies

Prestige InHome Care (PIHC) is a privately held in-home care provider to more than 1,500 clients and employs more than 400 staff.

For the financial year commencing 1 July 2018, PIHC management is projecting that the organisation's turnover will meet the \$25 million turnover threshold as per the current definition of a large company as per the Corporations Regulations 2001.

PIHC supports the increasing of the thresholds as proposed by the exposure draft.

As noted by the consultation, the thresholds were last reviewed in 2007 and since then, due to a variety of factors including inflation the thresholds needs revision.

PIHC notes that on preliminary analysis, there is a significant compliance cost impact if PIHC has to comply with the existing thresholds. These costs include:-

Third Party Costs	Amount (\$'s)
External financial report preparation	~\$15,000
External Auditing	~\$20,000
Total	~\$35,000

The above estimate does not include internal resourcing costs involved with meeting the requirements of the large proprietary company threshold.

PIHC also submits that the regulations provide an explicit exemption for companies qualifying for the first time as a large proprietary company for the financial year commencing 1 July 2018. Otherwise, PIHC and similar organisations may have to incur this expense once irrespectively (unless ASIC grants PIHC's an exemption on request) for its FY18 financial statements. However, all this effort in building relationships and systems would no longer be required from 1 July 2019.

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Organisations qualifying for the first time in financial year commencing 1 July 2018 would therefore request exemptions from ASIC in any case as the 1 July 2019 threshold is updated creating an additional backlog for ASIC.

Overall, PIHC again reiterates its support for increasing the thresholds as proposed by the exposure draft. Additionally, PIHC requests that an additional express exemption be written in the regulation for organisations qualifying for the first time as a large proprietary company commencing 1 July 2018 to ensure a smoother transition to the new threshold for different organisations.

Kind Regards

Nick McDonald

Chief Executive Officer

Prestige InHome Care

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