



prosperity
advisers group



**Delivering
Great Outcomes**
For The Hospitality Sector

A long term focus on hospitality

With over 30 years as specialist advisers to the hospitality sector, our clients range from clubs, pubs and hotels, through to large restaurant and cafe groups. Our Hospitality team combines business advisory, taxation, accounting, cloud solutions, audit, governance and risk management expertise. Our track record is extensive covering all levels of the industry.

WHAT MAKES US DIFFERENT

Our clients tell us that Prosperity's key benefits for them include:

- Significant partner and manager involvement in day to day work.
- Deep industry knowledge and expertise,
- Partners with hands-on experience,
- All-in-one-place access to the full range of accounting, financial and wealth management advisory services and
- Competitive pricing combined with high levels of personal and responsive service.

THE STRENGTH OF OUR PEOPLE

Prosperity's Steve Gagel and Colin Samuel's specific knowledge and technical competency in the sector has delivered our firm the well-earned reputation as a sector expert. We continue strengthening our industry expertise by not only belonging to key industry associations, but being board members thereof.

Alex Hardy has 15 years experience auditing and advising pubs, clubs and hospitality businesses on compliance, controls, fraud and business improvement. In addition to traditional audit services, Prosperity has provided a broad range of services to our clients for many years.

OUR HOSPITALITY SERVICES

Our hospitality specialists have provided extensive business advice, financial and management accounting services to **more than 100 pubs, clubs and hotels across Qld and NSW** over many years.

At Prosperity we have a multidisciplinary team with specialist expertise gained from working across the hospitality sector. Our team regularly provides support and advice in these areas:

Growing and improving your business

- Restructuring and scenario analysis, including financial modelling
- Acquisition due diligence support
- Growth and strategy including benchmarking
- Event profitability analysis
- Monthly Board reports and advice
- Specialist accounting advice related to terminations and redundancies, asset sales and revaluations

Audit and assurance

- Forensic audits and fraud investigations
- External or internal audits
- Risk management, governance and assurance services
- IT & project assurance and reviews
- Whistleblower solutions

Data analytics and reporting

- Dashboard and data visualisation
- Business process review with recommendations
- Cloud platform integrations

Tax, compliance and business intelligence

- Annual budgets
- Financial system transformation including system integrations
- Financial system upgrades and cloud conversions
- Accounting and end of month processes
- Fringe Benefits Tax (FBT) Returns
- Salary packaging advice, including minimising FBT
- Payroll tax lodgements, including a payroll tax audit by the Office of State Revenue
- Workers compensation insurance, including a workers compensation insurance audit by Work Cover

Benchmarking for improved results

Prosperity employs a benchmarking tool to identify the drivers of performance for a business in the hospitality sector. The tool analyses a venue's financial data and compares this with the best, average and worst in a data set captured across our client groups. This analysis enables management teams and boards to determine the key drivers of enhanced performance and indicates areas which can be reviewed for better outcomes.

Mergers and Acquisitions, due diligence and tax structuring

Our knowledgeable team of professionals will analyse target company data to identify historical and projected financial and operating trends, working capital considerations, the quality of earnings and the tax profile and risk of the target company.

AN EXPERIENCED TEAM



Steve Gagel
Director
Business Services & Taxation

- Fellow, CAANZ
- Club and industry group Director
- Pub and club specialist



Colin Samuel
Director
Business Services & Taxation

- Accredited Family Business Adviser (FBA)
- 20 years experience
- Food and hospitality specialist



Alex Hardy
Director
Audit and Advisory

- Registered Company Auditor
- Certified Internal Auditor
- Auditor of the Year 2018

We do this because we understand that due diligence reduces the risks of any transaction by providing technical, financial and operational analysis to support strategic decisions. Toward this end, we review the quality of record keeping, accounting systems and tax compliance. We have the experience and training to assess the financial position and financial performance in order to uncover opportunities and reduce surprises.

Technology and data analytics

With more and more businesses being driven to cloud based operating systems it can be a daunting task for a business owner to know which solution would best suit their business needs. At Prosperity we invest in understanding the various technologies in order to help guide you through this process and make the best possible choice for your business. We can assist with everything from the basic accounting needs to full front of house operating, human resource and reporting requirements across large group structures.

OUR EXPERIENCE

Restructure

- Provision of advice and implementation of restructure utilising the small business CGT concessions for food retail business with 10+ stores.
- Benchmarking for a leading Sydney restaurant group with seven venues including due diligence for potential de-merger of the venues between family members

Strategic advisory

- Assistance to the owner of beverage company (turnover <\$10M) to help the business be investment ready that resulted in successful admission of silent investor.
- Advice to the multi-national Master Franchisor of large food retail business (encompassing over 500 stores both locally and internationally). Our advice had covered global expansion, valuations to assist with

succession planning together with audit.

- Provision of advice to a national fresh food company (with in excess of 100 employees) on various short and medium term business growth strategies involving the entry and exit of partners and the funding thereof.
- Provision of advice to a winery and vineyard family owner with international expansion as well as substantial business acquisitions and strategic divestments and property developments.
- Preparation of information memorandum to a number of pub groups, the structuring of their businesses, and the purchase of land and buildings.
- Board representation from Prosperity Directors on notable club and industry group boards.
- Provision of proactive strategic planning services for food retail and wholesale business with twelve stores.
- Conduct of financial modelling for the sale of excess land for a city golf club to analyse impact on cash flow and business strategy.

Transaction advisory

- Provision of transaction advisory services in the sale of large food wholesale business for \$100M+.
- Provision of advice in relation to estate planning, asset protection and wealth accumulations for the owners of numerous food and beverage businesses.

Advisory (coaching, tax and debt)

- Provision of business coaching and leadership development services to the owner of large hospitality group.
- Provision of tax advisory services on the purchase of food wholesale company to the value of \$65M+.
- Preparation of Senior Debt information memorandum and 3-way forecast model together with lead negotiations through the bank tender process for successful \$30M+ deal for food wholesale company for refinance together with capital works programs.
- Project management of sale of beverage company (<\$10M) that operates outside of NSW.

- Taxation compliance and restructuring advice for a \$100 million redevelopment of a high-profile Queensland sports club.
- Conduct of accounting, tax advice and audit services for a \$100 million + resort and hospitality redevelopment in notable tourist destination.

Family office

- Provision of outsourced payroll services for numerous hospitality businesses.
- Provision of succession planning advice to the owners of a large food wholesale business with turnover in excess of \$100M.

Audit and compliance

- Provision of auditing services to a large hospitality group (turnover in excess of \$200m) as well as general advice on a broad range of commercial issues.
- Provision of finance review function that identified substantial fraud together with provision of policies and control to enable the potential sale of retail business with turnover in excess of \$20 million.
- Development of strategic internal audit plan and

execution of internal audit engagements for a top 20 NSW club.

- External auditors for large, medium and small registered clubs (sports, leagues, golf, bowls etc.) across NSW and QLD including clubs with significant capital projects, purchase of additional business investments (business combinations), catastrophic insurance events, application of the Waratah formula for tax purposes, purchase of gaming machine entitlements and assessments of and club viability.
- Conduct of the external audit for a number of state-owned hospitality venues such as convention centres, dining precincts and heritage venues including review of new finance system implementations and transaction probity.

Outsourced CFO

- Preparation of detailed covenant reporting and weekly cashflow forecasts for food retail business with 40+ stores and food wholesale division.
- Provision of CFO services including board reports to large food wholesale and retail agri-business.





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