

CONSULTANT'S EXCHANGE PTY LTD

RFI for the provision of contractor management, payroll, administration and visa services to the contractors of David Christie and Associates

1.0 Company Overview

Consultants Exchange Pty Ltd (**cXc**) was founded in Australia by two partners, Dave Thomas and Doug Watt in 1993, and remains an Australian owned organisation. The organisation provides accounting and administration services to the global contract market and the recruitment agencies they work with. **cXc** employs over 40 staff nationally, with offices in all major Australian capital cities, and internationally in four continents.

cXc's focus is on customer service. Our reputation has been built on honesty and integrity, working within the laws of the countries in which we operate. Over 3500 international contractors have utilised **cXc** services. Currently, in Australia we have over 2700 candidates on file, representing 60% Australian resident and 40% non-resident. Currently over 1200 individuals utilise **cXc**'s services in Australia, and an additional 800 globally.

Since 1993 **cXc** has offered IT contractors one of the most tax efficient methods available to receive income. This was initially achieved by utilising the popular composite or umbrella structures. The Ralph Report, combined with draft legislation in 1998, outlined the planned tax liabilities and legal implications of contractors using an umbrella company structure. **cXc** immediately modified its business structure to comply with this legislation. The GST legislation and Alienation of Personal Services Income Bill (APSI) 2000, introduced in July 2000, again required **cXc** to restructure in order to adhere to this new legislation. We believe that **cXc** is the only management company to have applied for, and received, a '**Personal Services Business Determination**' exemption from the Australian Taxation Office (ATO), thus receiving sanction that our business structure is legal and complying with the APSI legislation.

Through our global offices, **cXc** is to be able to provide David Christie and Associates assistance with swift international visa transfers through inter-company transfers. This has now become a valuable **cXc** service and has seen **cXc** partner with Ambler Collins to offer in-house migration assistance and advice. This ensures that the benefit of global coverage is available for **David Christie** .

In 2000 **cXc** became the first affiliated (non-recruitment) member of Information Technology Contract & Recruitment Association (ITCRA). **cXc** are proud to work with ITCRA in lobbying the government on issues surrounding the APSI legislation. **cXc** is one of the foundation members of the Australian Contract Professions Management Association (ACPMA), who represented the IT contractor issues, along with ITCRA, at the Senate Committee on the APSI Bill in May 2000. **cXc** and the ACPMA are currently lobbying the government for the contractors right to work as independent contractors.

2.0 Why consider using cXc?

The **cXc** charter: To provide comprehensive administration and accounting services to

organisations and individuals, striving to eliminate administration to the benefit of both the individual and the organisations they serve.

cXc specialises in providing Salary Sacrifice Arrangements (SSA) and the associated services. These include payroll, accounting, and administration services along with special member benefits to individuals and their agency. **cXc**'s primary objectives are to take care of the taxation, legal, accounting, payroll and statutory reporting requirements for the candidates of David Christie and Associates.

cXc has an established infrastructure of administration and accounting systems combined with expert in-house knowledge, which enables **cXc** to offer commerce and industry direct access to improved remuneration benefits for their contractors.

cXc is committed to a fast, friendly, efficient and prompt service. This commitment is reflected in our service, along with tax efficient salary packaging offered to individuals and organisations the world over. **cXc** are not in the market to sell investment or insurance products, nor recruitment for placement of contractors to clients.

cXc have staffed offices throughout Australia where candidates can meet with a **cXc** representative to discuss their personal requirements, or **cXc** will visit candidates at a convenient time. **cXc** are always available, and will respond quickly to the needs of both the contractor and **AGENCY**. Contractors can join **cXc** with the simple 2 page **cXc** Options agreement, or on-line at a time that is convenient to them - www.cxc.com.au. Here they can also view the potential benefits of salary packaging on the **cXc** Salary Packaging Calculator, or even just review the latest changes in legislation via our news web page.

Each contractor is free to choose the benefits most suitable to their personal needs and requirements, as cash or a combination of benefits and cash salary. The benefits that are beneficial to salary packaging are limited to those items that are concessional taxed or those that are otherwise deductible. i.e. motor vehicles, superannuation, LAFHA, laptops and income protection insurance amongst others

The Income Tax Assessment Act (ITAA) 1936 and 1997, along with the Fringe Benefits Tax Assessment Act (FBTAA) 1986 regulate this benefits tax and is subject to change from time to time.

Services and benefits to the contractor

The aim of salary packaging is to maximise the packaging versatility while maintaining compliance with all the relevant taxation, legal requirements and rulings. **cXc** provides our members with an improved lifestyle through maximised net remuneration, accounting and administration services.

cXc is constantly reviewing its suite of service offerings to the contractors, and adding to its already extensive range of value-add options. **cXc** is the only management organisation that offers the contractors the full range of options of choice, not matched by other management service. **cXc**'s commitment to this extends to payment, every month, to over 120 different Superannuation funds, on behalf of the contractors we serve.

- A legal company structure for contractors, both local and international, managed by accountants
- A **PSBD** exemption from the **ATO** therefore NO '80/20' concerns or issues
- Maximum, legal net disposable income for contractor, at no additional cost to agency
- **cXc** management fee is tax deductible
- Minimise paperwork and administration
- Guidance to the most suitable personal tax options and maximum tax savings
- National and International offices, providing global service
- Valid and current insurances covered eg. WC, PL, PI
- Total flexibility with legitimate wealth generation
- Maximise superannuation benefits
- Minimise statutory reporting obligations including NO BAS's, FBT reports
- No start up costs or exit fees with a managed cash flow
- Tax returns completed through your own accountant or choice of **cXc** independent accountants in each capital city of Australia
- Reimbursement of tax allowable and business expenses
- Payment in most countries and/or currencies if required, after tax
- Wholesale superannuation, includes option of Life cover, TPD and IPI, with strategic investment options or payment into an existing super fund
- Australian Computer Society (ACS) membership funded by **cXc**
- A range of member benefits and discounts through **cXc** benefits card
- Funds transferred via Electronic Funds Transfer (EFT) up to 3 multiple accounts
- Assist in visa services through Ambler Collins
- Payment summary prepared
- Referral programme providing **cXc** rewards, available to all
- Free CV distribution service to agencies via **jobsXchange**
- Professional support provided by your regional **cXc** office
- **cXc** ensure a swift resolution to enquires' from the contractor.

In Conclusion

Compliance to Australian regulations in relation to companies and tax laws is complex. **cXc** provides a wide range of services available to the contractors of David Christie and Associates through a flexible and versatile approach to business, designed to meet the needs and requirements of the agency and contractor alike. **cXc** is an Australian owned international organisation that has been providing payroll and management services since 1993.

cXc has been built on a high level of honesty and integrity, with a commitment to friendly, efficient and prompt service. We are a service organisation that globally provides our members an improved lifestyle through maximised net remuneration, accounting and administration services.

cXc clientele enjoy personal consultation and guidance on the best combination to suit their personal and contracting needs along with ongoing financial and accounting services and guidance.

For more information on **CXC** in WA please contact our State Manager Jeff Malin (ACA) on (08) 9275 8956 or call (02) 9976 5576 for other States.

Further reading: www.cxcglobal.com