



Blackwater Treatment Systems

PTY LIMITED

ACN 114 428 090 ABN 15 114 428 090

Water Security & Sustainable Environmental Solutions

PO Box 601
ULLADULLA NSW 2539

25/6/2018

Email: [REDACTED]

The Economics Committee Secretariat
The Senate
Parliament House
CANBERRA
economics.sen@aph.gov.au

RE: Senate Estimates - ATO Opening Statement 30 May 2018

Dear Secretariat,

Thank you for the opportunity to provide a submission regarding Chris Jordan's opening statement to the Senate Estimates Committee May 30th 2018.

My name is Mark Freeman I am the Sole Director of the above mentioned company.

I am writing to you to seek assurance that neither I nor my Company was being referred to in the statements that Chris Jordan made in his opening statement with regard the 4 Corners program. In particular but not limited to his quote on page 10 as dot point exemplified below.

- *Some people claimed significant expenses and did not provide proof of their expenditure, saying the invoices were secret, even though they were given a number of opportunities to show the necessary paperwork over a period of time.*
- *They could not show us assets that related to these expenses- the assets had apparently been destroyed.*

BTS was completely up front when it sought advice from the ATO regarding how to proceed with the question of research equipment purchased for BTS that was used to determine the efficacy of the equipment to process raw blackwater sewage; once used and contaminated at this level the equipment must be disposed of.

Fittingly I have attached the 2009 letter to the ATO that Chris Jordan is referring to. This information was considered on by the ATO for 3 months until deciding (February 2010) that the invoices could be submitted for audit. What Chris Jordan is not saying is the original invoices were provided to an ATO audit and acknowledge. The invoices were then lost and this concealed for 12 months; whilst BTS was misled that the invoices were approved and the Assistant Treasurer's inquiry was misled to conceal this defective administration. Ensuing ATO audit information, debts, garnishee order and information to another Assistant Treasurer's inquiry were all misleading; all eventually failing to stand up to objections.

- *They did not respond to repeated attempts by us to contact them or their agent. At no time has BTS or its accountants ever failed to respond to written or phone contacts from the ATO.*

- *There was abuse of company and trust structures so they did not have to pay tax on their income.* BTS does not have any trust structures and where any applicable tax is owed the appropriate tax has always been paid.
- *Expenses were concocted and invoices falsified.* BTS has never concocted expenses or falsified invoices

November 2015 Chris Jordan apologized to BTS for the errors and mistakes made during the audit process. The subsequent ATO reviews to recover BTS's losses has seen an ongoing and systematic denial of mandatory procedural fairness in order to provide misleading information to reduce the ATO's exposure to compensation.

Being that I was one of the "cases" reported on 4 Corners and by association Mr Jordan's comments could readily be taken to be a reference to my case. It should be noted that none of the above statements made by Mr Jordan were mentioned in the 4 Corners report. Further none of those statements by Mr Jordan are correct in relation to my case.

My case is not 'old' as further stated by Chris Jordan. The latest correspondence from the ATO regarding my case was 18 May 2018. Prior to that there was a meeting in February 2018 with the Member for Gilmore and representatives from the office of Kelly O'Dwyer and an ATO Deputy Commissioner.

Consequently I request clarification and correction in the Senate reporting in the Hansard namely that Mr Jordan's comments do not refer to me or my Company. In particular to Mr Jordan's comments referenced on page 10 of his Senate Estimates Opening Statement 30 May 2018 that he was not including me or my Company.

I must also ask the question what am I expected to do-just let it go?

Yours Sincerely

A large black rectangular redaction box covering the signature of Mark Freeman.

Mark Freeman
Director



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Maintaining our lifestyle for a Sustainable Future

27/10/09

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TO: ATO PRE ISSUED INTEGRITY

ATT: Mr Jeremy Wolf
GPO Box 2861
ADELAIDE 5001

RE: BAS Assessment Supplement Advice

Dear Jeremy,

Thank you for your recent enquiry regarding my business activity statement. I am grateful for the opportunity to rationalize these capital purchases. The purchases arose from the construction and destruction of 6 micro and ultra filtration units, 6 pumps, 4 full sized Perspex treatment units and 3 Perspex internal tanks. All components were exposed to blackwater, all Perspex units were incinerated and disposed of; pumps and filters dismantled, disinfected and disposed of. The purpose was to test the performance of the newly designed prototype/blackwater treatment system and to review the efficacy of a filtration range from 0.1 - .01µm in unrefined blackwater. These field tests were unique to the project and the acquired information invaluable to the progress of the technology.

The associated cost/loss of \$168,149 was considerable, though considerably lessened by my sponsors' cash payments by way of commercial in confidence contacts. I have been instructed that GST has been paid on these losses; the GST refund need not be sought as the input tax deduction may be potentially non beneficial to any long term R&D concessions from applicable accumulated losses.

I have sought advice from my accountant as to an amended BAS being remitted, which would indicate all of the losses for 1 July 2009 to 30 Sep 2009 for the capital purchases, without a refund being sought. Therefore I require your advice as to the best way to proceed.

Additionally I have attached for you as R&D validation; information from the Blackwater Treatment Systems report that has been presented to Ministers Wong, Garrett and Carr; i.e. the reports Executive Summary, SAI Global – Executive Summary, Shoalhaven City Council's – Environmental Services On-site Sewage Management Summary and Pall Australia letter of confirmation.

Sincerely Yours

[REDACTED]
Mark Freeman
Director