

# ADVANCING *Issues*

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## The Importance of Being Earnest

By Jamie Purves, Senior Vice President, Corporate Planning Associates

**D**efensive planning is a critical first step in the work we do at Corporate Planning Associates. This includes assessing wills, which express your wishes as to the distribution of your estate, and life insurance, which will replace income or create a legacy upon your death. We also ensure that you have Powers of Attorney, both for property and personal care, which allow a trusted person to represent your interests when you are unable to, due to location or incapacity. We ensure your plans are well considered and fully answer your family's needs.



Failure to address these important issues is often problematic. If you die without a will, your provincial government will settle your estate according to the rules of intestacy with no regard to your family's wishes. Similarly, should you become incapacitated without

having established Powers of Attorney, The Office of the Public Guardian and Trustee will take over the management of your affairs for property and personal care. This will create hardship for your family who must then petition the courts in order to regain control of your affairs.

To relieve this burden, you readily pay the legal fees and insurance premiums, but have you talked to your family about your wishes with respect to your care if incapacitated? What about funeral and burial wishes? This is a critical step but one that is often overlooked.

### Peace of mind

I recently sat down with my mother to develop new will instructions. After much discussion we had all the issues covered off save one... burial arrangements. My mother brightened and excitedly described the event chapter, verse and even version of hymn. Perhaps a function

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### Calendar

Please make note of the following important dates if they apply to you:

#### *December 15, 2005*

Due date for final income tax installment for individuals

#### *December 23, 2005*

Last buy/sell date for securities to settle in 2005 (based on trade date plus three days)

#### *January 30, 2006*

Last day to pay interest on family loans to avoid income attribution

#### *February 28, 2006*

Deadline for employers (including those who employ caregivers) to provide T4s, T5s

#### *March 1, 2006*

Last day to make an RRSP contribution for 2005

## The Importance of Being Earnest

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of age, she had thought a lot about it but hadn't told anyone. We now know exactly what she wants. We'll have clear purpose and a warm heart on that day knowing her wishes are being fulfilled.



As it relates to the Power of Attorney for personal care, an open discussion is equally important.

Communicating your wishes to your spouse and adult children will remove the potential for second guessing and familial divide. Consider the case of Terry Schiavo. Two families pitted against one another for years arguing their case all the way to the US Supreme Court. No thank you.

Your discussion will ultimately guide the family in their responsibilities, protect them from those who would question the morality of their actions and comfort them in the knowledge that they are doing what you would want. What's more... it's free.

## CPA OFFERS A NEW SERVICE ... CASH FLOW MANAGEMENT

# Not sure where your money is going? Help is on the way!

By Darlene French, Tax Consultant, Corporate Planning Associates

With the hectic pace of life today, it's no wonder that there are some things in our lives that we always say we're going to get around to doing, but never actually seem to do – like manage our day-to-day finances. Who has time to balance their chequebook, never mind keep track of all the expenses associated with the house, the cottage, or that property in Florida or Arizona? Wouldn't it be nice if all of our finances could be organized so that all of the information is in one place? Wouldn't it also be helpful if someone else managed this task instead of you?



With the assistance of a financial software program and an on-line bill paying service, CPA can do the following for you:

- reconcile and update your bank and credit card accounts;
- make sure your bills are paid automatically and on time;
- record where your money is actually going by categorizing your spending;
- summarize your expenses on multiple properties all in one place; and
- help you stay on track with any savings plan you have in mind.

To get started, we will need to gather some information from you; we have a simple list. We will need copies of your most recent bills or statements for your lines of credit, credit cards, utilities, telephone, cable, insurance premiums, property taxes, mortgage, loans, and any other expenses you may have. With all of this data, we will keep an accurate and up-to-date picture of your cash flow to assist you in staying on top of your finances.



If you are interested, please contact us and we will be happy to manage your finances for you, leaving you more time to tackle those other things you didn't get around to doing!

# Identity Theft: Taking steps to protect ourselves and our clients

By John Caspar

So, I'm enjoying my regular workout at the "Y" when the front-desk attendant comes in and tells me to call my wife. "She said it's an emergency," he says gravely. Those are never good calls. I reach for the lobby phone as I steel myself for something bad involving someone I love.

My son answers the phone and tells me that mom is on the other line with the police. Somebody broke into mom's car while they were both visiting friends, he explains. The keys to our home were in the car and they stole them. I ask if everyone is okay. Everybody except mom, he says. She's pretty stressed out because she also left a receipt with a VISA number in the car too. Oh, and they have the car registration. Besides a couple of pairs of sunglasses, they didn't take anything else.

So just to summarize, I say, someone whom we suspect is not our friend has our address, our security fob to access our building, the keys to our condo unit and our VISA number in case they want to buy anything on the way over to rob our home. And they may or may not be protecting their eyes from harmful UV rays with a pair of wraparound Maui Jims.

Yes, that's it exactly.

Although this seemed much better than an emergency involving loved ones and bodily harm, it was starting to sound like something that required immediate action.

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My real concern wasn't actually a break-in. That's so Old School and fraught with risk for the bad guys. Let's face it, actually burgling a home means breaking in and being exposed to physical capture. Then there's all the unseemly lifting and carrying and loading, which has to be both tedious and tiring. Surely only mind-less thugs do this sort of work anymore. No, my real concern was – and is – fraud in the form of identity theft. It's a nasty and very common crime in the New Millennium. The stakes are high, our habits make us vulnerable and the risks for the bad guys are ridiculously small.

I made a list and started working the phone. Call condo manager and ask

to have security key fob deactivated. Check. Call VISA and get them to shut off Mrs. C's card. Check. Order new VISA card. Um, well... check. Call merchant from stolen receipt and tell them not to respond to anyone who wants to clarify a transaction or personal information. Check. New locks for the door and the mailbox. Check and check. Call credit bureaus and tell them about the credit card number theft. Check. Buy Desert Eagle .50 cal automatic with hollow point bullets and sit waiting by door of condo. OK, no, but it was cathartic to think about for a minute.

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I lost a good part of my day to the business of responding quickly to the loss of our keys and some personal information and I considered it a good trade. Identity theft is big business and the costs to the victims can be horrendous. I have clients,

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*In the scary new world of identity theft, the risk isn't just that someone will steal what you own – it's that they'll create new credit lines and steal what you owe.*

## Identity theft

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for instance, who were forced to change their name and give up their old identity, so thoroughly had someone damaged it.



So what can you and I do to protect ourselves? Never leave keys of any kind in your car. Make a photocopy of your vehicle registration with your address masked out and carry that in the glove compartment. Keep the

original in an awkward place in the vehicle like under the spare tire. Shred all receipts not used for business and anything you're throwing out that has any personal info. Limit yourself to one or two credit cards and review every charge. Never store personal info on your computer and always use an Internet security firewall when connected to the Internet. Finally, when you

suspect personal info has been stolen, don't just notify your existing credit cards. Notify the credit bureaus (Equifax and TransUnion) so that they can note any new applications for credit. In the scary new world of identity theft, the risk isn't just that someone will steal what you own – it's that they'll create new credit lines and steal what you owe.

*Someone whom we suspect is not our friend has our address, our security job to access our building, the keys to our condo unit and our VISA number in case they want to buy anything on the way over to rob our home.*

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