

Spring 2001 issue

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FRIENDLY
REMINDER

As we're sure you are aware... personal tax returns must be filed with the CCRA by April 30th, 2001. For self-employed individuals and partnerships the deadline for filing is June 15th, 2001, but any taxes owing must be paid by April 30th. Williams & Partners would appreciate it if we could receive your information by April 15th at the latest so that we can get your returns prepared in time for you to file.

Emails & Anti Virus Issues

by Mike Turczyniak
Mico Systems

In today's world of computing and mass communications, the Internet has BECOME a necessary business tool. More companies are starting to rely on the Internet and what it

has to offer. The advent of email has made the ability to communicate with people easier than ever before. Phone messages and faxes are starting to disappear. This has made our lives more electronic than ever before.

Emails are simply text messages, memos or notes that we easily send through the Internet. Sending simple attachments has reduced the cost of faxing and photo-copying our documents to clients and team members. Along with this technology is the ease with which a virus can be attached to these documents.

Now the need for anti-virus software is as vital to your ability to communicate as the email software you are using. Most anti-virus software now has the ability to scan documents before opening and sending them out to the Internet. This makes it necessary to perform at least a weekly update of anti-virus definitions.

The almost daily announcement of a new virus has threatened the integrity of all emails. This in turn has increased the global awareness of the necessity of avoiding sending or receiving infected files. A simple rule to remember is that when you receive an email from someone you don't know, it should be regarded as an unwanted message and something that should be deleted without opening.

It is also important that those messages are deleted correctly. Check your deleted items and/or your recycle bin and make sure that these items are in fact deleted! By leaving them in those areas you are still susceptible to these viruses. A virus can be time delayed even if the attached e-mail is not opened.

Working ON Your Business

Imagine this. You're 'in' your business. Literally you're standing in your premises. You're juggling all the elements of your business at once—marketing, sales, management, operations, staff, finances, cash flow, debtors, creditors, suppliers, and more. You've just realized that you forgot to eat lunch again, and someone unexpected has just walked in the door. That means you're going to have to

spend time with them, instead of completing that paperwork you really wanted to finish. You'll take it home and do it that night.

This is working 'in' your business.

Picture this instead.

You've taken 4 steps back from your business and you're looking at it objectively, saying 'OK, that's my business over there. Now what do I want to do with it?'

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Customer Service Quiz

(adapted from "Customer Service for Dummies", IDG Books Worldwide, Inc.)

Self Evaluation

Use the following ten questions to see if you are delivering bronze, silver or gold level customer service. Stepping back and objectively assessing yourself will help you see what your personal service strengths are and where you may need to devote some extra attention.

Questionnaire

Use the following numbers to evaluate each question.

0 = Rarely 2 = Often
1 = Sometimes 3 = Almost Always

- When having a conversation with a customer, do I give him or her my complete attention and avoid doing other activities (working on the computer, writing unnecessarily, doing a crossword puzzle, and so on)?
- Do I make eye contact when speaking with a customer to show that I am paying attention?
- When speaking to a customer over the phone, do I make an effort to use inflection in my voice to convey interest and concern?
- Do I pick up the telephone by the third ring?
- When I need to put a customer on hold, do I ask his or her permission and wait for a response before doing so?
- Do I avoid technical jargon and use language that the customer can understand?
- When I cannot provide my customer with exactly what he or she wants, do I suggest options and alternatives?
- Do I sincerely apologize to the customer when a mistake has been made by me or my company?
- When a customer is voicing a complaint, do I remain calm and understanding - even if I think he or she is wrong?
- Do I view customer complaints as an opportunity to improve service rather than as a problem that is taking up valuable time?

Total score

Scoring your questionnaire

Add together the scores of all ten questions and then look below to see how you did. If you scored:

0-12 points: you are at the Bronze level

13-22 points: you are at the Silver level

23-30 points: you are at the Gold level

For specifics about what your score means and where to go from here, find your level described below and read on.

Bronze level

Scoring at this level doesn't mean that you don't care about your customers. We find that a score in the bronze level is due to one of the following three reasons:

- You are a newcomer to the service field and are still learning the ins and outs of dealing with customers.
- You are a seasoned service provider but may have become a little rusty on some of the basics that you once practiced.
- The last reason has to do with job suitability. Certain people just don't enjoy dealing with customers or helping others solve problems. Nothing is wrong with them, they just work better by themselves. If this situation applies to you, you might consider either changing jobs or changing the focus of the job you are now in.

Silver level

You have a solid understanding of the basics, but you are not using them consistently. The probable reason for this inconsistency is that you are overwhelmed by the functions of your job. On good days, you give good service, and on bad days, you give bad service. The key is to become more consistent. Remember that regardless of the time you spend with a customer and regardless of how busy you are, you always have a personal choice about the attitude you project. It takes about thirty days to form a new habit, so make a point of practicing the items covered in the questionnaire every time you deal with a customer - especially when you don't feel like it!

Gold level

Congratulations! You are a professional at providing service. You seem to have the basics down pat and are ready for bigger and better challenges. To continue to grow, consider the following suggestions:

- Once you have finished evaluating yourself, get another perspective by having a co-worker you know and trust evaluate you. He or she may see areas for improvement that are blind spots to you.
- Go beyond the basics of service. Educate yourself in the more sophisticated service skills by learning to take initiative.

We suggest you go through the above questionnaire a second time and replace the word customer with the words team member. Doing so will help you evaluate how good a job you are doing of treating your team members as customers.

EMPLOYMENT STANDARDS ACT (ESA) Update: Pregnancy & Parental Leave

Effective December 31, 2000, leave under the ESA would be:

1. Up to 37 weeks combined of parental leave for both new parents (natural or adoptive).
2. 52 weeks (17 weeks plus 35 weeks) combined pregnancy and parental leave for a birth mother.
3. Jobs of parents taking leave under ESA would be protected. Both parents can be on leave at the same time.

Parental Leave is not a part of Pregnancy Leave.

Is There An Inheritance Tax?

The simple answer is no. Currently, there is no tax on the recipient receiving an inheritance. That is because the deceased, or their estate, has already paid all of the applicable taxes.

Let's discuss this aspect in a little more detail. When someone dies, it is the Government's last chance to get their 'pound of flesh'. The deceased is deemed to dispose of all of their assets at the current fair market value. If these dispositions create any taxable income, there will be tax to pay. (If the deceased has a spouse, the assets can be 'rolled over' to the surviving spouse on a tax-free basis. However, this rollover only acts to defer the applicable taxes).

The following example highlights the impact of these taxes:

If an individual has the following investments:

	Cost	Current Value
RRSP funds		\$300,000
Family cottage	\$75,000	\$200,000
Mutual funds	\$100,000	\$250,000
Total Investments		\$750,000

Upon death, these investments are subject to tax as follows:

RRSP funds	\$300,000
Family cottage (gain of \$125,000 @ 50%)	\$ 62,500
Mutual funds (gain of \$150,000 @ 50%)	\$ 75,000
Total taxable amounts	\$437,500
Potential tax liability (maximum of 46%)	\$201,250

Please note that this is a very simplified example and has been used for example purposes only. The actual tax calculations could, and probably will, be very complicated.

Is there anything that can be done about this? In some cases, no. However, whenever there is a potential for tax, there is also an opportunity for some income tax planning.

If you would like more information, please feel free to contact us.



Wills

A well prepared Will takes into consideration the ultimate wishes and objectives of an individual upon their death.

A Will is a legal document, signed in accordance with provincial law, that is essential to ensuring that wishes are carried out with minimum expense and delay. If a person dies without a Will (intestate), the Estate is automatically distributed according to the laws of the province where the deceased resided.

By preparing a Will an individual can arrange affairs to suit his or her own wishes and the needs of that individual's family. A Will ensures that the Estate is settled more quickly than if one did not exist. In addition, higher legal and Estate administration costs will be avoided.

A Will can legally establish an individual's wishes in many areas, including which assets each beneficiary receives and when specific gifts and cash legacies are to be distributed. The distribution of the balance of the Estate can also be identified.

A Will can provide for the outright distribution of the Estate to the beneficiaries named or provide for all or part of the Estate to be held in Trust and administered for a beneficiary's lifetime or until that person reaches a specific age. The use of a Trust provides both the ability to control the use of the funds and, if properly constructed, allow for income splitting

between the Trust and the beneficiary.

The use of dual Wills may also reduce provincial probate fees, now known as Estate Administration Fees in Ontario. Normally, if one asset is subject to probate then virtually all property in the name of the deceased must be disclosed for probate purposes. Therefore, one Will (Primary) may be designed to administer all assets subject to probate and another (Secondary) disposes of assets which will not require probate. Only the Primary Will needs to be presented for probate and probate fees will only be payable on the value of the assets to be disposed of by the Primary Will.

Professional income tax advice should be sought to ensure that any income taxes and provincial probate fees are minimized, ultimately maximizing proceeds available to beneficiaries. We at

Williams & Partners can also help you ensure that your Will accurately meets all of your objectives, that your Estate is in order now and that your assets are properly registered with appropriate beneficiary designations.



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'Apart from me, what will this business do? How will it be? What do I want it to be like? What does it need to do to give me my life, to free me up from working in it all the time?'

This is working ON your business.

Just thinking about it, you can sense the huge difference this could make. Imagine taking some time away from day-to-day tasks and looking at your business in the long term. Imagine the ideas or opportunities you might spot!

Working 'on' your business is the difference between your business providing you with a job OR immense wealth and satisfaction.

Most people work IN their business. However, the secret is to

work ON your business so you don't have to work in it.

What does "working ON it" mean? Simply developing key systems—systems for everything!

A number of things happen when you systematize processes. First, YOU don't have to do the process. Second, others less skilled than you can do it. Third, when you systematize, you automatically develop what we call 'a way of doing it here.'

That 'way of doing it here' not only makes things happen in a totally predictable way, but it also makes your business worth much more. Why? Because you have a way of doing it here.

Please feel free to contact us about working ON your business.

W&P News Bits

NEW TEAM MEMBERS

We're growing again! Williams & Partners would like to welcome five new TEAM members to the firm.

Todd Trowbridge and Vivian Pivetta joined the firm in March 2001 as Managers in our Tax Group. Vivian has most recently held the position of Senior Tax Staff, Corporate Tax specializing in Retail, Manufacturing and Distribution at an international accounting firm. Todd comes to us, also from an international accounting firm, where he was a Senior Tax Accountant.

The success of our Insurance and Forensic Accounting Division has necessitated the addition of a Forensic Accountant. Judy Trinh also joined our firm in March. Judy Trinh joined our firm on March 19. Judy comes to us from AMEX where she was in the internal audit department. Linda Whiteley has come on board on a part-time basis to assist with administrative duties in the Insurance Division.

We have also hired Gary Kryshka as an accountant to provide accounting and bookkeeping services to our clients. Gary has worked in the IT industry for the last few years.

A warm welcome to all our new TEAM members.

BIRTHS

We are happy to announce a new edition to our extended family. Minna Kuo and her husband welcomed their son, Matthew Andrew Robson Hoffman on January 9, 2001. Matthew came into the world at a healthy 8lbs 6oz. Rumour has it he was born with a calculator in his hand! Mother and son are doing fine. We wish the family well.

EVENTS

It's hard to believe it's been this long, but the year 2001 marks the 10th anniversary of Williams & Partners. To kick off our year-long celebrations we held a cocktail party on February 15

to thank all of our clients for their support. For those of you who could attend, we thank you for making the effort. For those of you who couldn't make it, you missed a great party - and we missed you!

CLIENT'S CORNER

Parker Project Management Group [PPMG], are professional project and relocation managers. They began business in 1986 and quickly became known for high quality service delivery, excellent personnel and an increasing track record of successful projects.

Entrepreneurs often have the vision, but lack the detailed knowledge and discipline required to create a successful business from that vision. While PPMG was a successful business with an enviable blue chip client list, they found that they lacked focus and clearly defined goals and that there were no defined targets for them to aim for. This is where the Williams & Partners business development process came in. In 1998, PPMG began working with Carlo De Pellegrin, who essentially pointed PPMG in the right direction. Carlo helped them define their goals, put a plan in place to allow them to reach those goals and showed them how to identify "where we are" at any given time. These key performance indicators and defined plans and targets re-energized PPMG and ensured that they moved forward with renewed vision and discipline.

Management at PPMG attribute the nearly doubling of their business in the past two years to the W&P business development process. And business suddenly became fun again because they knew where they were going and how they were going to get there.

PPMG are about to launch a new business providing full facilities management services to their clients. They will work with Williams & Partners and their Business Development process from day one. This will create the climate for success. You can learn more about PPMG by visiting their website at www.ppmginc.com.

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