

# Let's Talk

WINTER 2013

LIPTON LLP Chartered Accountants

## Mentoring Your Employees

In today's workplace, employee mentoring is an excellent strategy for owner-managers. A new mentoring program at Lipton LLP has just been implemented that capitalizes on this philosophy.

"Our staff are our most important asset," says Assurance Partner Paul Roberts.

"Quality client service depends on quality employees. By introducing a formal mentoring program, we aim to coach our employees and help them be the best they can be."

While an open-door policy and informal mentoring relationships have always been in place at Lipton, the firm also recognizes that a formal mentoring program will build on this foundation, reflect the firm's values and enhance its culture of teamwork.

In developing a formal program, Partner Soheil Talebi knew from experience that one size does not fit all.

"For mentoring to be successful, it must be tailored to each individual organization and be driven by staff and professional needs. To lay the groundwork, we researched best practices, and what has resulted is a formal one-to-one program based on three Ts – Trust and respect, Time commitment and Targeted approach."

Under way since last November, the program involves the entire firm and has two objectives. One focuses on providing hands-on guidance in technical and soft-skill training, including client relations and conducting client meetings. The second centres on defining long-term career goals and exploring how each individual can be part of Lipton's future.

Staff buy-in is essential because successful mentoring depends on personal relationships and what works for each person. Mentors choose to volunteer for the program, and staff choose their mentor.

"It works best if the two people sit down together, determine how the mentoring partnership will work, and make it a priority," Paul notes.

Training is a key part of the mentoring program. A manual has been developed that provides a framework for the program, and the partners who have volunteered as mentors are trained and provided with tools to facilitate and monitor the goal-setting process.

Soheil says that once mentors are trained, they tailor their approach to suit the individual relationship. "Each team can decide where and when to meet and how frequently, aiming to meet when and if any issues arise but at least once every three months. As the program progresses, we hope to involve new managers as mentors."

Each mentor is also involved in the staff member's performance review, which is held every six months, and the progress of the mentoring relationship is evaluated as part of the review.

The mentoring program also dovetails with other skills-development programs offered by Lipton.

"It's all part of Lipton's mission to forge a highly personalized business relationship with its clients by valuing each member of the firm," concludes Managing Partner Mel Leiderman.

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# Business Valuation and Succession Planning

If the shareholder(s) of an owner-managed business decide to retire without ownership passing to family members, a number of factors should be considered.

How will the business carry on? In some cases it can be sold to an employee or management team in whom the owner has confidence. Often, however, the prospective buyer will not have funds available to make the purchase.

In this case, the owner can devise a plan in which the current value of the business is frozen at its fair market value and the prospective owners purchase the company for that value over time. This is often a successful succession strategy, and will depend upon determining a fair and objective value for the business.

The services of a Chartered Business Valuator can provide the foundation for a plan that ensures fairness for all concerned. Lipton LLP has recently announced the launch

of Lipton Polisuk Inc. – Valuation & Litigation Support. Led by Stephen Polisuk, Lipton Polisuk offers a suite of advisory services including business valuation, litigation support and forensic accounting.

On the basis of a fair purchase price, the old and new owners of the business can both attain their financial goals, says Senior Tax Partner Jeff Nightingale.

“The company can issue new common shares, perhaps over time by way of options, which the new owners can obtain at a nominal price to capture future profits. A portion of those profits can then be used to pay the original owners over time for the purchase of the company.

“Detailed cash flows will be necessary to make sure that enough money will be earned to fund the purchase,” Jeff notes.

For advice on valuations and succession planning, please contact your Lipton adviser.

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## E-Mail Etiquette

Even in the days of Facebook, Twitter and LinkedIn, e-mail remains the most popular means of electronic business communication.

“While e-mail has transformed our workplace and daily lives,” says Lipton systems administrator Bryan Walderman, “it also entails certain risks. Apply the same due diligence to writing an e-mail as you would to any letter or report, and act and communicate in a businesslike and professional manner.”

To ensure that Lipton staff are well informed, Bryan presents training seminars providing guidance on e-mail etiquette, including the following advice:

- Stop and think. E-mails are not streams of thought, but concise, clear and organized messages. Imagine your client is sitting in your office, and act accordingly.
- Use proper English and NEVER use texting speech. Smileys and emoticons might be appropriate for a text message conversation with a friend, but have no place in a business email.
- Sarcasm and subtleties are not represented well in an e-mail. Leave no room for interpretation.
- Be mindful of the sensitivities of the documents you are sending to your clients. If confidential information is present, password protect the document before sending it.

- The phone still exists! E-mail is here to save us time. If it takes more than five e-mails to express what you could say in a two-minute phone call – pick up the phone!
- Take a deep breath. If things get heated, take some time to cool down before sending a response.
- Don't trust the spell check. Properly proofread your e-mails to ensure that you are being represented in the best possible light.
- When ready to send, take one final read of your e-mail to ensure that it properly conveys your thoughts.

Always take proper security precautions, Bryan explains. “Today, everyone carries a mobile device with their company's e-mail account installed. Think about all the e-mails you get in any given day. You owe it your contacts and your company to password protect your phone.”

Bryan also urges, “in the event you lose your phone, your first call should be to your technology department. IT professionals have the means to prevent unauthorized users from accessing your e-mail account.”

Finally, Bryan offers this piece of advice. “E-mail is a tool used to enhance our own productivity, but many feel that all e-mails deserve an instant response. Learn the difference between what is urgent and what can wait for a proper response. If you are working on a project, stay focused. E-mail should not always get to the front of your line!”

# Tax Changes Benefit Seniors

Seniors aged 65 and over have new opportunities to reduce their income tax as a result of changes to federal and Ontario legislation effective with the 2012 tax year.

The federal government's 2012 budget introduced a voluntary deferral of the Old Age Security (OAS) pension that gives people the option to defer receipt of their OAS pension for up to five years past the age of eligibility, starting July 1, 2013.

For example, someone turning 65 and still working in 2013 can defer receiving OAS until age 70, when the person may have stopped working, therefore having less taxable income.

Those who defer the OAS will subsequently receive higher payments, although on average Canadians will receive the same lifetime OAS benefit whether they choose to take it at 65 or as late as 72 after the new eligibility rules are fully implemented.

"This planning option may be particularly important for those who intend to continue working past 65 who would otherwise be subject to the clawback of OAS on total income," says Tax Partner Sunita Arora.

Another tax advantage is available through Ontario's Healthy Homes Renovation Tax Credit. This credit is for seniors and family members who live with them who invest in making their home safer and more accessible.

In the 2012 tax year, an eligible taxpayer can claim 15 per cent of expenses related to work billed between October 1, 2011, and December 31, 2012. For example, a person who spends and claims \$10,000 worth of eligible expenses will receive a \$1,500 tax credit.

Sunita cautions that only certain kinds of work around the home qualify for the benefit. For advice on eligibility and other related tax-planning strategies please consult your Lipton adviser.

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## Professional Profile – Bryan Walderman

The accounting profession depends on technology to serve clients effectively. That's why everyone at Lipton benefits from Bryan Walderman's skills – and so do their clients.

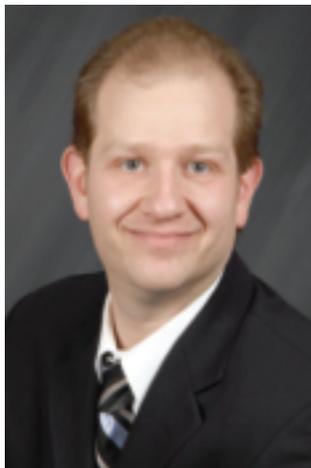
Primarily responsible for ensuring that all computers and technical aspects of the firm are in working order, Bryan applies his knowledge of the technology industry to see that all of Lipton's professionals have the right digital tools and the skills necessary to use them.

"We're always looking to enhance our in-office experience as well as our accountants' ability to serve our clients in the field", says Bryan, who is a Certified Microsoft Systems Engineer and Professional.

"Using technology, such as terminal services, VPN, portable scanners and fibre-optic Internet connectivity, allows our staff to replicate the in-office experience at our client's location and work in a paperless environment."

These efforts were recognized last year, as Lipton LLP was awarded Canada's Greenest IT Award by InfoTech, a Canadian technology research firm. "It's an accomplishment I am very proud of," says Bryan. It goes to show the level of dedication Lipton has to progressive and innovative solutions."

Bryan has seen his role expand since joining Lipton in October 2009 as Systems Administrator.



During tax season, Bryan is responsible for the management of the electronic filing of all personal tax returns, and oversees the entire assembly process. He also serves as a resource to partners assisting clients with systems-related issues. Recently, he has played a role in the marketing of the firm.

From the development of marketing materials to the newly launched social media initiative, Bryan is grateful to the firm for allowing him the opportunity to contribute beyond technology. "Lipton provides me with the opportunity to wear a variety of different hats. Each month I get to participate in the firm's monthly marketing meeting, and I feel that I am considered an

important contributor to the marketing efforts of the firm."

Busy raising two children with his wife Erin, Bryan nevertheless is always seeking new ways to use technology to enhance the operations of the firm.

"In my field it is rare to be given the opportunity to explore any idea you wish to pursue. If I present an idea that can enhance efficiency and client communication, the firm lets me see it through and gives me the resources to succeed," says Bryan. "For me, there is no higher compliment than someone telling me how much easier or faster something I developed has assisted them in their day-to-day tasks. It's something I strive to provide every day!"

# NewsBrief: Firm News

**C**ongratulations to Nima Afshani and Tobin Shields on passing the Uniform Evaluation (UFE). Tobin also placed on the ICAO's 2012 UFE National Honour Role of the top UFE writers in Ontario. Each year CA candidates write this three-day qualifying examination, which leads to one single high standard for the CA profession, and is nationally and internationally recognized. For more than 35 years, Lipton is proud to have assisted many of our CA students in obtaining their CA designation.

Partner Soheil Talebi delivered a seminar in October on Auditing Real Estate Companies, sponsored by the Canadian Institute of Chartered Accountants, to more than 100 professionals.

Lipton welcomes three new staff members: David Reine as a manager in Audit and Assurance; Olga Moroz, a senior in Audit and Assurance, and receptionist Caroline Fan.

During December 2012 Lipton had a retirement lunch for receptionist Adrienne Goeldner. The office holiday season party was held at Il Mulino.

We welcome co-op students Jason Yi and Wendy Lo, who have joined our Audit and Assurance practice.

Steven Polisuk of Lipton Polisuk Inc. has written an article published in the February 2013 edition of Lawyers Weekly regarding the risks and management of the business-insurance recovery process when a disaster occurs.



**The Lipton Vaughan Rangers "A" Bantam hockey team recently won its second tournament this winter, as indicated by the two fingers held aloft by Partner Michael Wagman, back row centre, the team's coach. The team won the Toronto Aeros winter challenge as well as the Vaughan Silver Stick tournament. Having clinched first place in the Greater Toronto Hockey League West, the team is aiming to go to the Ontario championships. Michael's son Jared is third from the right, second row.**



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