

Accountability Factors

ABOUT ME As a public accounting office, I am not licensed to sell product, and offer advice only on an hourly basis. I consider myself a chartered accountant offering business and tax advice, with a niche in financial planning and family law financial advice.

How I work with clients CAs develop relationships with their clients—after all we are scheduled to see them at least once a year. With successful long-term relationships comes trust and this leads to many requests for additional financial guidance and second opinions.

Most of my financial planning work usually consists of one or two specific components such as an investment portfolio review, estate planning, insurance reviews or retirement planning. After discussing the client's needs and expected time commitment by phone, I provide a brief questionnaire, including a net-worth summary, to each client to prepare in advance.

The mandatory part is that they write down their specific questions. This brings focus to the meeting, and allows me to be efficient and successful because to have a satisfied client, all I need to do is answer their questions. Their questions usually lead to many more, and may or may not lead to several meetings.

I will meet or contact other advisors to help with implementation, if needed. Many clients will ask me to prepare or review their future personal tax returns, and this allows us to update their planning each year. I have one client who arrives with his tax return each year and a list of about 20 questions to discuss. It is always a very interesting meeting.

**Blair Corkum, CA, R.F.P., CFP,
CLU, RHU, FDS**

President

Corkum & Associates

Charlottetown

Years in the business: 31

JOHN SYLVESTER



If clients suggest overly creative tax maneuvers, I stand my ground to do what is right, such as properly reporting common-law relationships on tax returns.

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My philosophy I have no minimum net-worth standards for clients. My ideal client is a person with respect and integrity who is interested in receiving and acting on good advice, is willing to share stories, and, of course, is able to pay my hourly fee.

I remember the definition of a professional partially being “someone who put their customers’ needs first.” That component seems to have disappeared over the years, but I still believe it is the sign of a true professional. Being a professional both in action and appearance has always been important to me, as is integrity.

If clients suggest overly creative tax maneuvers, I stand my ground to do what is right, such as properly reporting common-law relationships on tax returns. I find most clients respect me for my position.

The best solution is not always the one that creates the most wealth. Regardless of our own beliefs, sometimes a portfolio must be 100% fixed income. Even if it will generate less wealth in the long run, it will allow the person to sleep at night. Paying more tax than necessary is sometimes better than a complex estate freeze or family trust solution if implementing such a structure will leave the client permanently confused.

When an investment advisor looks at the glass of water, he will tell you that it is half full, and is filling up quickly so you should buy a bigger glass. An insurance agent will warn you that a half-empty glass leaves the future uncertain so you should insure against possible consequences. An accountant will tell you that you paid too much for the glass because it is too big. My goal is

to ensure my clients have considered all these issues, focusing on the importance of the water, not the glass.

Why I matter In the early 1990s, I was meeting with the late Gene MacLellan, writer of Anne Murray’s *Snowbird*, to review his finances—an exercise that I am sure was not one of his favourite pastimes. I always remember him looking at me and saying, “You enjoy your work, don’t you?” After I said “yes,” he responded, “I thought so, because it just exudes from you.”

I think he was quite perceptive. If you like what you do, you will do it to the best of your ability.

One of my most loyal clients is an individual from Yarmouth, N.S., who I met in 1981 when I practised in Halifax. There was a new tax-saving measure that his advisor had not mentioned to him, and his insurance agent had seen me implement it for another client. I remember his very tough decision to give up working with his then-advisor, a fellow church member and longtime acquaintance.

But he saw that he needed more help than he was getting. I also travelled every year to work hands-on with him. When I moved to P.E.I. and sold my business to my partners, they reduced service to him because they did not like the travel—three hours from Halifax. What a privilege when he contacted me again, and in return for me staying involved, he would fly my assistants and me from P.E.I. He is now one of my largest clients, and my team and I service three generations of that family. ^{AE}

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The Client Perspective

WHY I'M STAYING WITH MY ADVISOR

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By B.E. Simpson, president, Vesey's Seeds Limited, York, Prince Edward Island

Simpson's Advisor: Blair Corkum, Corkum & Associates

We first worked with Blair when he was at a large, national accounting firm about 15 years ago. When Blair decided to go out on his own, it was a hard decision to follow him. We thought we would lose the connection with the larger firm. But we decided to do it, and within a year or so, the larger firm decided to close the office in Charlottetown. We then knew we had made the right decision to move with Blair and he still has contact with some of the people [at his old firm] if he needs them. And we just like dealing with a particular individual.

We use Blair's financial planning and succession planning services. We are quite comfortable with him and he talks at our level. We don't feel embarrassed asking him to explain something or to provide further information.

Blair understands our business, which is very important to us. We print a seed catalogue, a spring and fall bulb catalogue and a tool and accessory catalogue for gardeners.

Two of my children work in the company and one will take over as I move away from it. The other will work as an employee for the company, as she doesn't have an interest in becoming involved in the financial part of the business. We relied heavily on Blair's advice on how to move this plan forward.

I feel I can pick up the phone anytime to call Blair. When he's on holidays, he says, "If anything comes up and you need me, you can always call me." He knows I wouldn't call him unless I needed him. **AE**

By Ted Barrett, retired commercial real estate broker, Aurora, Ontario

Barrett's Advisor: Sandra Pierce, Blackmont Capital

I've been Sandy's client for 25 years. What's always impressed me about her is that I can trust her. I've always had a tremendous amount of respect for her knowledge.

And the best part is, I'm getting three advisors for the price of one. Sandy has two partners: Her husband, Dennis Fox, and Michael Segal. Normally, when you deal with an advisor, you deal basically with one advisor and his or her opinions. Not that there's anything wrong with that, but ultimately it's one person's opinion.

In this case, three advisors predigest the market for me and present it as a consensus of opinion. That is unique. I don't know of other advisors who operate on that level. They're in effect operating a business within a business.

I also like that Sandy and her two partners allow their

clients to work with a personality that best suits their own. Normally, if you don't happen to like the advisor you're dealing with, it can be difficult to select another advisor within that organization.

Sandy has a great sense of humour. What she does for me is remove the emotional reaction of the client from the marketplace, which, in many cases, can cost the client a lot of money.

Generally speaking, she's managed to beat the market. That's not to say I didn't experience a reduction in my portfolio over the last 10 months but the fact is, so did everyone else unless they had GICs or the equivalent. Nobody escaped it. If Warren Buffett lost a few billion dollars, who am I to complain about a few thousand? **AE**