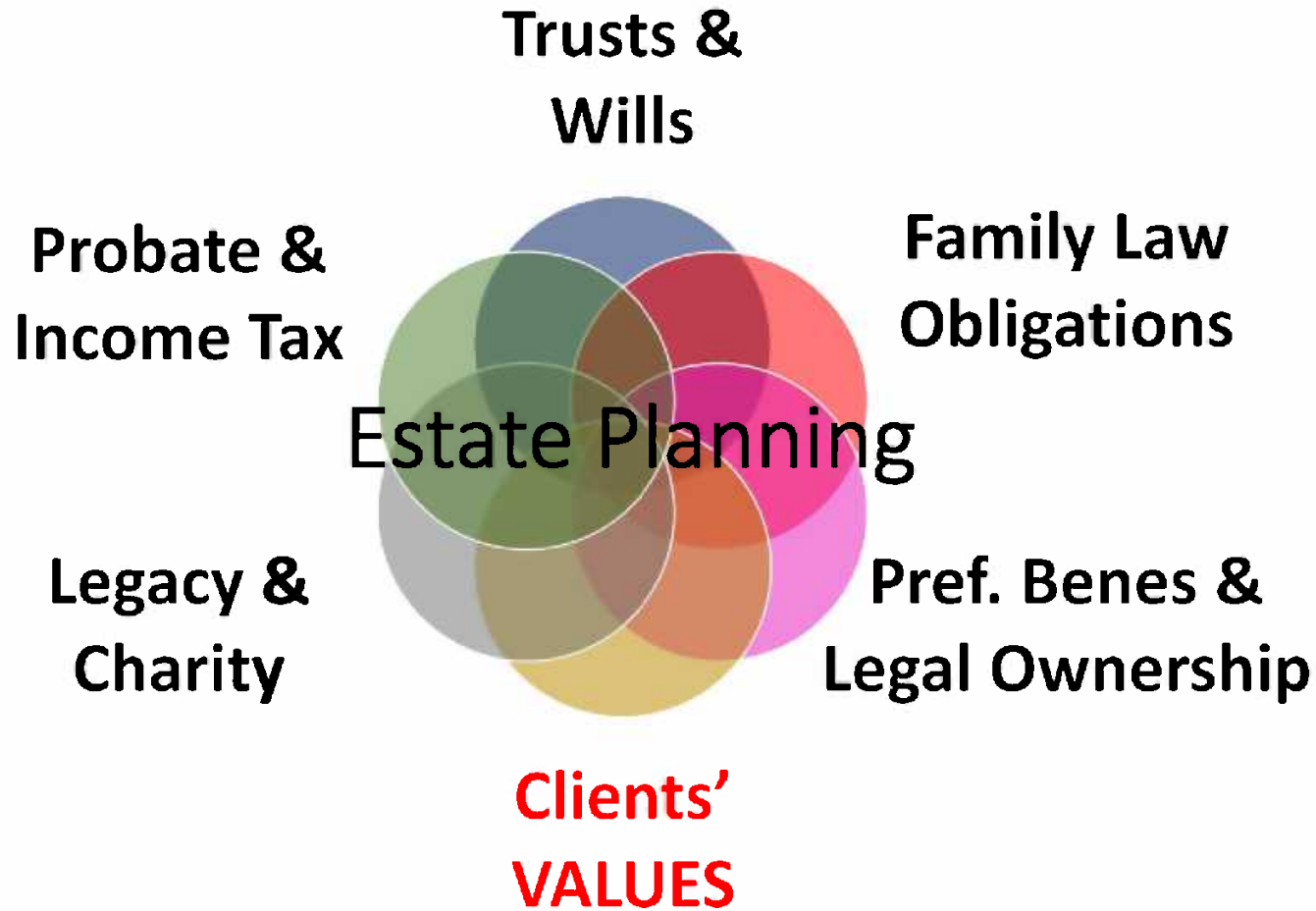




Ignorance begins with the need to ignore.
The need may begin with complexity.
As professionals we cannot ignore.







Income Tax Return for 2064:

Bill

T1 GENERAL

FEDERAL TAXES

Old Age Security pension		\$33,593	
Canada or Q			
Other pensio			
Taxable am			
Interest and			
Taxable cap			
Total Income			

Begin with the End in Mind....

Net Income

Pension adjustment	\$0		
Deduction for elected split-pension amount	\$12,455		
Total Net Income Deductions	\$12,455	\$12,455	
Net Income		\$182,955	
Taxable Income Deductions:			
Taxable Income		\$182,955	
Total federal taxes (Line 34)		\$29,758	
Federal tax on split income		\$0	
Non-refundable tax credits:			
Basic personal amount	\$42,093		
Age amount	\$11,484		
Pension income amount	\$2,000		
Total	\$55,578		
Non-refundable tax credits @ 15%	<u>\$8,337</u>		
Total non-refundable tax credits	\$8,337		
Federal dividend tax credits	<u>\$2,180</u>		
Total tax credits	\$10,517	\$10,517	
Basic federal tax		\$19,241	
Net federal tax		\$19,241	
Federal taxes payable		\$19,241	

Income Tax Return for 2064:

Bill

T1 GENERAL

FEDERAL TAXES

Old Age Security pension			\$33,593
			\$59,960
			\$10,326
			\$14,517
			\$40,477
			\$1,364,882
			\$1,523,755

Net Income

Pension adjustment	\$0		
Deduction for elected split-pension amount	\$5,668		
Total Net Income Deductions	\$5,668	\$5,668	
Net Income			\$1,484,493
Taxable Income Deductions:			
Taxable Income			\$1,484,493
Total federal taxes (Line 34)			\$429,775
Federal tax on split income			\$0
Non-refundable tax credits:			
Basic personal amount	\$42,093		
Pension income amount	\$2,000		
Total	\$44,093		
Non-refundable tax credits @ 15%	<u>\$6,614</u>		
Total non-refundable tax credits	\$6,614		
Federal dividend tax credits	<u>\$2,180</u>		
Total tax credits	\$8,794	\$8,794	
Basic federal tax		\$420,981	
Net federal tax		\$420,981	
Social benefits repayment			\$93,693
Federal taxes payable			\$454,574



Challenges with Estate Planning

- Prelitigation planning in any area of law outside of criminal law
- Asset protection cases, CRA large amount owing
- Complex client personal financial management
- Blended families, divorces and other special situations
- Sandwich generation
- Estate Equalization, Optimization, what's equal may not be fair
- Estate values will change **DRAMATICALLY** if person is seriously ill
- Valuable assets sold to pay tax arising unintentionally.
- Effect of Tax Deferrals
- Integration of Corporate Restructurings or Wind-Downs (loos carry back rules to avoid double tax)



Challenges with Estate Planning for clients

- Clients don't want to think about their own MORBIDITY/MORTALITY
- Clients OFTEN seek help only when they think they have a problem
- They SAY they understand concepts - can't describe simple terms
- They SAY they understand numbers – can't describe effect of inflation
- Most are visual – ILLUSTRATE so I can see the real impact clients might change their mind if they saw the real tax implications
- **Clarity and referent advice REQUIRE visualization, a picture in mind, in CONCRETE terms in PERSONAL situation. If the benefit outweighs the cost, the cost becomes SECONDARY.**



Challenges for the Financial Planner

- Worthwhile plans time consuming - clients **CHOSEN** carefully
- Offer services only to those who **VALUE** the process.
- For a business owner, no FP is complete without looking at the business. Overwhelming **COMPLEXITY** for the client? We model it.
- Professionals available for **CONSULTATIONS** with the planner – time is not wasted with the client keeping **BILLING** reasonable. FP shares relevant lingo – the client usually does not.



CFP® Professional Engagement

- There are distinct differences between a Financial Planner acting in the capacity of a financial advisor or not working in that capacity.
- Engagement is with client or with the law or accounting firm directly (retainer, hourly, progress billing, etc.)
- Comprehensive plan or simpler trust or corporation projection only.
- FP Canada Standards Council's Fee-For-Service ONLY, no product sales
- Hybrid engagements are possible or there can be more than one engagement
- **FP Canada:**
 - "Engagement guidelines (conflicts, timeline, compensation, numerous other disclosure)"
 - "Standards of Professional Responsibility"
 - "Financial Planning Body of Knowledge" (FP-BoK)
 - "Projection Assumption Guidelines"



Don't be fooled by a simplistic planning process!



What does my CFP® Professional need to know about me?

Clients: _____ Date: _____

The Canadian Financial Planning Definitions, Standards & Competencies are a unified, definitive source on financial planning definitions and professional financial planning standards in Canada. The competencies are broad in nature. A Certified Financial Planner® can help you with a variety of matters. You will be served best, if you can provide your planner with many sources of information and your financial history.

NOT ALL STATEMENTS MAY BE NEEDED FOR SEGMENTED PLANNING; FULL PLANS MAY REQUIRE ALL DOCS

Needed	We don't have any	Sent	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	INDIVIDUALS:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	T1 General Income Tax Returns (Personal) 2 years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CRA Notices of Assessment (Personal) 2 years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Mortgage, Credit, Loan Statements
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insurance Statements (Life, Disability, Critical Illness, Long Term Care General/Liability, Creditor/Mortgage insurance, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Statements (Funds, GIC, Securities, RRSP, RESP, TFSA, RDSP, Etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Real Estate information (Title, Appraisals, Tax Assessment, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other Assets Information (RV, sentimental value, heirlooms, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pension and Benefits Statements from your employer
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Group Insurance Booklets
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Government Benefits Statements (WCB, OAS, CPP, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Latest Paystub from your employer
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Legal (Last Will & Testament, Power of Attorney, Personal Directive, Marriage, Divorce, Co-Habitation Agreements, Etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other: Please bring any other information you feel might be relevant
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	BUSINESS OWNERS (In addition to the above):
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Articles of Incorporation & Share Structure or Partnership Agreement
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Business Financial Statements (at least 2 years)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	T2 Corporate Income Tax Return (1 year) INCL. ALL Schedules
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Shareholder, Buy-Sell Agreement
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Information on major shareholders
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Debt financing statements (Line of credit, Term loans, BDC Loans, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corporate Life Insurance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corporate investment statements
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corporate Real Estate Holdings
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Leases, Rent rolls, other may be req'd
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	TRUSTS:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Trust Deed or similar document detailing the trust
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	T3 Trust Tax Return and ALL Schedules
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Docs involving the business or activities (as above for businesses)

TERRA FIRMA = SOLID GROUND™, TERRA FIRMA™; ALL RIGHTS RESERVED



On the process...whether alive, ill or dead...

- Generate and integrate **T1, T2, T3 returns forward for each year** to set LE and for the ESTATE in both today's and actual (inflated) dollars – see the ACTUAL DOLLAR impact of the changes.
- Transfer any asset, liability & income, expense between ANY legal entity
- Compare ANY number of scenarios, incl. Estate Scenarios
- Several GENERATIONS can be incorporated
- Vary ANY number over time for ANY 'alie'
 - Inflation, Gov't Rate, Exchange rate, CG rate, RE growth
 - Split of any asset, liability & income, expense for any legal entity
 - Investment metrics imported directly from Morningstar, etc., or PM/SMA
 - Insurance metrics provided by carriers
 - Pertinent details from every account no matter how small
 - Monte Carlo the entire scenario w/as many iterations



Vary ANY future action over time ...whether alive, ill or dead...

• Personal TACTICS

- When do we upgrade/downsize, sell the cottage, investment property
- Can we afford a motorhome, vacation, hockey, etc
- Post-Second Education, LTC at home/facility,
- CPP/OAS, Clawbacks, RRIF, to annuitize or not, optimal sequence of withdrawals before/after retirement (RRSP, DB, DC, IPP, RCA, TFSA, EPSP, etc.)
- Where do allocate Excess Cash; how to pay off debt
- Do we need various Insurance strategies, benefits, premiums
- Can we afford various Donation strategies
- Show impact of Salary vs. Dividends (incl. TOSI)



...whether alive, ill or dead...

- **Corporate TACTICS:**

- COMPLETE setup, T2 Schedules, Capitalization, Shareholders
- As many Corps as needed
- Any valuation or average of all methods
- Capital Changes for Shares/Debt
- ANY type of dividend, payment method with cash/PN tracking, ANY sequence
- All Tax Deductions
- SBD/Part IV Tax
- Life Insurance leveraging
- Sequence of liabilities prepayments
- Wind up Subs. 84(2), 88(2), 88(1), incl. Transfer of ANY asset, insurance or Subs 164(6)
- Sell/purchase, restructure any business



...whether alive, ill or dead...

- **Trust TACTICS**

- COMPLETE setup, T3 Schedules, Settlers/Trustees/Benes incl. Contingent
- As many Trusts as needed
- ANY Class or Type, Creation, Deemed Disp., Division, etc.
- ANY kind of Distribution Allocation of Income, QSB shares or Capital
- ANY kind Distribution Method, payments with cash/PN tracking
- Insurance leveraging
- ANY Tax Deduction, Liability prepayment, sequence of withdrawals



CASE STUDY is not complex

- Mom/pop FarmCO, BC residents, no US/foreign assets, partnerships, JV's, etc.
- FP engaged by law firm, prepared CURRENT scenario w/projections.
- Based on facts from law firm, accountants, various fin. advisors/firms & clients (values, attitudes, goals, objectives).
- CURRENT scenario reviewed professionals. Discussion will produce several **WHAT-IF scenarios** - those presented (compared) as RECOMMENDED (current, best vs. worst).
- **CASHFLOW** (month-to-month) based – only way to prepare accurate, **PLAUSIBLE** projections.
- Almost impossible w/o software, esp. when comparing scenarios real time.

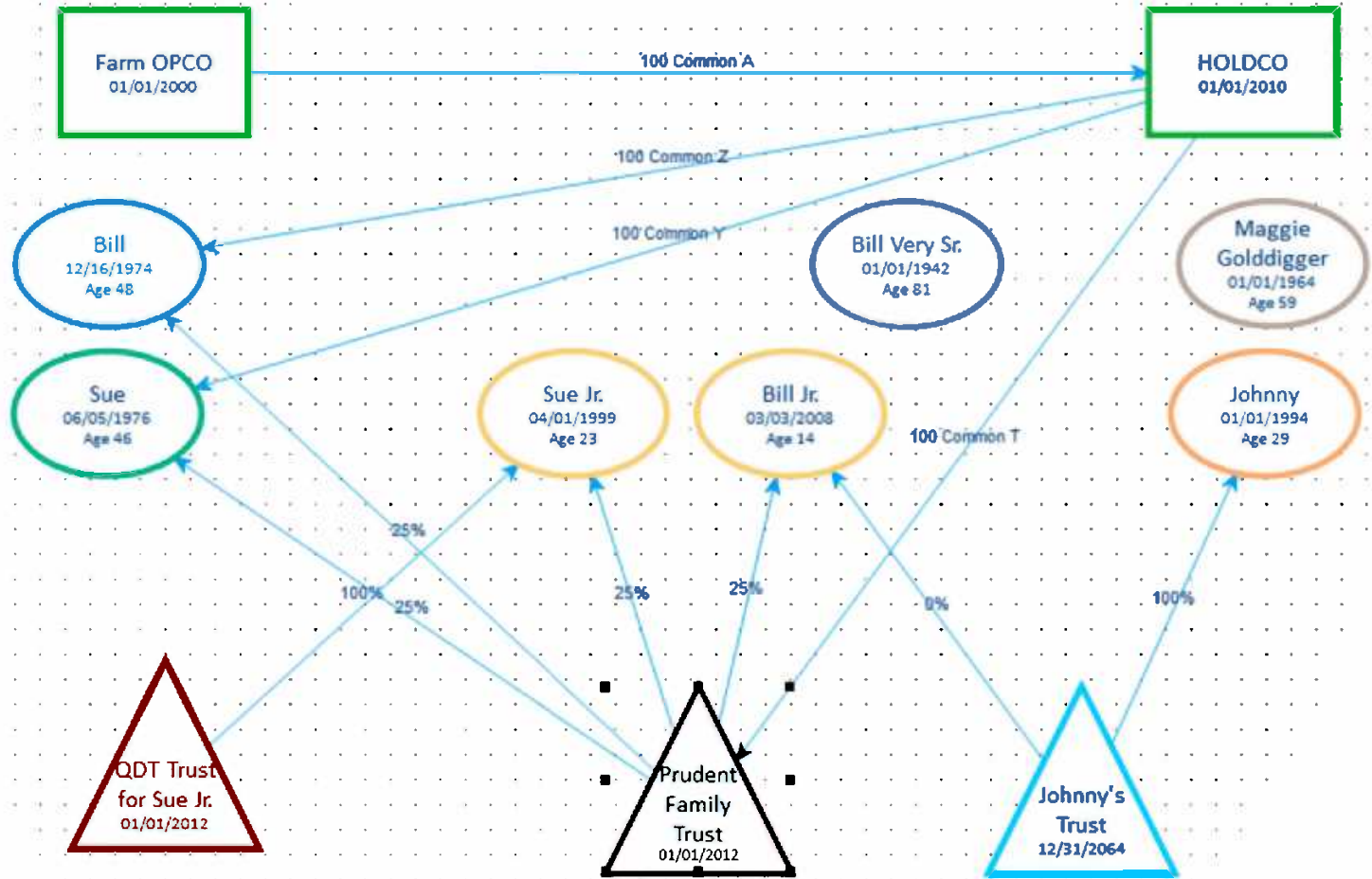


Meet Bill & Sue Prudent, our clients.

- They want to make sure they can retire at 68/66.
- Given current info and projections, estates are to be properly arranged to LE, even if one of them would become ill and unable to generate income.
- **Bill Very SR.** is 81 with life expectancy of 88 (2030), wife passed away.
- His **son Bill** (b. 1974, 48; LE=90) and **wife Sue** (b.1976, 46; LE=90) had have been married since the 1999
- **Sue Jr.** was born in 1999 (23, LE=62) disabled, infirm and requires a full time caregiver.
- **Billy Jr.** was born in 2008 (14, LE=76) and is truly gifted, will likely attend Harvard/Princeton.
- Bill's first short-term gold-digger, common-law, passed away in 1995 from drug overdose. She has a son Johnny, 29. Bill hasn't seen him since 1995.



- At 35/33, (2010) B&S sold OPCO to HOLDCO exercising their CGEs. They own HOLDCO and transferred some of it's shares to a Family Trust.
- When Sue Jr. was ~10 yrs old (2012), Bill V.Sr. decided to move in with Bill & Sue to help out.
- Sold home, maxed RRSP for RRIF, etc., loaned \$100K to Farm OPCO, settled a QDT for Sue Jr. with a 100K portfolio, RE rentals & Whole Life Insurance. (Loans forgivable on his death)
- Same time, B&S:
 - Settled a fully discretionary Family Trust with themselves and Bill Jr. & Sue Jr. as benes.
 - They had Wills, POA, PD's prepared. Bill's will includes a Testamentary trust for Johnny.





General

Capitalization

Shareholders/
Key Employees

Farm OPCO

Type **Corporation** Operating ▾

Name

Incorporation Date ▾
Enter As: mm/dd/yyyy

Year End December ▾ 31 ▾

Show Output Until ▾

Jurisdiction British Columbia ▾

Full-Time Employees ▾

CCPC

Personal Services Business

Claim Small Business Deduction

Associated Corporation

Family Farm/Fishing Corporation

Mortgage Investment Corporation

Logo

No Logo Bitmap

Add
Delete

Mission Statement

Accountants

OK Bestest CPAs

Add
Delete

Lawyers

OK Bestest Legal

Add
Delete

Financial Planners

TERRA FIRMA Financial Inc.

Add

HOLDCO

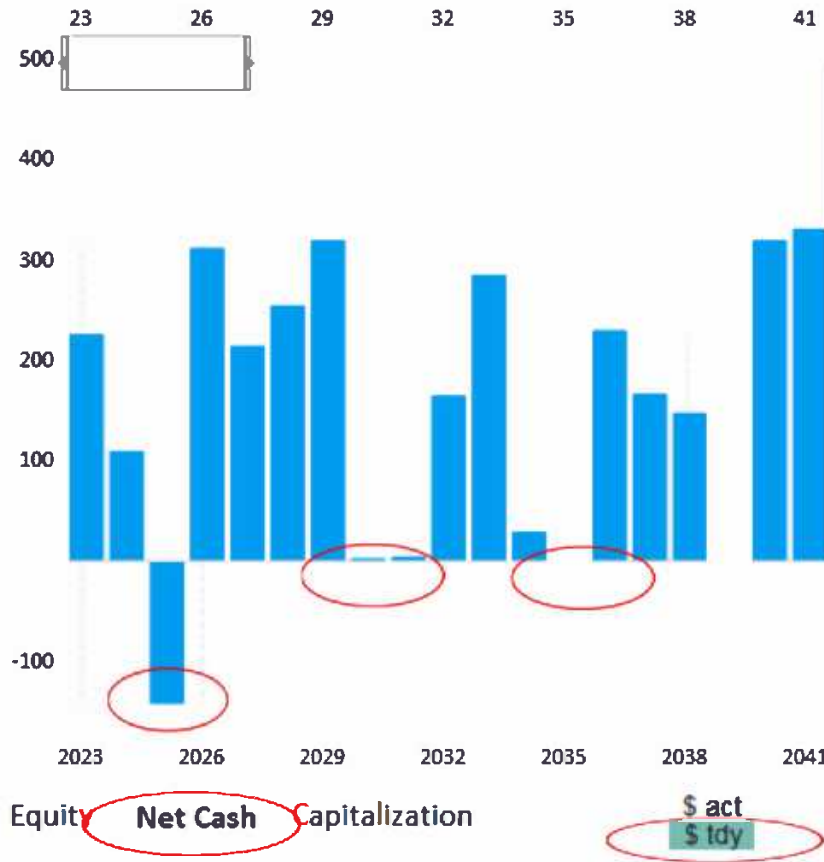
All persons

Map



Farm OPCO

HOLDCO



Annual Net Cash Flow (,000s)

Analyze Annual Net Cash Flow

[View Details](#)

[By Items](#)

[Back](#)

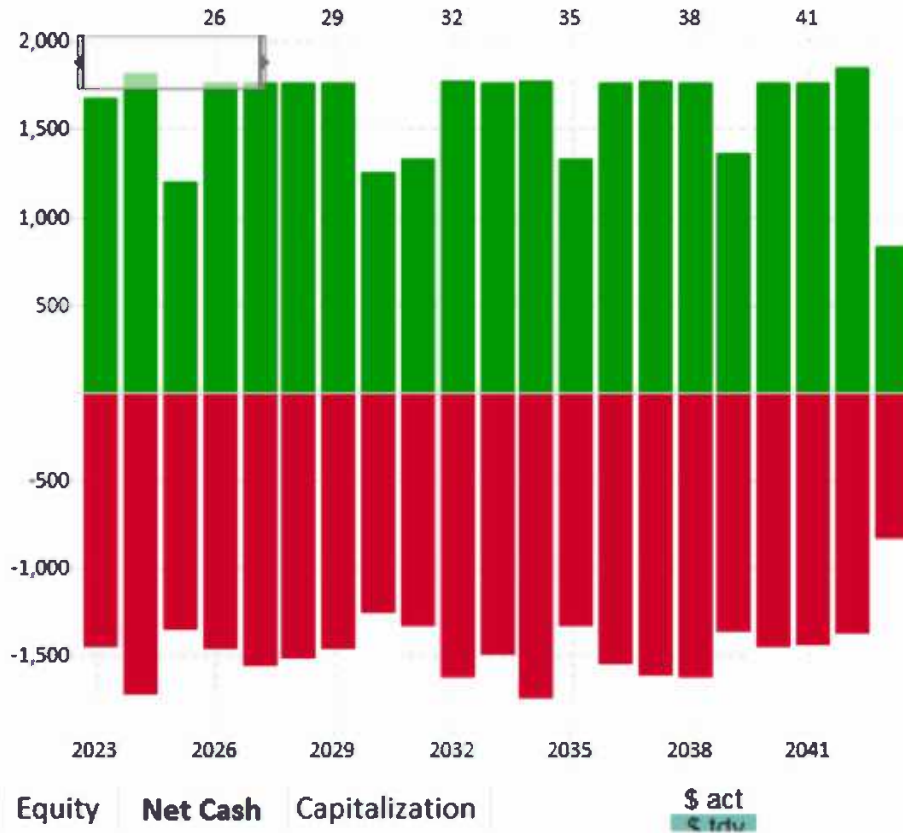
Year ■ Annual Net Cash Flow

2023	\$224,574
2024	\$108,461
2025	(\$142,450)
2026	\$311,249
2027	\$213,235
2028	\$253,327
2029	\$317,615
2030	\$1,900
2031	\$3,331



Farm OPCO

HOLDCO



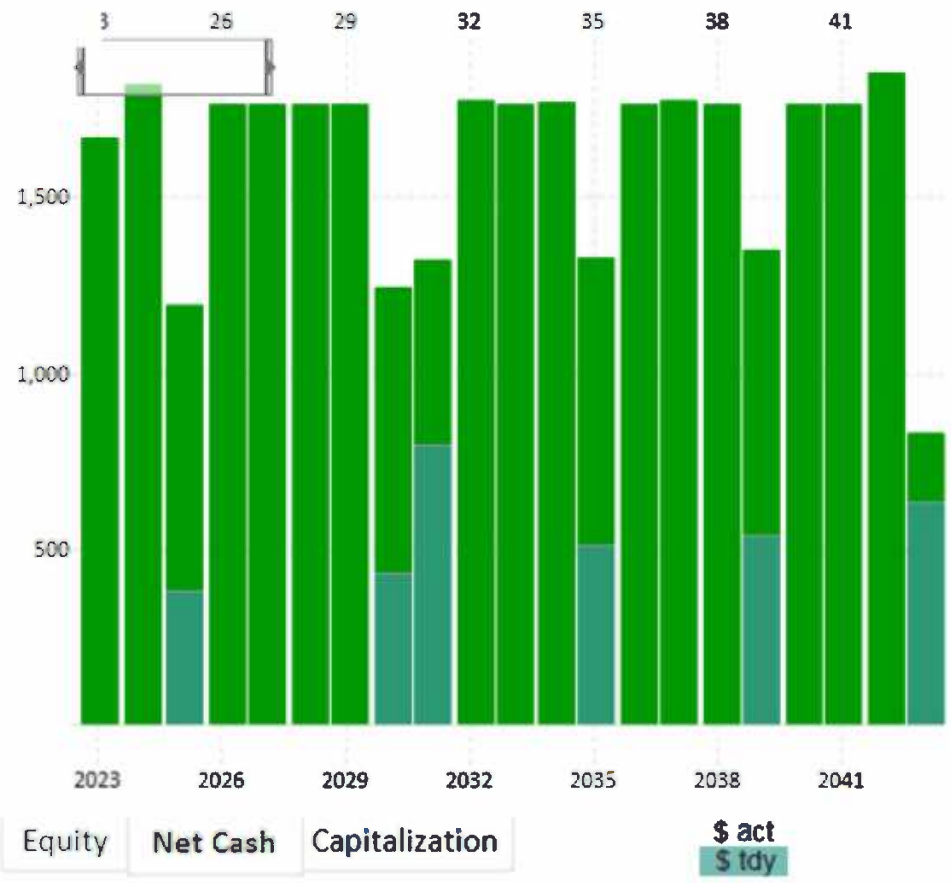
Sources and Uses (,000s)

Analyze Sources

Stacked Bar By Items Back

Year	Sources	Uses
2023	\$1,675,069	\$1,450,495
2024	\$1,821,910	\$1,713,448
2025	\$1,202,795	\$1,345,245
2026	\$1,769,836	\$1,458,587
2027	\$1,769,836	\$1,556,601
2028	\$1,769,836	\$1,516,509
2029	\$1,769,836	\$1,452,221
2030	\$1,254,621	\$1,252,721
2031	\$1,332,985	\$1,329,653

Equity Net Cash Capitalization \$ act



Sources (,000s)

🔄 Uses

Analyze Sources

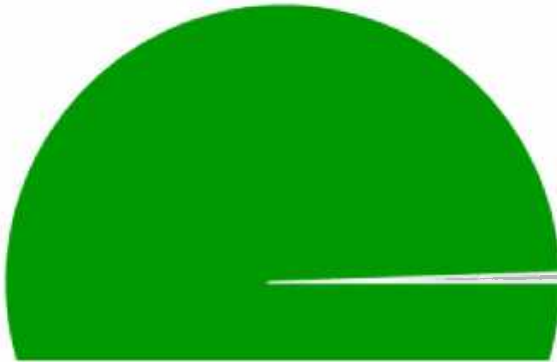
Stacked Bar

By Items

↶ Back

Name
Portfolio
Other
Businesses

HOLDCO



2023 Sources (,000s)

Uses

Analyze Portfolio

Over Time

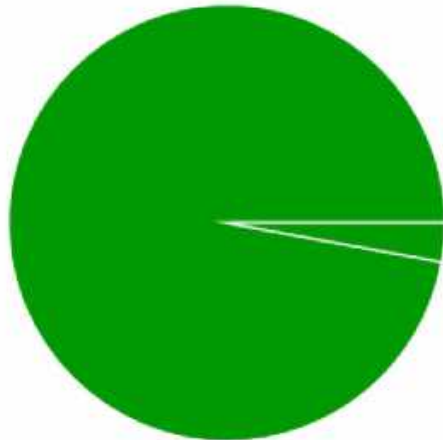
By Items

Back

Name	Value
Portfolio	\$233
Other	\$8,888
Businesses	\$1,665,948
Total	\$1,675,069

Farm OPCO

HOLDCO



2024 Businesses (,000s)

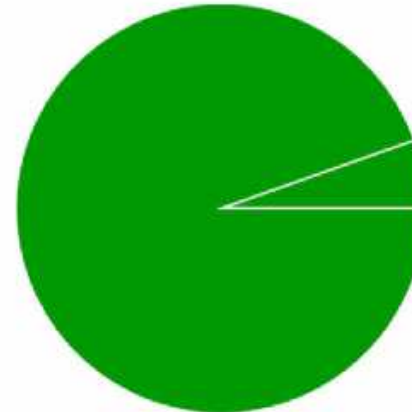
Analyze Income

Over Time

By Items

Back

Name	Value
Income	\$1,760,948
Sales	\$51,851
Total	\$1,812,799



2024 Income (,000s)

Analyze Business Income

Over Time

By Items

Back

Name	Value
Business Income	\$95,000
Farming Income	\$1,665,948
Total	\$1,760,948

Farm OPCO

HOLDCO

Equity Net Cash Capitalization

\$ act
\$ 10y

Equity Net Cash Capitalization

\$ act
\$ 10y



Business Income - Business Income

2024 Business Income

Gross Income	\$210,000
Fixed Expenses	\$89,250
Variable Expenses	\$10,500
Meals/Entertainment	\$10,500
Net Income	\$99,750
Total Income	\$99,750
Add: Meals/Entertainment * 50%	\$5,250
Net Business Income (tax purposes)	\$105,000

Summary

Analyze Net Income

Over Time ↩ Back

Net Income	\$99,750
Total Income	\$99,750
Taxable Income	\$105,000

Help

Business Income - Farming Income

2024 Business Income HOLDCO

Gross Income	\$2,100,000
Fixed Expenses	\$198,135
Variable Expenses	\$105,000
Meals/Entertainment	\$10,499
Building Expenses	\$37,121
Net Income	\$1,749,245
Total Income	\$1,749,245
Add: Meals/Entertainment * 50%	\$5,249
Vehicle Expenses	\$10,282
Deductible Interest	\$110,082
Immediate Expensing of Capital Assets	\$186,025
CCA	(\$99,457)
	\$206,931
Net Farming Income (tax purposes)	\$1,547,564

Summary

Analyze Net Income

Over Time ↩ Back

Net Income	\$1,749,245
Total Income	\$1,749,245
Taxable Income	\$1,547,564

Help



Farm OPCO

29 32 35 38 41

Uses (,000s)

Sources

HOLDCO

Analyze Uses

Over Time

By Items

Back



Farm OPCO

2023

Uses (,000s)

Sources

HOLDCO

Analyze Income Taxes

Over Time

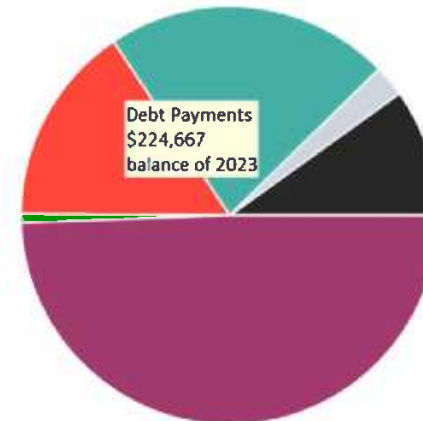
By Items

Back

Name

Value

Income Taxes	\$143,540
Insurance	\$35,348
Dividend Payments	\$320,206
Debt Payments	\$224,667
Businesses	\$9,792
Expenses	\$716,941
Total	\$1,450,495



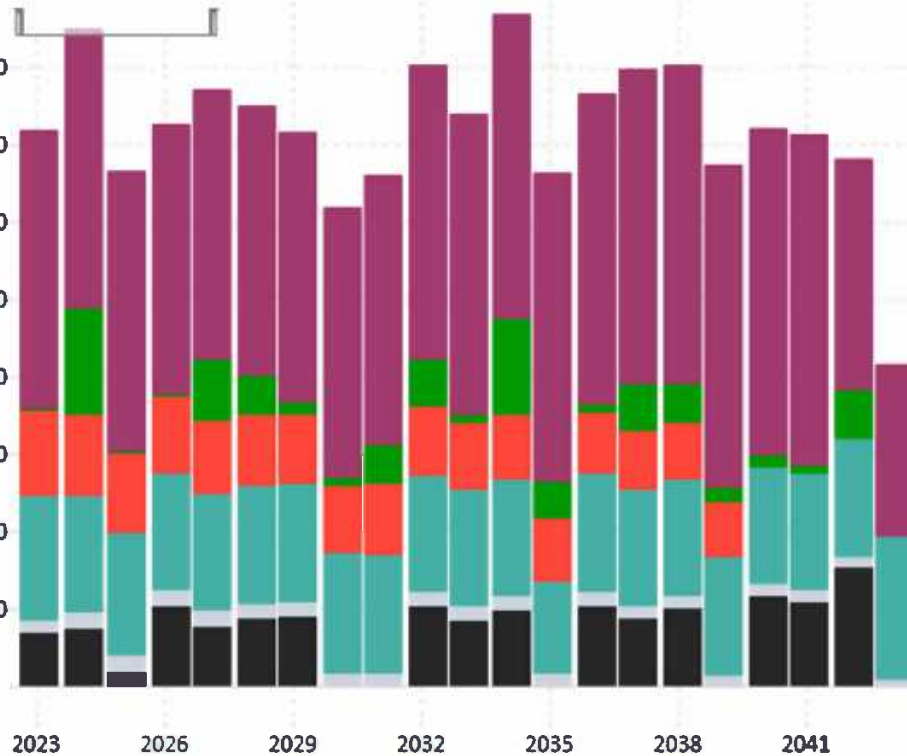
Equity

Net Cash

Capitalization

\$ act

\$ tdy



2023

2026

2029

2032

2035

2038

2041

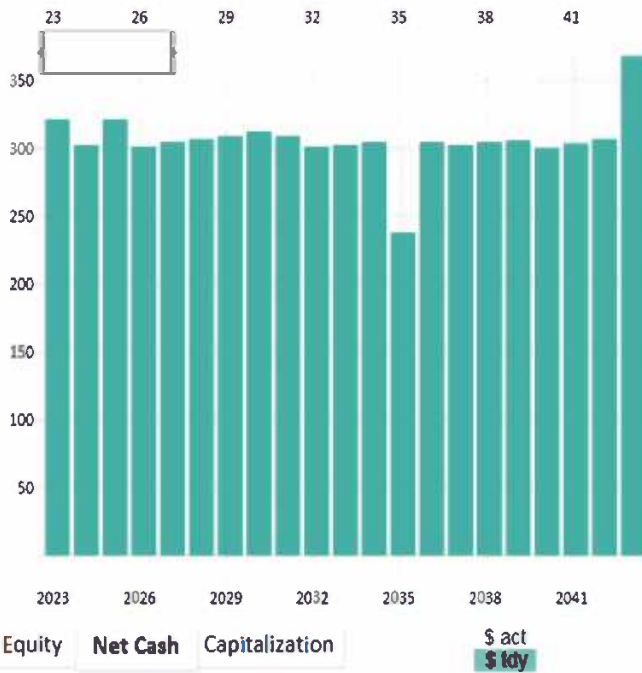
Equity

Net Cash

Capitalization

\$ act

\$ tdy



Cash Payments (,000s)

Analyze Cash Payments

Over Time | By Items |

Year	Cash Payments
2023	\$302,206
2024	\$302,258
2025	\$300,459
2026	\$300,004
2027	\$303,016
2028	\$305,940
2029	\$308,374
2030	\$311,702
2031	\$308,002

CDA/GRIP/LRIP (Previous Tax Year)

Farm OPCO

HOLDCO

CDA

GRIP Pool

Eligible Dividends Paid

LRIP Pool

ERD/TOH / NERD/TOH Carried Forward

Declared

CDA Dividends Ordinary Dividends

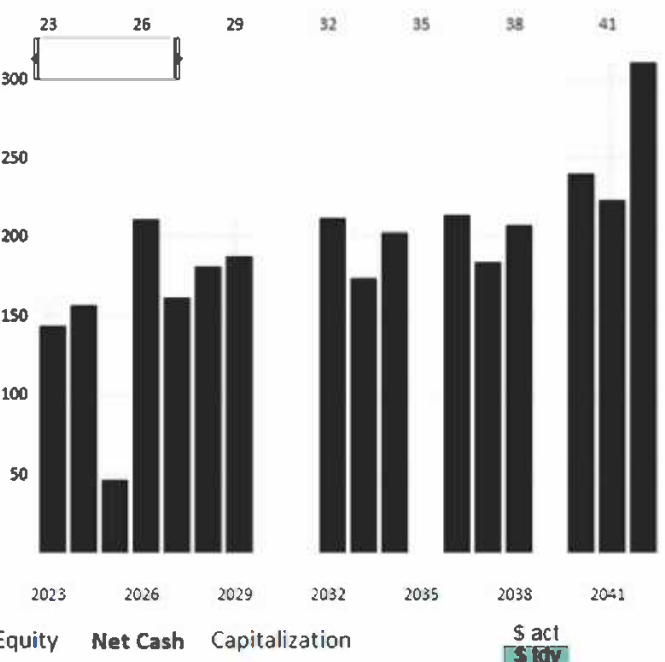
Eligible Dividends Auto Withdrawals

Payment Method

Dividend Payment Method

Dividend Payments to Shareholders

Dividend Promissory Notes Owing



Income Taxes (,000s)

Analyze Income Taxes

Over Time | By Items | Back

Year	Income Taxes
2023	\$143,540
2024	\$156,616
2025	\$45,788
2026	\$210,821
2027	\$160,973
2028	\$181,220
2029	\$187,499
2030	\$0
2031	\$0

Income Tax Return for 2042: Farm OPCO

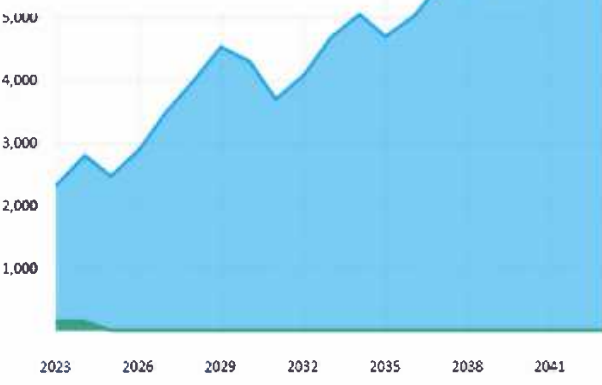
Taxable Income		
Net income (or loss) for income tax purposes from Schedule 1	300	\$2,095,671
Deduct:		
Charitable donations	311	\$44,563
Taxable dividends deductible under section 112	320	\$5,380
Subtotal	\$49,943	\$49,943
Subtotal	\$2,045,728	
Taxable income	360	\$2,045,727
Federal tax		
Part 1 tax:		
Base amount of Part 1 tax	550	\$777,376
Taxable income from a personal services business	560	\$0
Refundable tax on CCPC's investment income	604	\$3,406
Subtotal	\$780,782	
Deduct:		
Federal tax abatement	608	\$204,573
General tax reduction for CCPCs	638	\$261,793
Subtotal	\$466,366	\$466,366
Part 1 tax payable from amount L	700	\$314,416
Summary of tax and credits		
Federal tax		
Part 1 tax payable from amount L	700	\$314,416
Part III.1 tax payable from Schedule 55	710	\$0
Total federal tax	\$314,416	
Add provincial or territorial tax:		
Net provincial or territorial tax payable	760	\$245,487
Total tax payable	770	\$559,903
Deduct other credits:		
Total credits	890	\$0
Taxes Payable		\$559,903

Jan 10, 2023

Kelowna Estate Planning Society



35 38 41



Equity Net Cash Capitalization \$ act \$ 10y

Farm OPCO

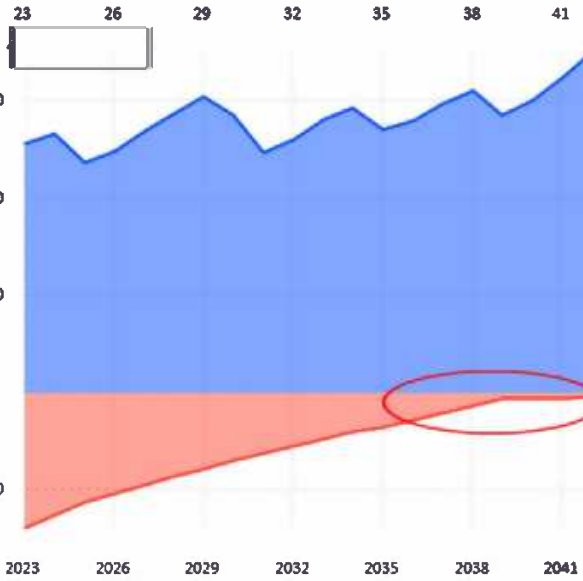
Total and Primary Account (,000s)

HOLDCO

Analyze Equity

Over Time By Items Back

Year	Equity	Main Bank Account
2023	\$2,323,318	\$155,555
2024	\$2,807,900	\$148,148
2025	\$2,476,727	\$0
2026	\$2,900,000	
2027	\$3,500,000	
2028	\$4,010,000	
2029	\$4,530,000	
2030	\$4,310,000	



Equity Net Cash Capitalization \$ act \$ 10y

Farm OPCO

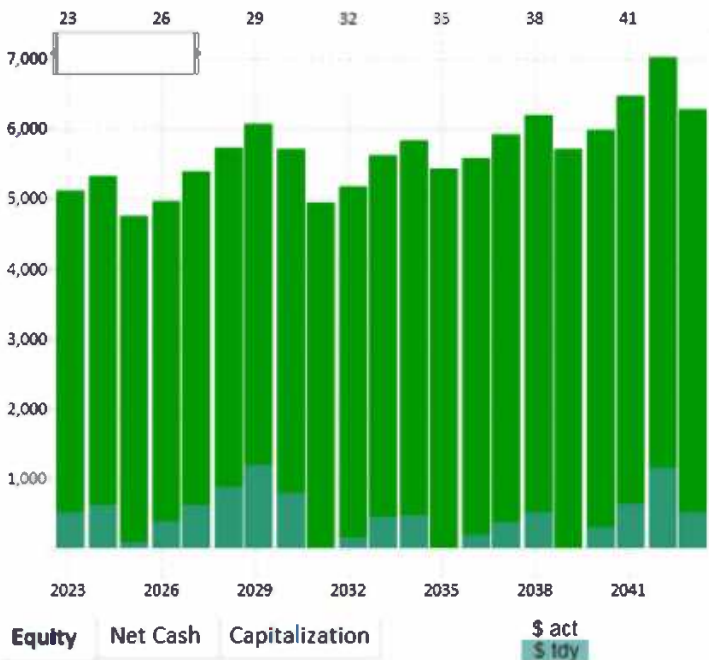
Assets and Liabilities (,000s)

HOLDCO

Analyze Assets

Stacked Bar By Items Back

Year	Assets	Liabilities
2023	\$5,126,434	\$2,803,117
2024	\$5,327,352	\$2,519,452
2025	\$4,747,856	\$2,271,128
2026	\$4,975,014	\$2,070,688
2027	\$5,401,653	\$1,897,739
2028	\$5,745,841	\$1,728,266
2029	\$6,095,905	\$1,562,146
2030	\$5,710,775	\$1,399,260
2031	\$4,957,031	\$1,247,373



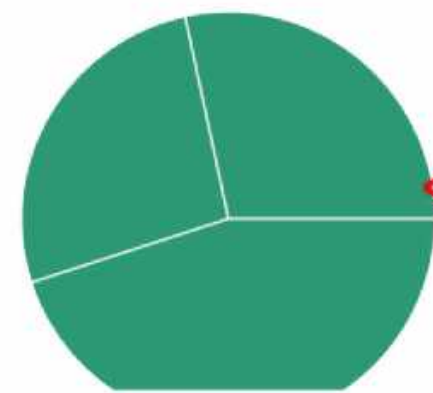
Assets (,000s)

Analyze Assets

Stacked Bar By Items

Name

- Portfolios
- Businesses

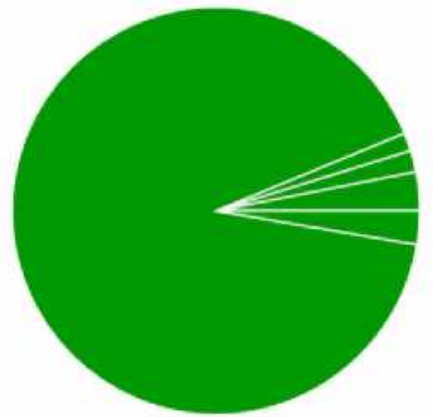


2023 Portfolios (,000s)

Analyze RBC Oper. Bank Account

Over Time By Items Back

Name	Value
RBC Oper. Bank Account	\$155,555
Interior Sav. Agri-Invest Account	\$145,961
Other Portfolio	\$246,961
Total	\$548,477



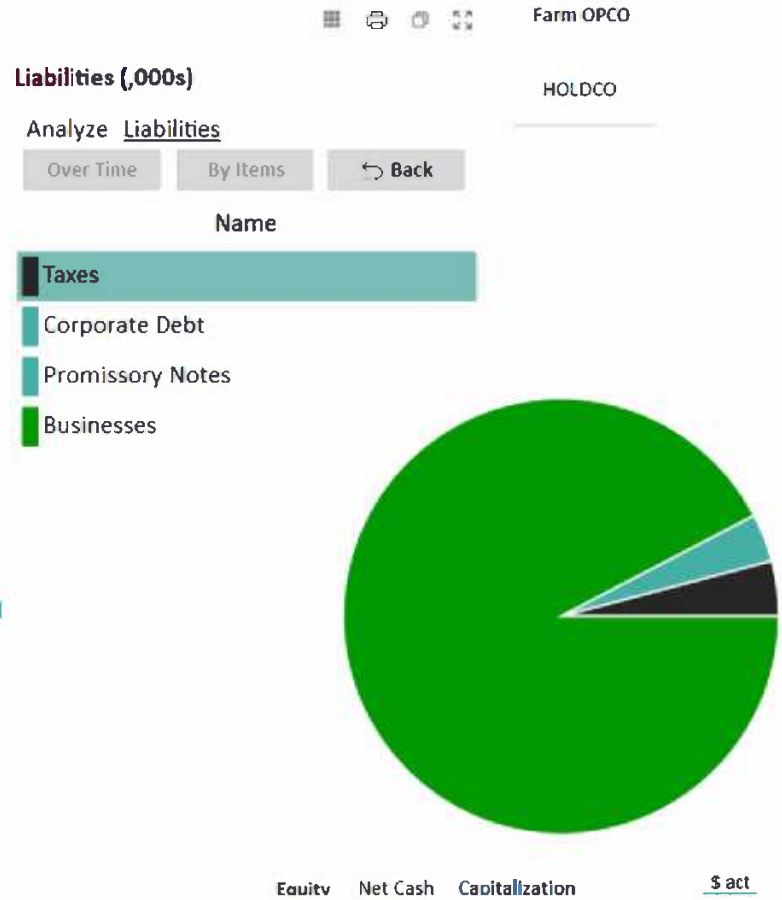
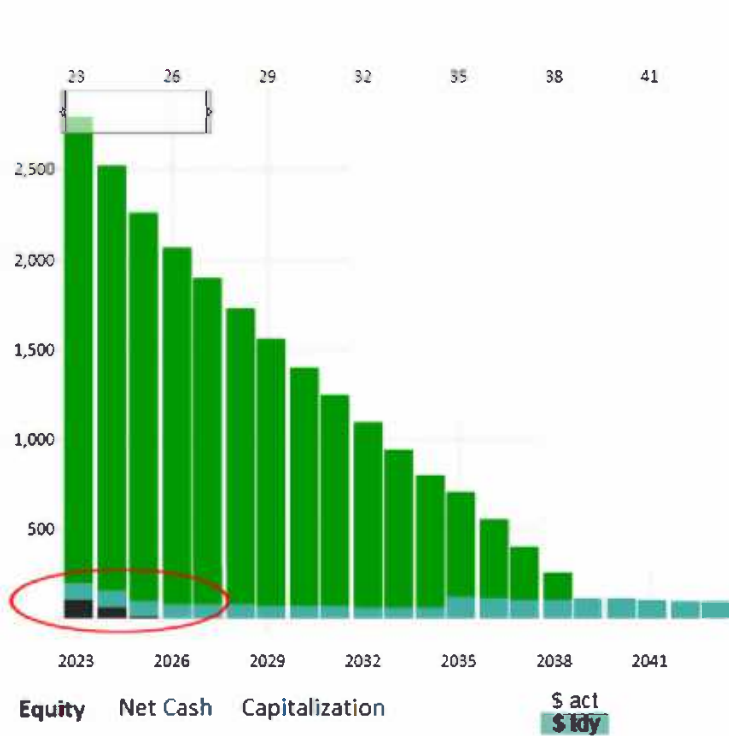
2023 Businesses (,000s)

Analyze Farming Income - Class 8 prop: Ba

Over Time By Items Back

Name	Value
Farming Income - Class 8 prop: Barn, Bins other	\$141,296
Farming Income - Own Class 10 Farm Equip	\$77,778
Farming Income - Class 14.1 Goodwill / Lists /	\$65,845
Farming Income - Existing Farmland	\$4,171,826
Inventory	\$121,212
Total	\$4,577,958

Equity Net Cash Capitalization \$ act \$ 10y



2023 Liabilities (,000s)

Analyze Taxes

Over Time | By Items | [Back](#)

Name	Value
Taxes	\$114,888
Corporate Debt	\$100,000
Businesses	\$2,588,229
Total	\$2,803,117



Year	Corporation Value	Value per Cmn. Share	Common A
2023	\$2,733,933	\$27,339	100.00
2024	\$3,739,249	\$37,392	100.00
2025	\$2,950,879	\$29,509	100.00
2026	\$3,689,942	\$36,899	100.00
2027	\$3,851,420	\$38,514	100.00
2028	\$4,098,856	\$40,989	100.00
2029	\$4,328,351	\$43,284	100.00
2030	\$3,528,552	\$35,286	100.00
2031	\$3,039,451	\$30,395	100.00
2032	\$3,724,911	\$37,249	100.00
2033	\$3,941,461	\$39,415	100.00
2034	\$4,025,230	\$40,252	100.00

Equity Net Cash Capitalization

\$ act
\$ ldy

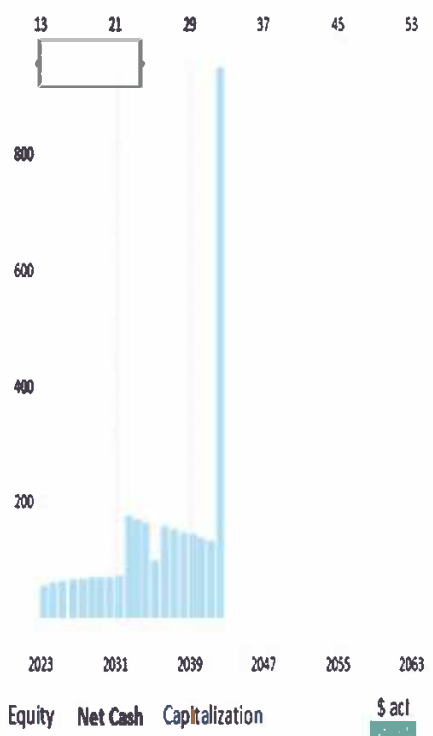


Farm OPCO

HOLDCO

Year	Corporation Value	Value per Cmn. Share	Common		
			T	Y	Z
2023	\$3,320,226	\$11,067	100.00	100.00	100.00
2024	\$4,489,910	\$14,966	100.00	100.00	100.00
2025	\$3,875,349	\$12,918	100.00	100.00	100.00
2026	\$4,801,913	\$16,006	100.00	100.00	100.00
2027	\$5,156,228	\$17,187	100.00	100.00	100.00
2028	\$5,601,897	\$18,673	100.00	100.00	100.00
2029	\$6,035,087	\$20,117	100.00	100.00	100.00
2030	\$5,444,343	\$18,148	100.00	100.00	100.00
2031	\$5,169,921	\$17,233	100.00	100.00	100.00
2032	\$6,071,462	\$20,238	100.00	100.00	100.00
2033	\$6,504,126	\$21,680	100.00	100.00	100.00
2034	\$6,803,642	\$22,679	100.00	100.00	100.00

Equity Net Cash Capitalization \$ act



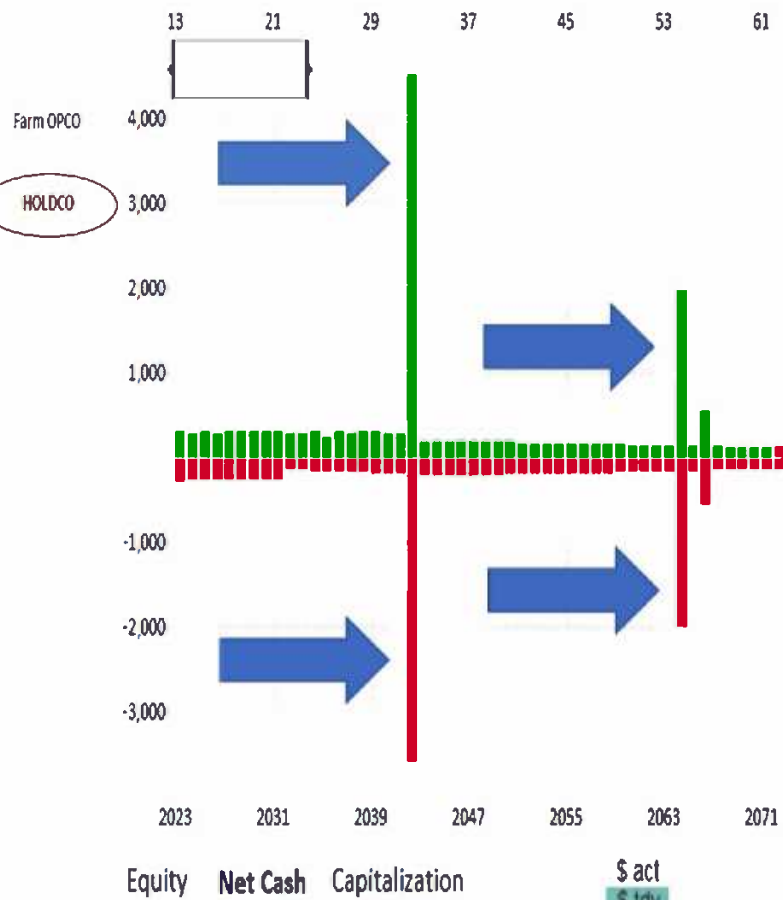
61 Annual Net Cash Flow (,000s)

Analyze Annual Net Cash Flow

View Details By Items Back

Year	Annual Net Cash Flow
2023	\$54,716
2024	\$59,839
2025	\$63,594
2026	\$65,613
2027	\$67,286
2028	\$68,779
2029	\$70,097
2030	\$71,070
2031	\$72,059

Equity Net Cash Capitalization \$ act \$ tdy



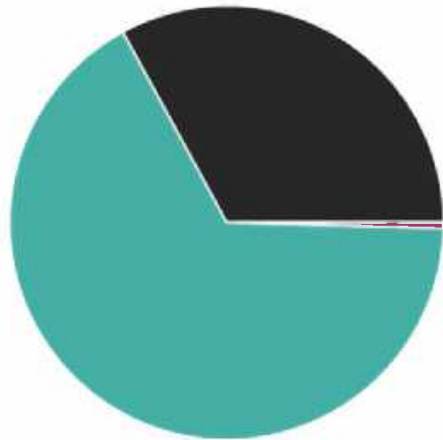
61 Sources and Uses (,000s)

Analyze Sources

Stacked Bar By Items Back

Year	Sources	Uses
2023	\$320,206	\$265,491
2024	\$302,258	\$242,419
2025	\$320,459	\$256,865
2026	\$301,004	\$235,390
2027	\$303,916	\$236,630
2028	\$305,947	\$237,168
2029	\$308,374	\$238,278
2030	\$311,702	\$240,632
2031	\$308,002	\$235,943

Equity Net Cash Capitalization \$ act \$ tdy



Equity Net Cash Capitalization

S act
S toy

2042 Uses (,000s) Sources

Analyze Income Taxes

Over Time By Items Back

Name	Value
Income Taxes	\$1,177,620
Dividend Payments	\$2,382,070
Expenses	\$14,313
Total	\$3,574,003

Farm OPCO

HOLDCO

Income Tax Return for 2042:

BOLDCO

Taxable Income			
Net income (or loss) for income tax purposes from Schedule 1	300		\$4,207,836
Deduct:			
Taxable dividends deductible under section 112	320	\$12,803	
	Subtotal	\$12,803	\$12,803
	Subtotal		\$4,195,033
Taxable Income	360		\$4,195,033
Federal tax			
Part I tax:			
Base amount of Part I tax	550	\$1,594,112	
Taxable income from a personal services business	560		\$0
Refundable tax on OPCO's investment income	604		\$447,484
	Subtotal		\$2,041,596
Deduct:			
Federal tax abatement	608	\$419,503	
	Subtotal	\$419,503	\$419,503
Part I tax payable from amount L	700		\$1,622,093
Summary of tax and credits			
Federal tax			
Part I tax payable from amount L	700		\$1,622,093
Part III.1 tax payable from Schedule 55	710		\$0
Part IV tax payable	712		\$4,908
	Total federal tax		\$1,627,001
Add provincial or territorial tax:			
Not provincial or territorial tax payable	760	\$503,404	\$503,404
	Total tax payable	770	\$2,130,404
Deduct other credits:			
Dividend refund	784	\$4,908	
	Total credits	890	\$4,908
Taxes Payable			\$2,125,497



Dividend Payment Method

Cash Payment Made

Entry Type: Year From:

Promissory Note Cash Payment

Entry Type:

Promissory Notes

Interest Rate:

Year	Annual Dividends Declared				Cash On Hand After Payments	Cash Payment Made	Promissory Note		
	CDA	Eligible	Ordinary	Payable			Paid By	Pay Down	Outstanding
2023	\$22,749	\$100,000	\$0	\$122,749	\$369,476	\$122,749	\$0	\$0	\$0
2024	\$5,502	\$105,000	\$0	\$110,502	\$450,485	\$110,502	\$0	\$0	\$0
2025	\$26,159	\$109,200	\$0	\$135,359	\$542,093	\$135,359	\$0	\$0	\$0
2026	\$5,723	\$112,476	\$0	\$118,199	\$642,563	\$118,199	\$0	\$0	\$0
2027	\$9,982	\$115,850	\$0	\$125,832	\$752,128	\$125,832	\$0	\$0	\$0
2028	\$13,470	\$119,326	\$0	\$132,796	\$871,204	\$132,796	\$0	\$0	\$0
2029	\$17,676	\$122,906	\$0	\$140,582	\$1,000,220	\$140,582	\$0	\$0	\$0
2030	\$23,291	\$126,593	\$0	\$149,883	\$1,139,400	\$149,883	\$0	\$0	\$0
2031	\$20,091	\$130,391	\$0	\$150,481	\$1,289,417	\$150,481	\$0	\$0	\$0
2032	\$11,192	\$134,302	\$0	\$145,495	\$1,588,135	\$145,495	\$0	\$0	\$0
2033	\$15,850	\$138,331	\$0	\$154,182	\$1,901,889	\$154,182	\$0	\$0	\$0
2034	\$22,386	\$142,481	\$0	\$164,867	\$2,231,269	\$164,867	\$0	\$0	\$0
2035	\$18,910	\$146,756	\$0	\$165,666	\$2,485,899	\$165,666	\$0	\$0	\$0
2036	\$27,991	\$151,158	\$0	\$179,149	\$2,846,274	\$179,149	\$0	\$0	\$0
2037	\$27,441	\$155,693	\$0	\$183,134	\$3,224,135	\$183,134	\$0	\$0	\$0
2038	\$33,251	\$160,364	\$0	\$193,615	\$3,620,161	\$193,615	\$0	\$0	\$0
2039	\$39,122	\$165,175	\$0	\$204,296	\$4,035,060	\$204,296	\$0	\$0	\$0
2040	\$34,428	\$170,130	\$0	\$204,558	\$4,469,558	\$204,558	\$0	\$0	\$0
2041	\$43,324	\$175,234	\$0	\$218,558	\$4,924,412	\$218,558	\$0	\$0	\$0
2042	\$4,118,931	\$180,491	\$0	\$4,299,422	\$6,879,555	\$4,299,422	\$0	\$0	\$0
2043	\$66,822	\$185,906	\$0	\$252,728	\$6,842,412	\$252,728	\$0	\$0	\$0
2044	\$67,936	\$191,483	\$0	\$259,419	\$6,796,688	\$259,419	\$0	\$0	\$0

2042 Sales (,000s)

Analyze Farm OPCO

Over Time

By Items

Back

Name

Value

Farm OPCO

\$4,523,004

Total

\$4,523,004

2042 Uses (,000s)

Sources

Analyze Income Taxes

Over Time

By Items

Back

Name

Value

Income Taxes

\$1,177,620

Dividend Payments FT

\$2,382,070

Expenses

\$14,313

Total

\$3,574,003

Jan 10, 2023

Capital Dividend Account (CDA)

Dividend Payments to Shareholders

Entry Type Pay Declared

Frequency

- Annually
- Quarterly
- Monthly

Entry Type

Pay All Cash

Clear all

Year From

2023

Year	Cash Payment	Common Z		Common Y		Common T	
		Declared	Paid	Declared	Paid	Declared	Paid
2041	\$218,558	\$0	\$0	\$0	\$0	\$218,558	\$218,558
2042	\$4,299,422	\$0	\$0	\$0	\$0	\$4,299,422	\$4,299,422
2043	\$252,728	\$0	\$0	\$0	\$0	\$252,728	\$252,728
2044	\$259,419	\$0	\$0	\$0	\$0	\$259,419	\$259,419
2045	\$266,190	\$0	\$0	\$0	\$0	\$266,190	\$266,190
2046	\$273,041	\$0	\$0	\$0	\$0	\$273,041	\$273,041
2047	\$279,975	\$0	\$0	\$0	\$0	\$279,975	\$279,975
2048	\$286,993	\$0	\$0	\$0	\$0	\$286,993	\$286,993
2049	\$294,096	\$0	\$0	\$0	\$0	\$294,096	\$294,096
2050	\$301,288	\$0	\$0	\$0	\$0	\$301,288	\$301,288
2051	\$308,569	\$0	\$0	\$0	\$0	\$308,569	\$308,569
2052	\$315,943	\$0	\$0	\$0	\$0	\$315,943	\$315,943
2053	\$323,412	\$0	\$0	\$0	\$0	\$323,412	\$323,412
2054	\$330,979	\$0	\$0	\$0	\$0	\$330,979	\$330,979
2055	\$338,647	\$0	\$0	\$0	\$0	\$338,647	\$338,647
2056	\$346,419	\$0	\$0	\$0	\$0	\$346,419	\$346,419
2057	\$354,299	\$0	\$0	\$0	\$0	\$354,299	\$354,299
2058	\$362,291	\$0	\$0	\$0	\$0	\$362,291	\$362,291
2059	\$370,399	\$0	\$0	\$0	\$0	\$370,399	\$370,399
2060	\$378,881	\$0	\$0	\$0	\$0	\$378,881	\$378,881
2061	\$387,260	\$0	\$0	\$0	\$0	\$387,260	\$387,260
2062	\$395,774	\$0	\$0	\$0	\$0	\$395,774	\$395,774
2063	\$404,433	\$0	\$0	\$0	\$0	\$404,433	\$404,433
2064	\$6,758,247	\$0	\$0	\$0	\$0	\$6,758,247	\$6,758,247
2065	\$422,232	\$0	\$0	\$0	\$0	\$422,232	\$422,232
2066	\$1,941,406	\$0	\$0	\$0	\$0	\$1,941,406	\$1,941,406
2067	\$440,800	\$0	\$0	\$0	\$0	\$440,800	\$440,800
2068	\$450,457	\$0	\$0	\$0	\$0	\$450,457	\$450,457

Shares Types Dividends

Year	Value	Preferred Shares Redemptions	Value After Redemptions	Cash On Hand After Payments	Common Z Payable	Common Y Payable	Common T Payable
2041	\$43,324	\$0	\$43,324	\$4,924,412	\$0	\$0	\$43,324
2042	\$4,118,931	\$0	\$4,118,931	\$6,879,555	\$0	\$0	\$4,118,931
2043	\$66,822	\$0	\$66,822	\$6,842,412	\$0	\$0	\$66,822
2044	\$67,936	\$0	\$67,936	\$6,796,688	\$0	\$0	\$67,936
2045	\$68,962	\$0	\$68,962	\$6,742,038	\$0	\$0	\$68,962
2046	\$69,897	\$0	\$69,897	\$6,678,105	\$0	\$0	\$69,897
2047	\$70,736	\$0	\$70,736	\$6,604,519	\$0	\$0	\$70,736
2048	\$71,477	\$0	\$71,477	\$6,520,898	\$0	\$0	\$71,477
2049	\$72,115	\$0	\$72,115	\$6,426,844	\$0	\$0	\$72,115
2050	\$72,647	\$0	\$72,647	\$6,321,945	\$0	\$0	\$72,647
2051	\$73,070	\$0	\$73,070	\$6,205,778	\$0	\$0	\$73,070
2052	\$73,379	\$0	\$73,379	\$6,077,897	\$0	\$0	\$73,379
2053	\$73,571	\$0	\$73,571	\$5,937,842	\$0	\$0	\$73,571
2054	\$73,642	\$0	\$73,642	\$5,785,140	\$0	\$0	\$73,642
2055	\$73,590	\$0	\$73,590	\$5,619,294	\$0	\$0	\$73,590
2056	\$73,410	\$0	\$73,410	\$5,439,788	\$0	\$0	\$73,410
2057	\$73,100	\$0	\$73,100	\$5,246,088	\$0	\$0	\$73,100
2058	\$72,656	\$0	\$72,656	\$5,037,636	\$0	\$0	\$72,656
2059	\$72,075	\$0	\$72,075	\$4,813,852	\$0	\$0	\$72,075
2060	\$71,607	\$0	\$71,607	\$4,573,760	\$0	\$0	\$71,607
2061	\$70,768	\$0	\$70,768	\$4,317,053	\$0	\$0	\$70,768
2062	\$69,787	\$0	\$69,787	\$4,043,067	\$0	\$0	\$69,787
2063	\$68,666	\$0	\$68,666	\$3,751,105	\$0	\$0	\$68,666
2064	\$6,412,408	\$0	\$6,412,408	\$3,440,429	\$0	\$0	\$6,412,408
2065	\$66,017	\$0	\$66,017	\$3,110,260	\$0	\$0	\$66,017
2066	\$1,574,505	\$0	\$1,574,505	\$2,759,766	\$0	\$0	\$1,574,505

Shareholder Loan Shareholder Loan Shareholder Loan

Jan 10, 2023

Kelowna Es



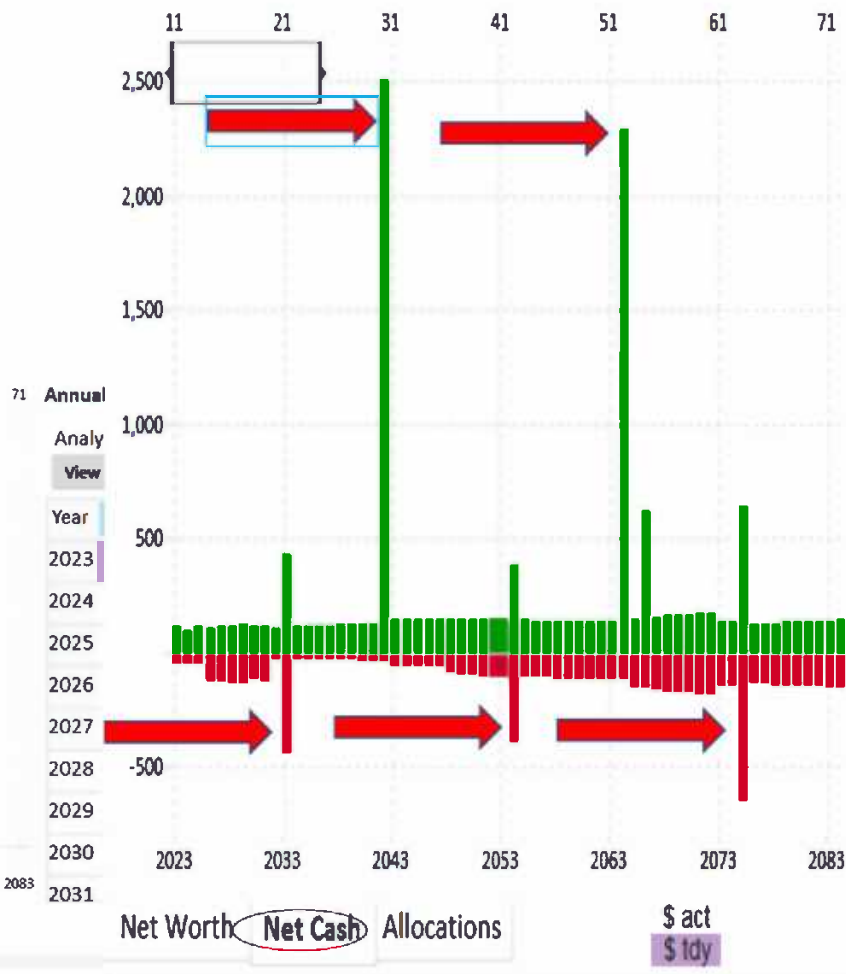
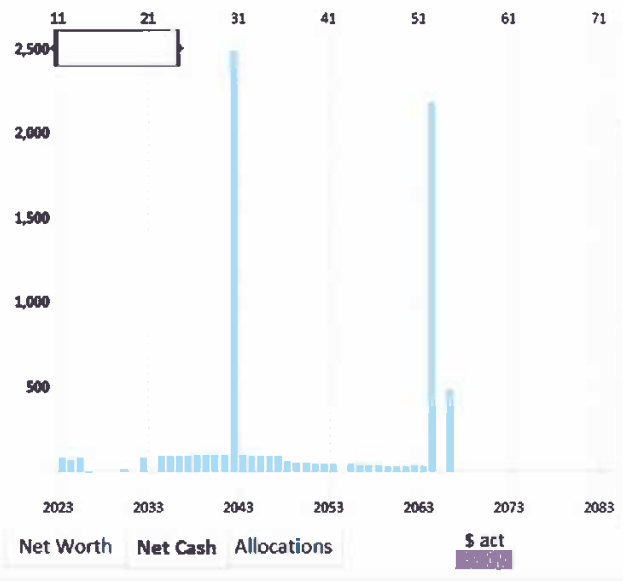
Settlors	Beneficiaries	Contingent Beneficiaries	General	QDT Trust for S
Name	Prudent Family Trust	Trustees		Prudent Family
Class	Inter Vivos			
Type	Family	Bill Prudent		
Creation Date	01/01/2012	Accountants		Johnny's Trust
	Enter As: mm/dd/yyyy			
Year End	December 31			All persons
Show Output Until	2084	Lawyers		
Residence	British Columbia			Map
Deemed Disp. Date	12/31/2033	Financial Planners		
Division Date	12/31/2084			
Settlor Pays Annual Taxes	<input type="checkbox"/>			



QDT Trust for Sue

Prudent Family Tr

Johnny's Trust

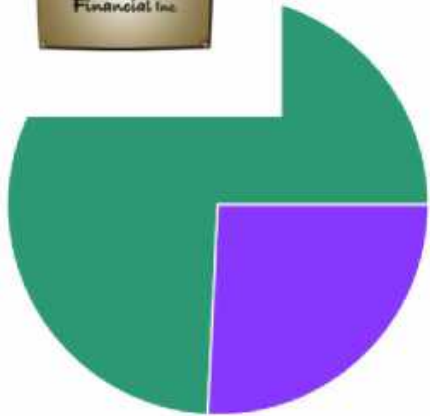


Sources and Uses (,000s)

Analyze Sources

Stacked Bar By Items Back

Year	Sources	Uses
2030	\$117,862	\$112,793
2031	\$115,446	\$114,619
2032	\$108,898	\$26,479
2033	\$436,927	\$436,927
2034	\$117,451	\$25,801
2035	\$115,142	\$26,191
2036	\$121,476	\$26,565
2037	\$121,150	\$26,937
2038	\$124,959	\$27,313



Net Worth Net Cash Allocations

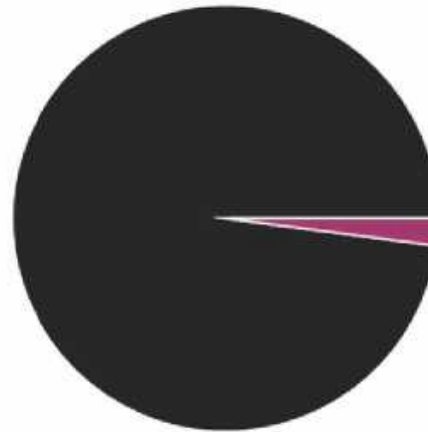
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2033 Sources (,000s) Uses

Analyze Portfolio

Over Time By Items Back

Name	Value
Portfolio	\$444,176
Private Company	\$154,182
Total	\$598,357

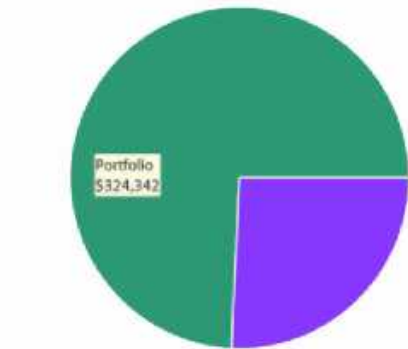


2033 Uses (,000s) Sources

Analyze Income Taxes

Over Time By Items Back

Name	Value
Income Taxes	\$586,032
Expenses	\$12,325
Total	\$598,357



Net Worth Net Cash Allocations

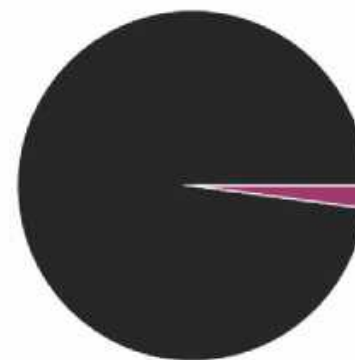
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\$ ldy

2033 Sources (,000s) Uses

Analyze Portfolio

Over Time By Items Back

Name	Value
Portfolio	\$324,342
Private Company	\$112,585
Total	\$436,927



Net Worth Net Cash Allocations

\$ act
\$ ldy

2033 Uses (,000s) Sources

Analyze Income Taxes

Over Time By Items Back

Name	Value
Income Taxes	\$427,927
Expenses	\$9,000
Total	\$436,927

Jan 10, 2023

Kelowna Estate Planning Society

39



Income Tax Return for 2023:

Prudent Family Trust

Calculating total income			
Taxable capital gains (line 24 of Schedule 1)	01	\$21,727	
Total of actual amount of dividends from taxable Canadian corporations (line 3 of Schedule 8)	03	\$140,436	
Actual amount of dividends to other than eligible to dividends (line 1 of Schedule 8)	03A		
Foreign investment income (line 6 of Schedule 8)	04	\$6,402	
Other investment income (line 12 of Schedule 8)	05	\$6,085	
Business income	06	\$0	
Farming income	07	\$0	
Fishing income	07	\$0	
Rental income	09	\$0	
Deemed dispositions income or losses (line 42 of Form T1055)	11	\$1,361,730	
Other income	19	\$0	
Trust's total income	20	\$1,536,361	\$1,536,361
Carrying charges and interest expenses (line 17 of Schedule 8)	21	\$4,108	
Trustee fees deductible from income	24	\$0	
Allowable business investment losses (ABIL)	25	\$0	
Other deductions from total income	40	\$8,217	
Add lines 21, 24, 25, and 40 (if the amount is negative, enter "0")	41	\$12,325	\$12,325
Lines 20 minus line 41	42	\$1,524,056	
Taxable benefits			
Upkeep, maintenance, and taxes of a property used or occupied by a beneficiary	43	\$0	
Value of other benefits to a beneficiary	44	\$0	
Total taxable benefits (line 43 plus line 44)	45	\$0	\$0
Income to before to allocations (line 42 plus line 45)	46	\$1,524,056	
Amounts paid or payable to beneficiaries	47	\$0	
Less: Amounts claimed under 104(13.1) and (13.2)	472	\$0	
Total deductible income allocations (line 46 minus line 47)	47	\$0	\$0
Income to after to allocations (line 46 minus line 47)	48	\$1,524,056	
Total gross up amount of dividends retained or not segregated by the trust (line 32 of Schedule 8)	49	\$63,366	
Net Income	50	\$1,577,422	
Deductions to arrive at taxable income			
Non-capital losses of other years	51	\$0	

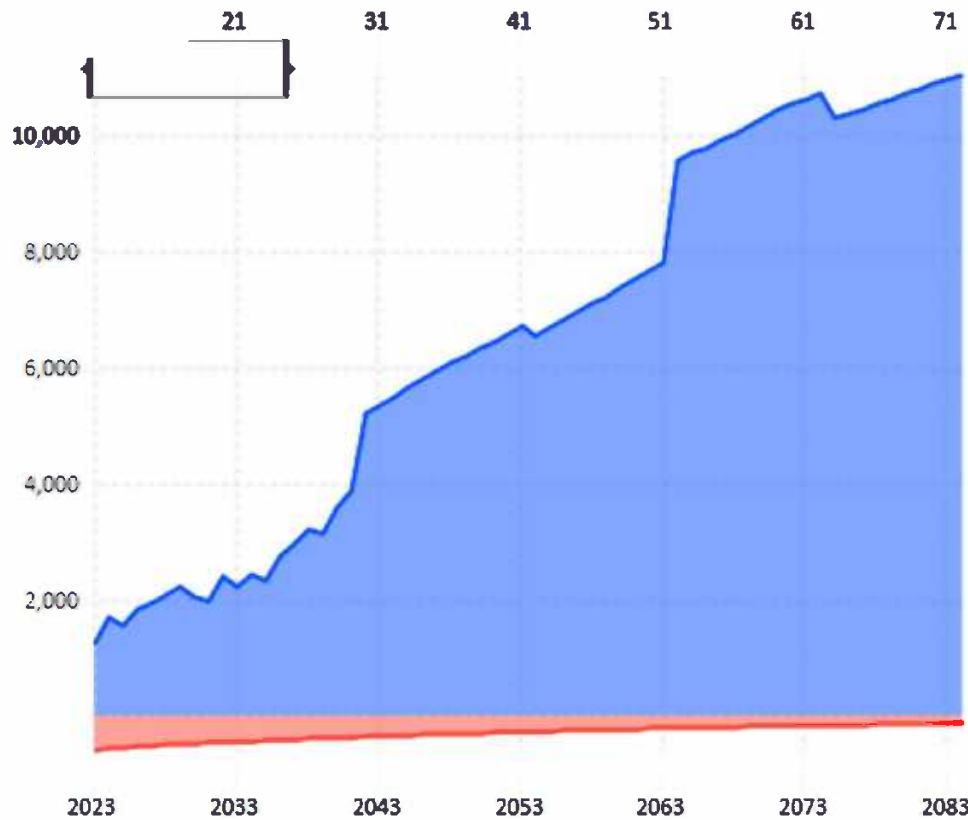
Net capital losses of other years	52	\$0	
Other deductions to arrive at taxable income	54	\$0	
Add lines 51 to 54	55	\$0	\$0
to Taxable income (to enter "0" if the amount is negative, enter "0")	56	\$1,577,422	
Tax:			
Total federal tax payable	81	\$349,522	
Provincial or territorial tax payable	82	\$236,510	
Part XII.2 tax payable (line 12 of Schedule 10)	83	\$0	
Part XIII non-resident withholding tax	83A	\$0	
Total taxes payable	84	\$586,032	\$586,032
Credits:			
Refundable Quebec abatement	87	\$0	
Capital gains refund	89	\$0	
Part XII.2 tax credit	90	\$0	
Other credits	91	\$0	
Total credits	93	\$0	\$0
to Refund or balance owing (94) to (if the result is negative, you have a refund.)	94	\$0	\$0



QDT Trust for Sue

Prudent Family Tr

Johnny's Trust



Assets and Liabilities (,000s)

Analyze Assets

Stacked Bar

By Items

Back

Year	Assets	Liabilities
2023	\$1,253,907	\$600,000
2024	\$1,692,410	\$566,038
2025	\$1,565,809	\$541,663
2026	\$1,855,255	\$524,867
2027	\$1,961,316	\$509,580
2028	\$2,101,767	\$495,700
2029	\$2,246,214	\$483,610
2030	\$2,070,270	\$471,815
2031	\$1,993,911	\$460,307

Net Worth

Net Cash

Allocations

\$ act
\$ tdy



Year	Income Allocations					Capital Allocations				
	Value	Bill Jr. Prudent	Bill Prudent	Sue Jr. Prudent	Sue Prudent	Value	Bill Jr. Prudent	Bill Prudent	Sue Jr. Prudent	Sue Prudent
2023	\$0	\$0	\$0	\$0	\$0	\$13,000	\$0	\$0	\$13,000	\$0
2024	\$0	\$0	\$0	\$0	\$0	\$14,000	\$0	\$0	\$14,000	\$0
2025	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	\$0	\$15,000	\$0
2026	\$0	\$0	\$0	\$0	\$0	\$106,000	\$90,000	\$0	\$16,000	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$112,000	\$95,000	\$0	\$17,000	\$0
2028	\$0	\$0	\$0	\$0	\$0	\$118,000	\$100,000	\$0	\$18,000	\$0
2029	\$0	\$0	\$0	\$0	\$0	\$124,000	\$105,000	\$0	\$19,000	\$0
2030	\$0	\$0	\$0	\$0	\$0	\$110,000	\$110,000	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0	\$0	\$115,000	\$115,000	\$0	\$0	\$0
2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2033	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2035	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2043	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2044	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2045	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2046	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2047	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2048	\$0	\$0	\$0	\$0	\$0	\$30,000	\$0	\$0	\$30,000	\$0
2049	\$0	\$0	\$0	\$0	\$0	\$30,000	\$0	\$0	\$30,000	\$0
2050	\$0	\$0	\$0	\$0	\$0	\$30,000	\$0	\$0	\$30,000	\$0
2051	\$0	\$0	\$0	\$0	\$0	\$30,000	\$0	\$0	\$30,000	\$0

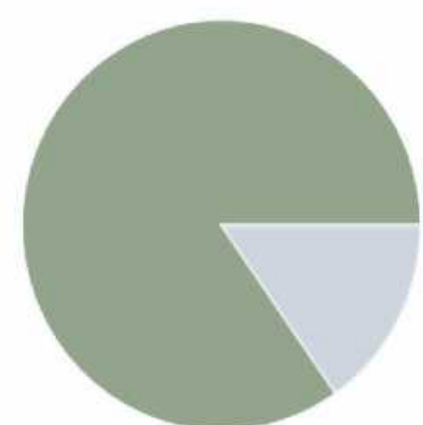


Sources and Uses (,000s)

Analyze Sources

Stacked Bar By Items Back

Year	Sources	Uses
2023	\$75,054	\$85,054
2024	\$70,000	\$69,983
2025	\$70,000	\$69,982
2026	\$70,000	\$69,983
2027	\$70,000	\$69,969
2028	\$70,000	\$69,989
2029	\$70,008	\$70,008
2030	\$1,286,143	\$320,231
2031	\$64,470	\$64,400

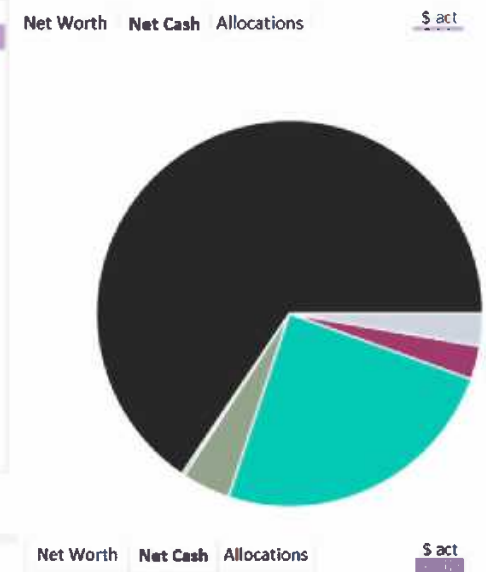


2030 Sources (,000s)

Analyze Rental Properties

Over Time By Items Back

Name	Value
Rental Properties	\$1,089,553
Insurance	\$196,589
Total	\$1,286,143

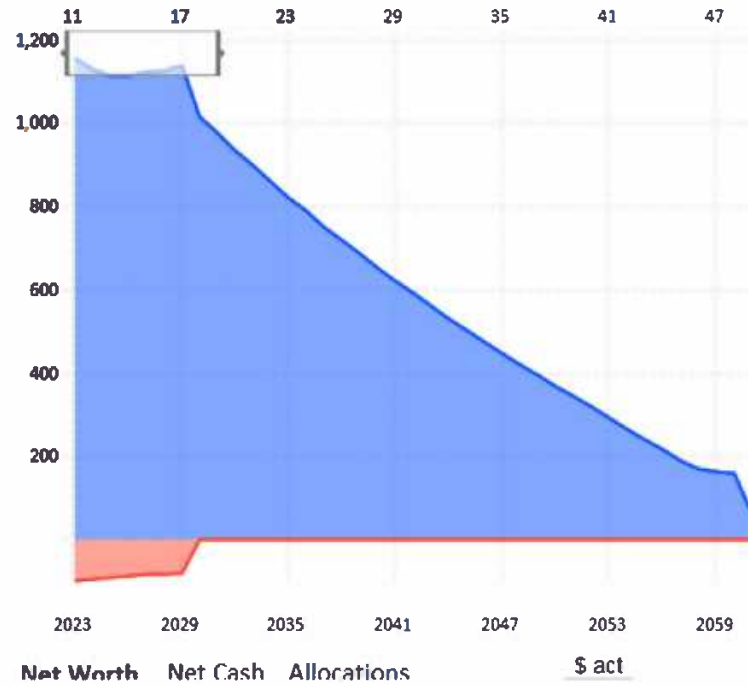


2030 Uses (,000s)

Analyze Income Taxes

Over Time By Items Back

Name	Value
Income Taxes	\$210,029
Management Fees	\$786
Rental Properties	\$13,000
Payments to Beneficiaries	\$78,765
Expenses	\$9,000
Insurance	\$8,650
Total	\$320,231



Assets and Liabilities (,000s)

Analyze Assets

Stacked Bar

By Items

Back

Year Assets Liabilities

2023	\$1,158,875	\$100,000
2024	\$1,129,032	\$94,340
2025	\$1,116,068	\$90,277
2026	\$1,117,477	\$87,478
2027	\$1,121,404	\$84,930
2028	\$1,127,853	\$82,617
2029	\$1,137,983	\$80,602
2030	\$1,018,182	\$0
2031	\$977,822	\$0

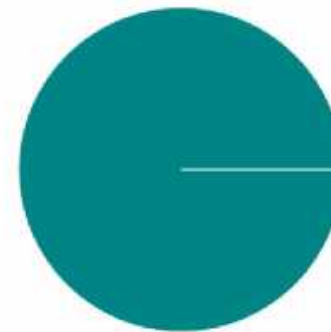


2023 Assets (,000s)

Analyze Portfolios

Over Time By Items Back

Name	Value
Portfolios	\$47,406
Rental Properties	\$1,111,469
Total	\$1,158,875



2023 Liabilities (,000s)

Analyze Settlor Debt

Over Time By Items Back

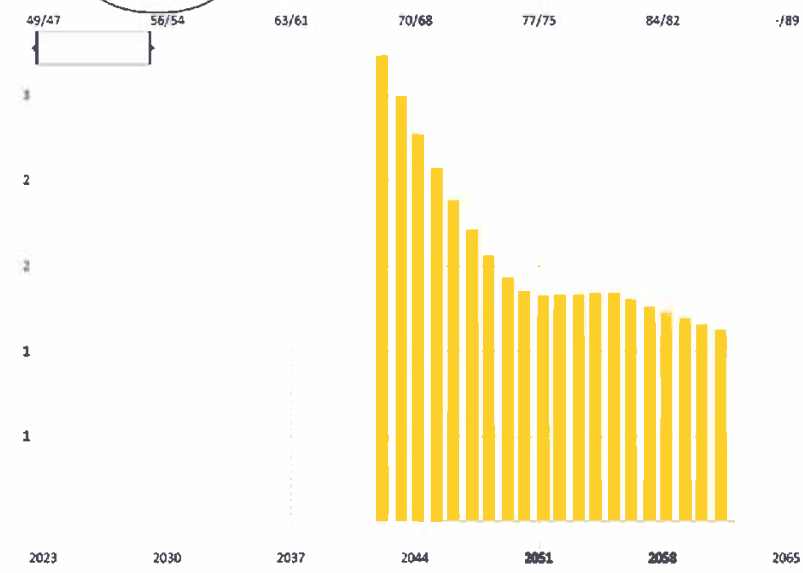
Name	Value
Settlor Debt	\$100,000
Total	\$100,000



Year	Income Allocations		Capital Allocations	
	Value	Sue Jr. Prudent	Value	Sue Jr. Prudent
2023	\$50,949	\$50,949	\$0	\$0
2024	\$38,813	\$38,813	\$0	\$0
2025	\$41,099	\$41,099	\$0	\$0
2026	\$42,798	\$42,798	\$0	\$0
2027	\$44,410	\$44,410	\$0	\$0
2028	\$45,875	\$45,875	\$0	\$0
2029	\$47,198	\$47,198	\$0	\$0
2030	\$50,165	\$50,165	\$50,000	\$50,000
2031	\$18,020	\$18,020	\$50,000	\$50,000
2032	\$17,239	\$17,239	\$50,000	\$50,000
2033	\$16,413	\$16,413	\$50,000	\$50,000
2034	\$15,560	\$15,560	\$50,000	\$50,000
2035	\$14,723	\$14,723	\$50,000	\$50,000
2036	\$13,862	\$13,862	\$50,000	\$50,000
2037	\$12,953	\$12,953	\$50,000	\$50,000
2038	\$12,044	\$12,044	\$50,000	\$50,000
2039	\$11,110	\$11,110	\$50,000	\$50,000
2040	\$10,152	\$10,152	\$50,000	\$50,000
2041	\$9,169	\$9,169	\$50,000	\$50,000
2042	\$8,160	\$8,160	\$50,000	\$50,000
2043	\$7,114	\$7,114	\$50,000	\$50,000
2044	\$6,019	\$6,019	\$50,000	\$50,000
2045	\$4,834	\$4,834	\$50,000	\$50,000
2046	\$3,296	\$3,296	\$50,000	\$50,000
2047	\$2,334	\$2,334	\$50,000	\$50,000
2048	\$2,256	\$2,256	\$50,000	\$50,000
2049	\$1,180	\$1,180	\$50,000	\$50,000
2050	\$0	\$0	\$50,000	\$50,000
2051	\$0	\$0	\$50,000	\$50,000

QDT

Bill Sue **Total** Bill Jr. Sue Jr. Bill Very Sr. Johnny Maggie Golddi



RDSP (Sue Jr.) (,000s)

Analyze **RDSP (Sue Jr.)**

Over Time **By Items** Back

Year RDSP (Sue Jr.)

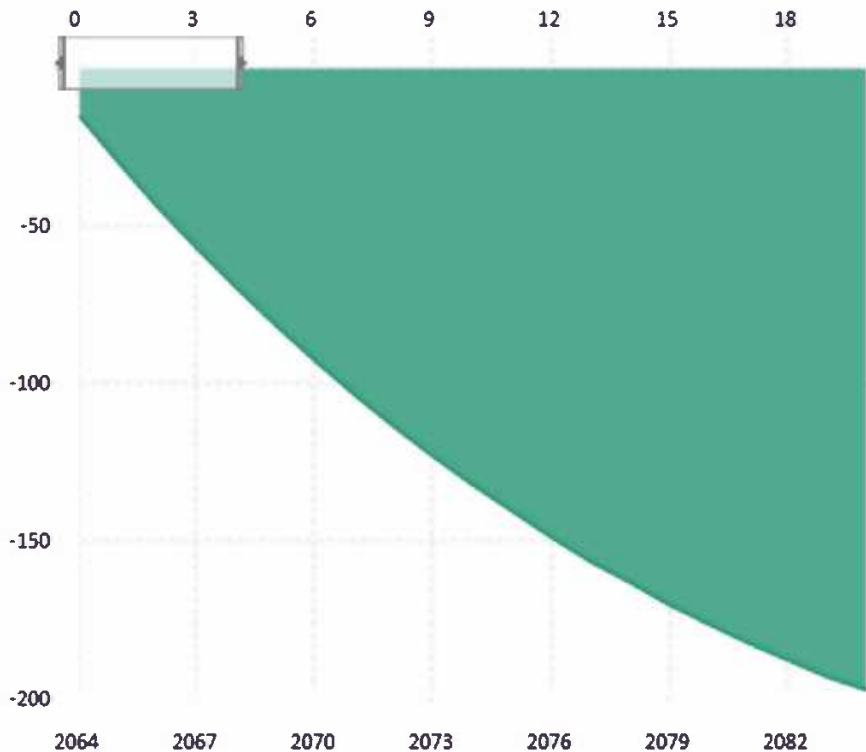
2042	\$2,739
2043	\$2,496
2044	\$2,273
2045	\$2,070
2046	\$1,883
2047	\$1,712
2048	\$1,557
2049	\$1,429
2050	\$1,354



QDT Trust for Sue

Prudent Family Tr

Johnny's Trust



Total and Primary Account (,000s)

Analyze Net Worth

Over Time

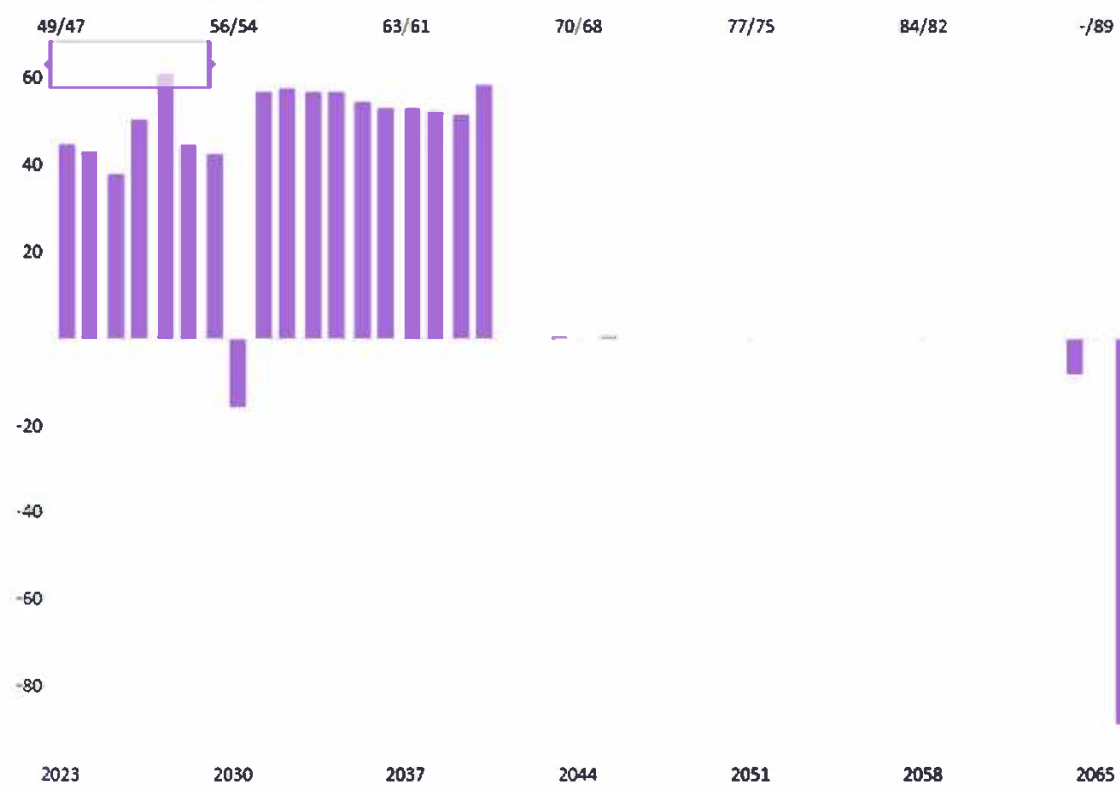
By Items

Back

Year	Net Worth	Main Bank Account
2064	(\$15,397)	(\$15,397)
2065	(\$30,043)	(\$30,043)
2066	(\$43,965)	(\$43,965)
2067	(\$57,190)	(\$57,190)
2068	(\$69,744)	(\$69,744)
2069	(\$81,651)	(\$81,651)
2070	(\$92,936)	(\$92,936)
2071	(\$103,623)	(\$103,623)



Bill Sue **Total** Bill Jr. Sue Jr. Bill Very Sr. Johnny Maggie Golddi



Net Worth Income Assets **Net Cash** \$ act \$ tdy

Annual Net Cash Flow (,000s)

Analyze Annual Net Cash Flow

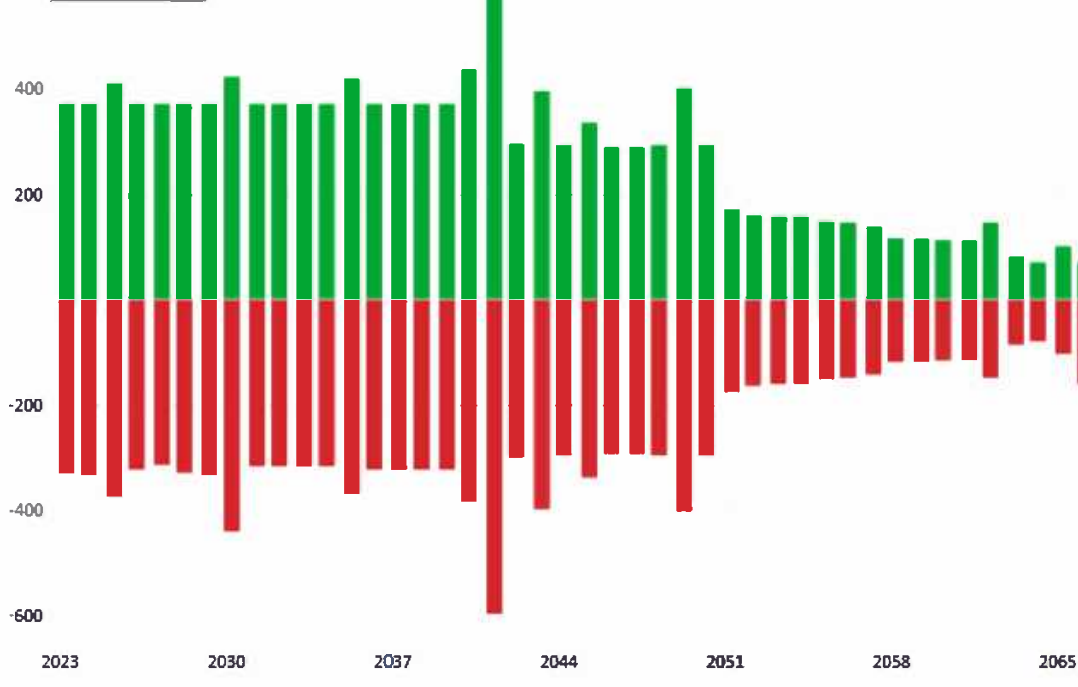
View Details By Items [Back](#)

Year	Annual Net Cash Flow
2023	\$44,590
2024	\$43,087
2025	\$37,832
2026	\$50,402
2027	\$60,908
2028	\$44,599
2029	\$42,450
2030	(\$15,780)
2031	\$56,673



Bill Sue **Total** Bill Jr. Sue Jr. Bill Very Sr. Johnny Maggie Golddi

49/47 56/54 63/61 70/68 77/75 84/82 -/89



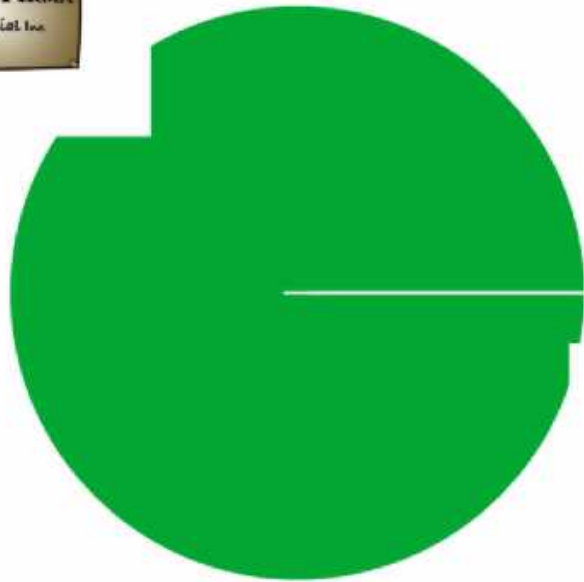
Net Worth Income Assets Net Cash \$ act \$ ldy

Sources and Uses (,000s)

Analyze Sources

Stacked Bar By Items Back

Year	Sources	Uses
2023	\$371,773	\$327,183
2024	\$371,770	\$328,683
2025	\$409,318	\$371,486
2026	\$371,766	\$321,364
2027	\$371,764	\$310,856
2028	\$371,762	\$327,163
2029	\$371,761	\$329,311
2030	\$421,289	\$437,069
2031	\$371,758	\$315,085



Net Worth Income Assets **Net Cash** \$ act \$ tidy

2023 Sources (,000s) Uses

Analyze Career

Over Time By Items Back

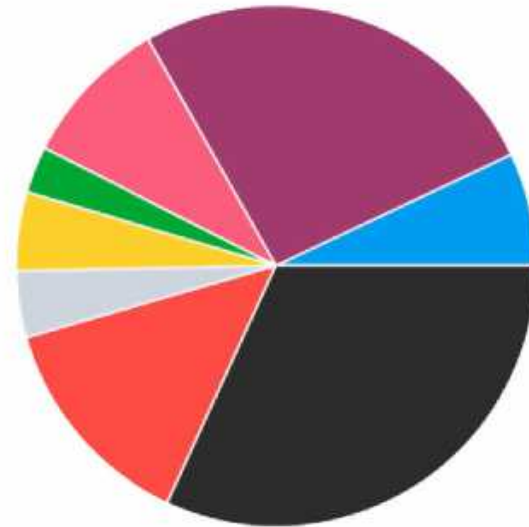
Name	Value
Career	\$371,708
Banking Accounts	\$65
Total	\$371,773

2023 Uses (,000s) Sources

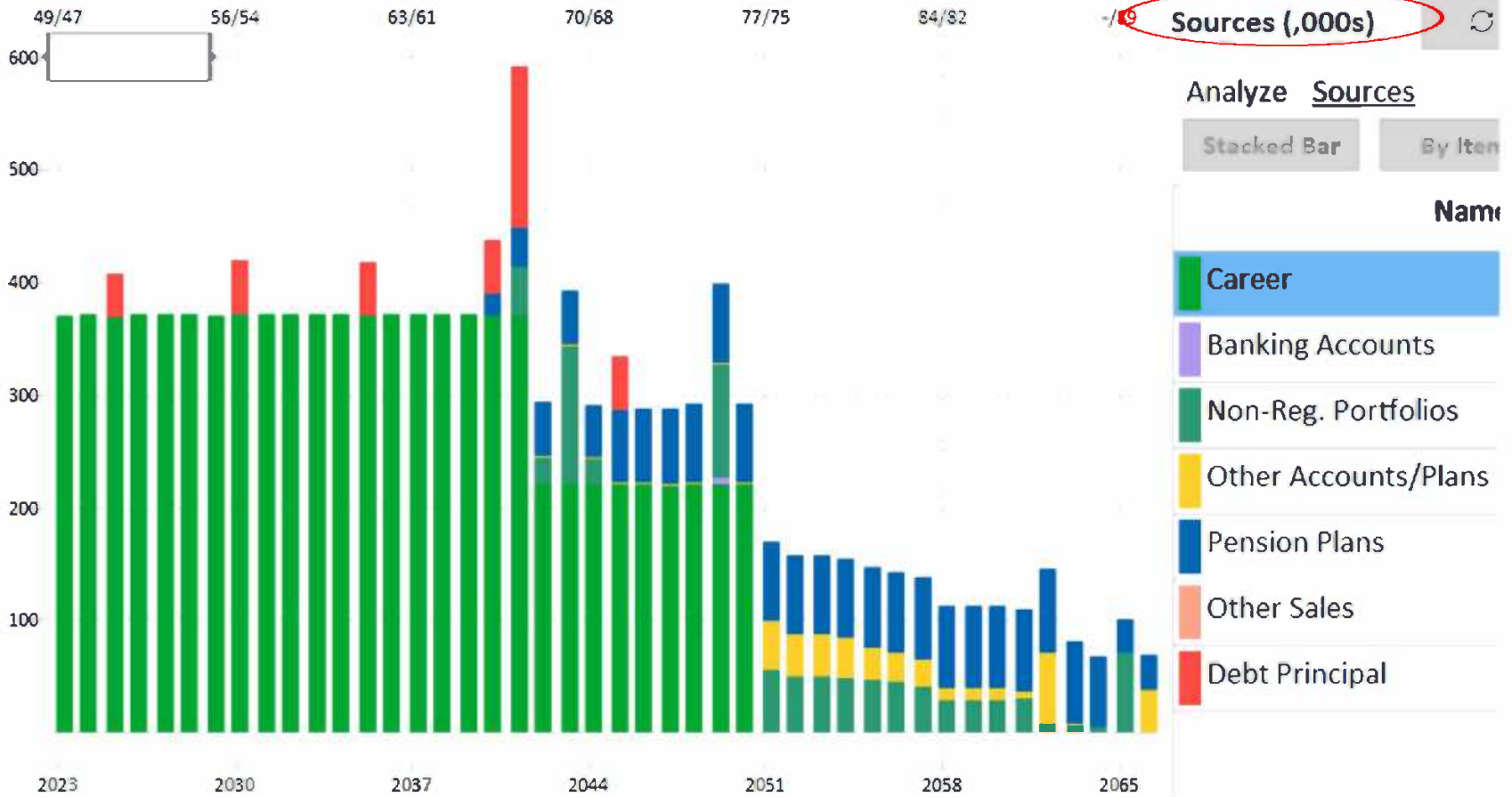
Analyze Homes

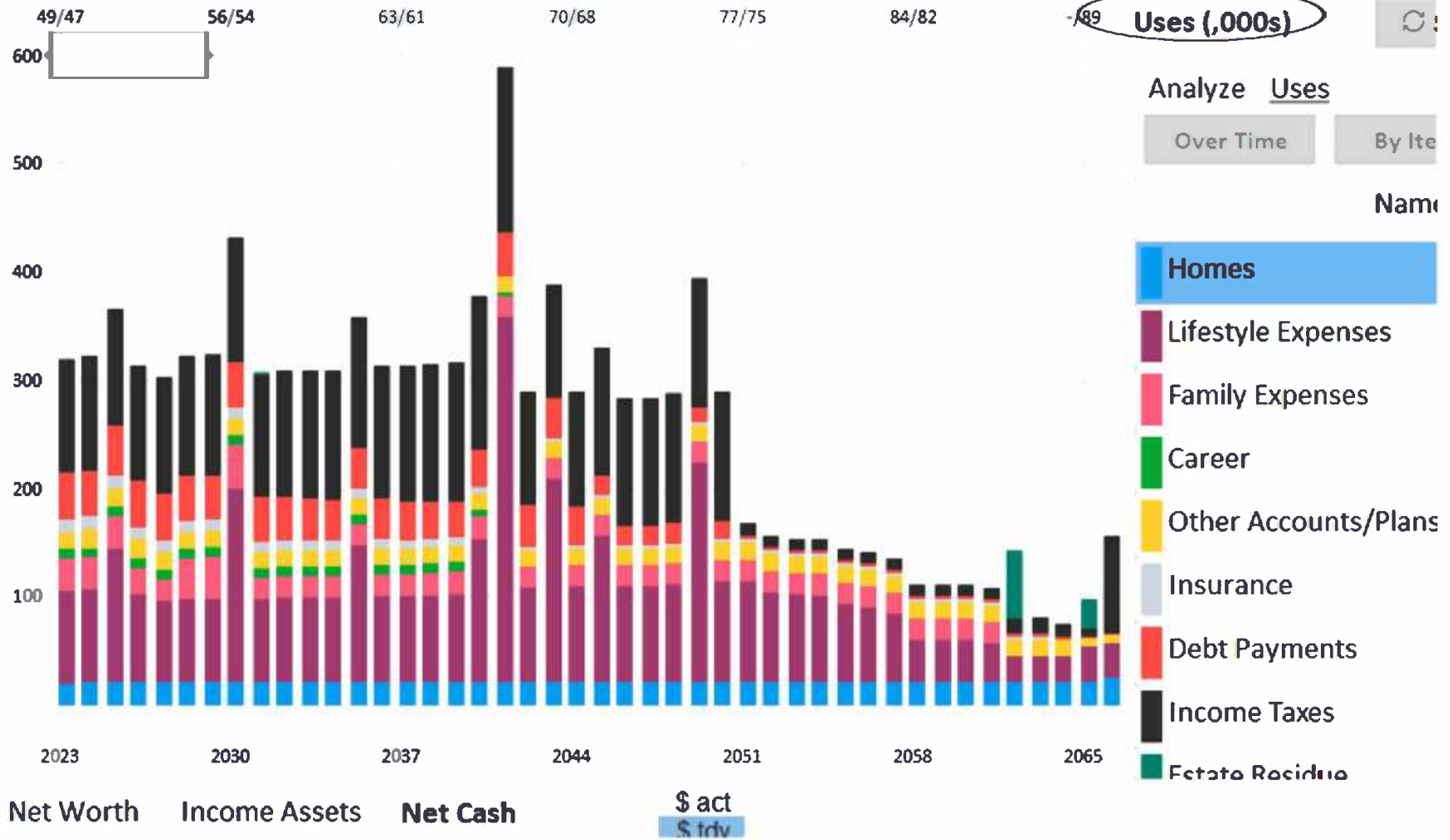
Over Time By Items Back

Name	Value
Homes	\$22,992
Lifestyle Expenses	\$85,568
Family Expenses	\$30,600
Career	\$9,514
Other Accounts/Plans	\$16,000
Insurance	\$13,420
Debt Payments	\$44,859
Income Taxes	\$104,230
Total	\$227,183



Net Worth Income Assets **Net Cash** \$ act \$ tidy



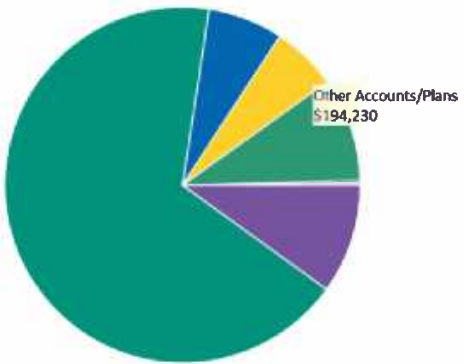
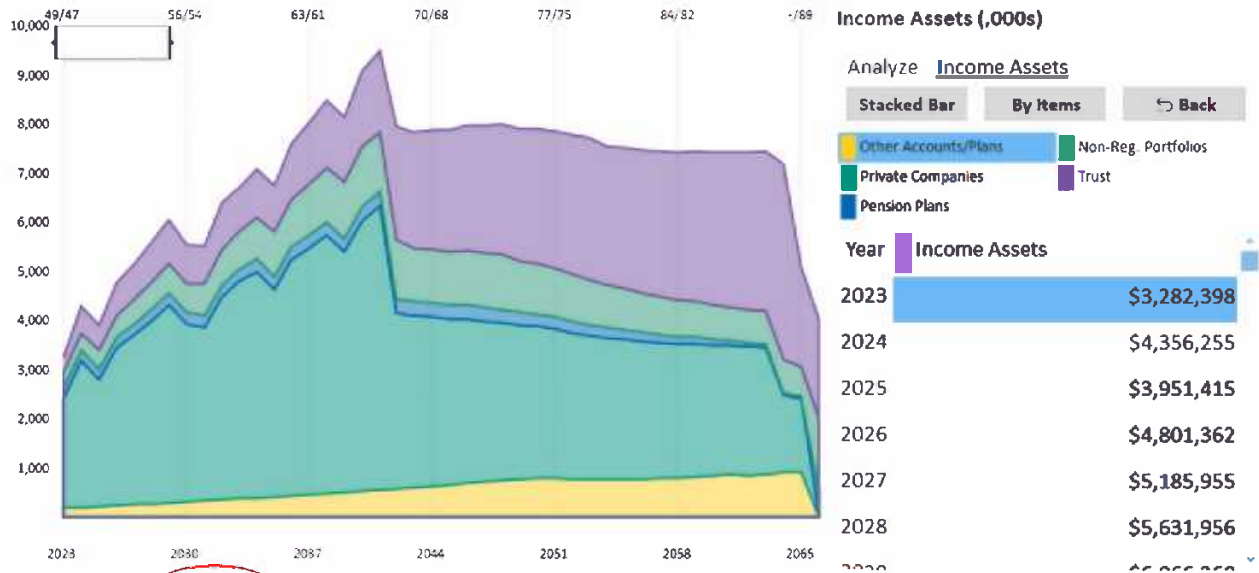




Income Tax Return for 2042: Bill

T1 GENERAL	
FEDERAL TAXES	
Employment Income	\$400,163
Canada or Quebec Pension Plan benefits	\$34,829
Taxable amount of dividends from taxable Canadian corporations	\$11,875
Interest and other investment income	\$33,145
Registered disability savings plan income	\$1,347
Taxable capital gains	\$17,960
Total Income	\$499,319
Net Income Deductions	
Pension adjustment \$0	
Deductible interest	\$1,516
Total Net Income Deductions	\$1,516
Net Income	\$497,803
Taxable Income Deductions	
Taxable Income	\$497,803
Total federal taxes (Line 34)	
Federal tax on split income	\$0
Non-refundable tax credits:	
Basic personal amount	\$24,451
Employment Insurance premiums	\$1,634
Canada employment amount	\$1,287
Disability amount transferred from a dependant	\$14,458
Total	\$41,830
Non-refundable tax credits @ 15%	\$6,274
Total non-refundable tax credits	\$6,274
Federal dividend tax credits	\$1,784
Total tax credits	\$8,058
Basic federal tax	\$121,302
Net federal tax	\$121,302
Federal taxes payable	\$121,302

PROVINCIAL TAXES	
B.C. tax on taxable income	\$69,391
Basic personal amount	\$18,423
Employment Insurance premiums	\$1,634
Disability amount transferred from a dependant	\$13,818
Total	\$33,874
Total non-refundable tax credits @ 5.06%	\$1,714
B.C. non-refundable tax credits	\$1,714
B.C. dividend tax credit	\$1,425
B.C. provincial political contribution tax credit	\$0
B.C. tax	\$66,252
PROVINCIAL TAX CREDITS	
Sales tax credit	\$0
B.C. tax credits	\$0
TAXES PAYABLE	\$187,554



2023 [Income Assets \(,000s\)](#) [Net Worth](#) [Income Assets](#) [Net Cash](#) [\\$ act \\$ day](#)

Analyze [Banking Accounts](#)

Over Time By Items Back

Name	Value
Banking Accounts	\$12,987
Non-Reg. Portfolios	\$310,845
Other Accounts/Plans	\$194,230
Pension Plans	\$223,898
Private Companies	\$2,213,484
Trust	\$326,954
Total	\$3,282,398

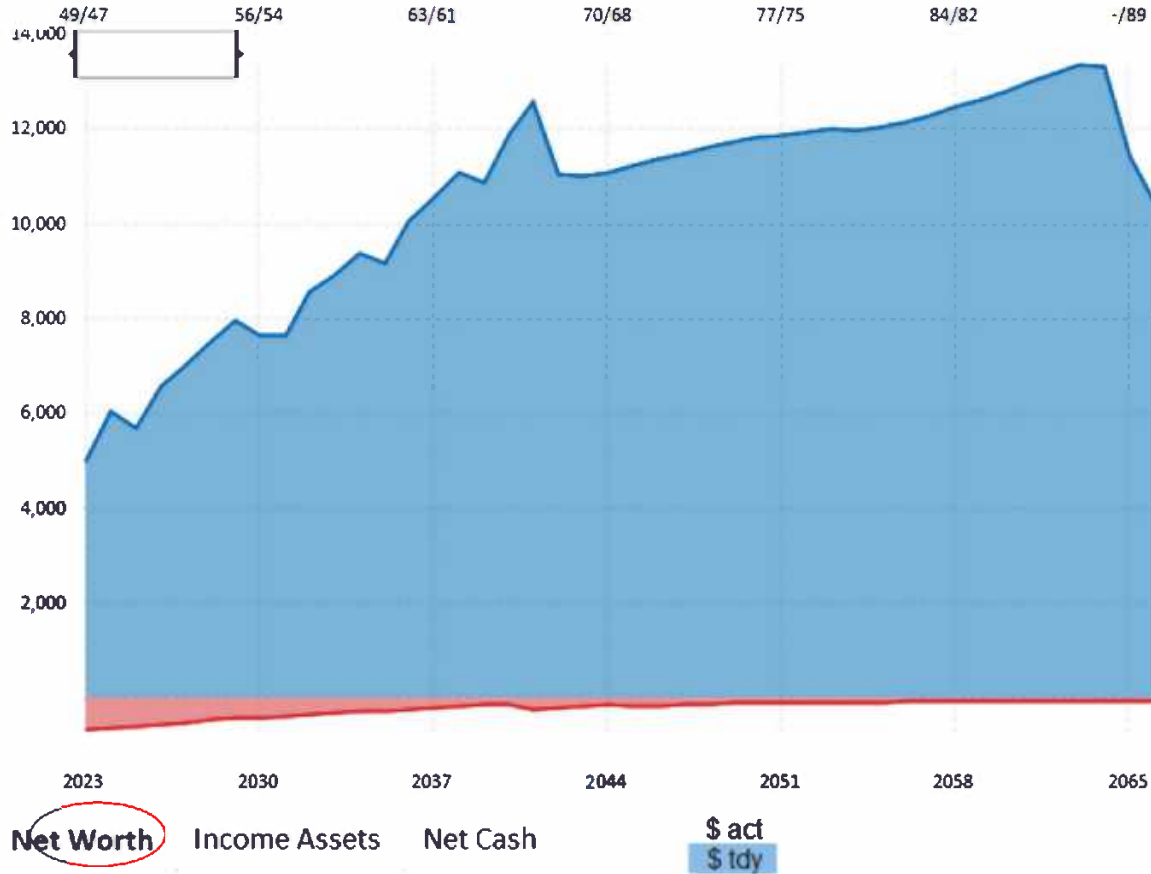


[Net Worth](#) [Income Assets](#) [Net Cash](#) [\\$ act \\$ day](#)

Jan 10, 2023

Kelowna Estate Planning Society

53

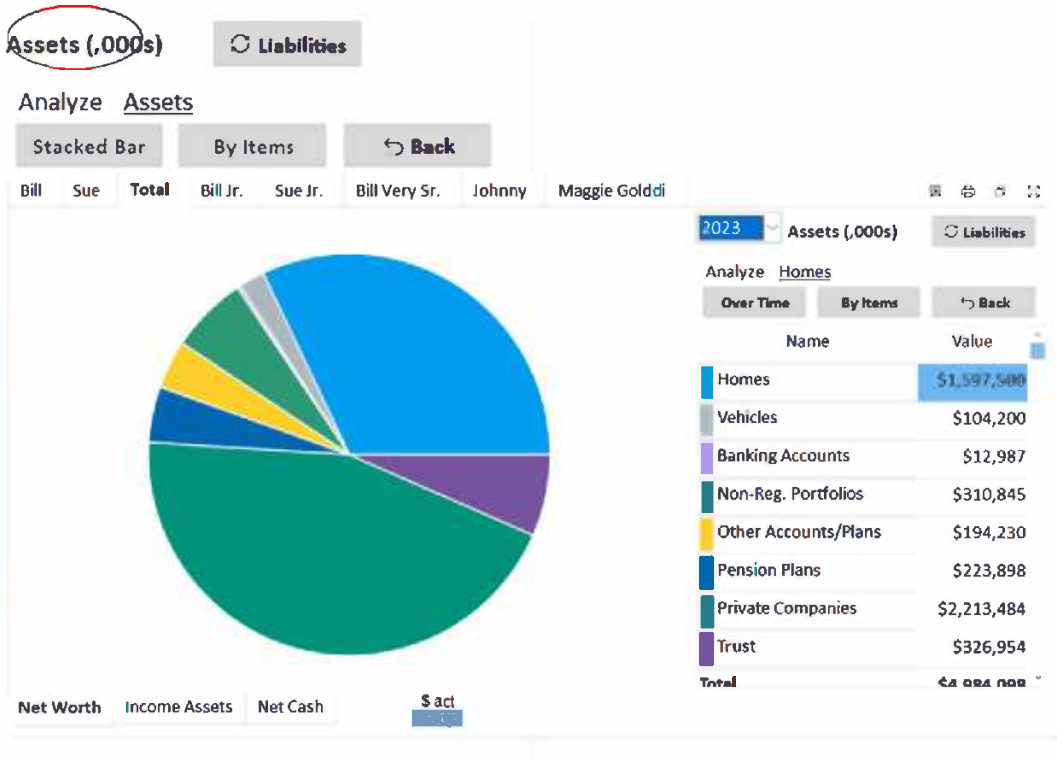
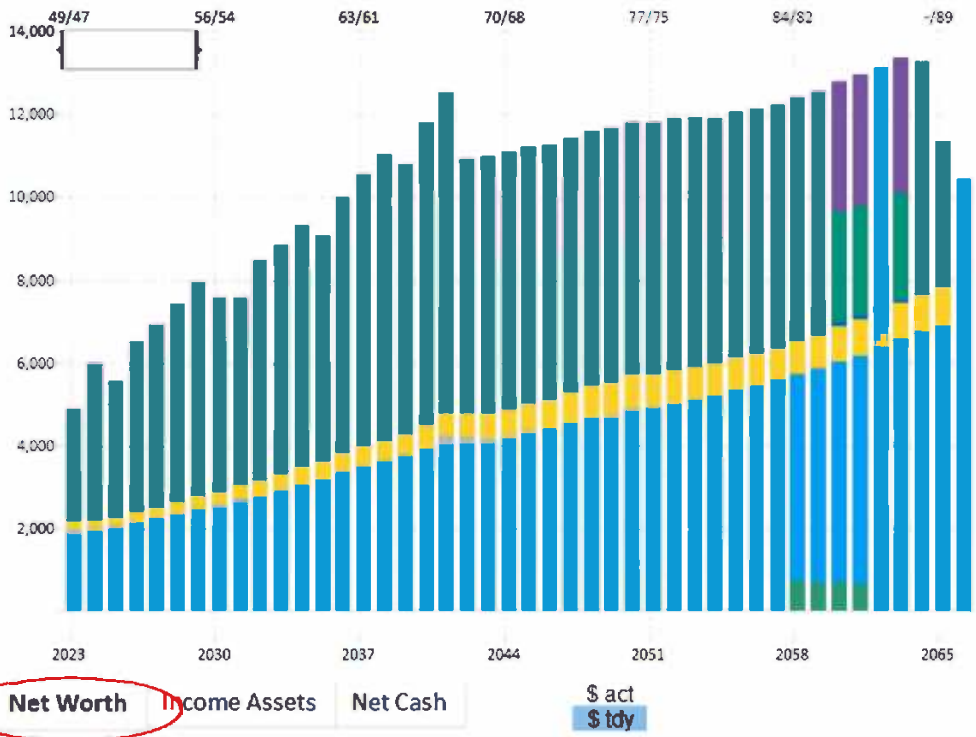


Assets and Liabilities (,000s)

Analyze Assets

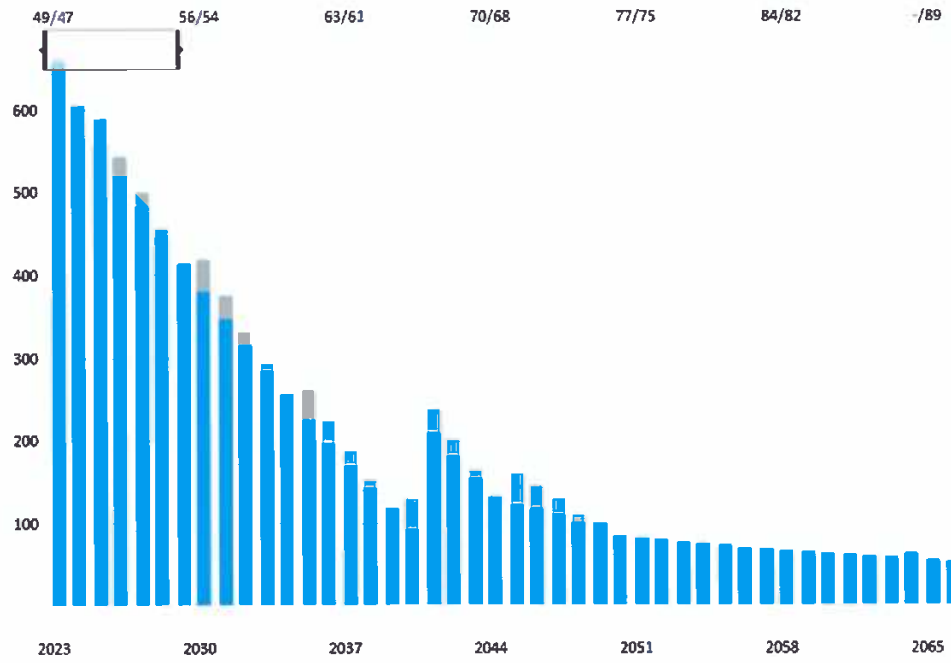
Stacked Bar **By Items** [Back](#)

Year	Assets	Liabilities
2023	\$4,984,098	\$665,085
2024	\$6,050,448	\$606,924
2025	\$5,685,234	\$590,083
2026	\$6,570,525	\$544,179
2027	\$6,998,602	\$499,670
2028	\$7,494,394	\$456,451
2029	\$7,983,561	\$414,482
2030	\$7,649,721	\$418,739
2031	\$7,638,133	\$375,710





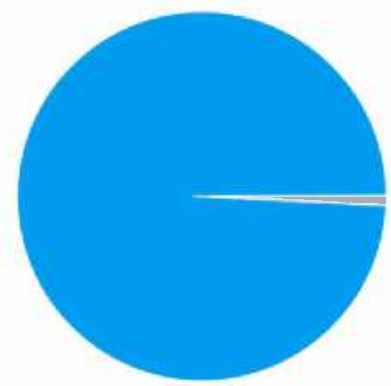
Bill Sue Total Bill Jr. Sue Jr. Bill Very Sr. Johnny Maggie Golddi



Liabilities (,000s) Assets

Analyze Liabilities
Over Time By Items Back

Bill Sue Total Bill Jr. Sue Jr. Bill Very Sr. Johnny Maggie Golddi



2023 Liabilities (,000s)	
Analyze Homes	
Over Time By Items Back	
Name	Value
Homes	\$659,534
Vehicles	\$5,551
Total	\$665,085

Net Worth Income Assets Net Cash \$ act



Liquid Assets	\$1 ...
Insurance Paid to Estate	\$0
Taxes Paid at Death	\$8,017 ...
U.S. Estate Taxes	\$0
Estate Administration Taxes	\$10,774
After-Tax Residue Assets	(\$18,790)
Liabilities	\$0
Bequests and \$ Allocations	\$0
Funeral and Other Expenses	\$15,000
Legal and Accounting Fees	\$25,000
Executor and Trustee Fees	\$0
Spousal Equalization / Support	\$0

Residue for Distribution

(\$58,790) \$ act
\$ tdy

Beneficiaries/Testamentary Trusts

Beneficiary	Sum
Sue	\$4,724,221
Johnny's Trust	(\$5,879)

JTWROS Assets	\$3,736,018 ...
Assets Named In Will	\$776,649 ...
Less Liabilites Transferred	\$27,618
Family Law Transfer	\$0
\$ Allocation Received	\$0
% Allocation Received	(\$52,911)
Registered Plans/Annuities	\$292,082 ...
Life Insurance Benefits	\$0
Total Received	\$4,724,221

Help Show Graph Graph Map

JTWROS Assets

Item	Value
123 Wine Rd , Okanagan	\$3,054,010
NEW Seg. Non-Reg. Portfolio (Joint)	\$682,009

Assets Named in Will

Item	Value
HOLDCO: Common 7	\$776,649

Registered Plans/Annuities

Item	Value
RRSP (Bill)	\$25,575
TFSA (Bill)	\$266,507

Bill

Sue

Joint

Sue Jr.

Solution **Current Situation**

Total **\$4,777,133**



\$4,724,221 Sue

Residue for Distribution

(\$58,790) \$ act
\$ tdy



Liquid Assets	\$1
Insurance Paid to Estate	\$0
Taxes Paid at Death	\$202,331
U.S. Estate Taxes	\$0
Estate Administration Taxes	\$10,774
After-Tax Residue Assets	(\$213,105)
Liabilities	\$0
Bequests and \$ Allocations	\$0
Funeral and Other Expenses	\$15,000
Legal and Accounting Fees	\$25,000
Executor and Trustee Fees	\$0
Spousal Equalization / Support	\$0

Residue for Distribution

(\$253,105) \$ act
\$ tdy

Beneficiaries/Testamentary Trusts

Beneficiary	Sum
Sue	\$3,772,901
Johnny's Trust	(\$25,310)
Bill Jr.	\$776,649

JTWROS Assets	\$3,736,230
Assets Named In Will	\$0
Less Liabilites Transferred	\$27,618
Family Law Transfer	\$0
\$ Allocation Received	\$0
% Allocation Received	(\$227,794)
Registered Plans/Annuities	\$292,083
Life Insurance Benefits	\$0
Total Received	\$3,772,901

Help Show Graph Graph Map

Bill

Sue
Joint
Sue Jr.

Solution **Bill Jr. son of Maggie Bill**
Total \$4,777,345



- \$3,772,901 Sue
- (\$25,310) Johnny's Trust
- \$776,649 Bill Jr.
- \$213,105 Gov't.
- \$40,000 Other

Residue for Distribution

(\$253,105) \$ act
\$ tdy



Bill
Age 90 (2064)

\$ Allocation	
Sue	\$0
Johnny's Trust	\$0

% Allocation	
Sue	(\$182,988)
Johnny's Trust	(\$20,332)
Residue	

NEW Seg. Non-Reg. Portfolio (Joint)	
Sue	\$2,358,655

TFSA (Bill)	
Sue	\$921,686

RRSP(Bill)	
Sue	\$88,450

HOLDCO: Common Z	
Sue	\$2,685,957

123 Wine Rd., Okanagan	
Sue	\$10,561,967

Bill Jr. son of S&B

Bill
Age 90 (2064)

\$ Allocation	
Sue	\$0
Johnny's Trust	\$0

% Allocation	
Sue	(\$787,802)
Johnny's Trust	(\$87,534)

123 Wine Rd., Okanagan	
Sue	\$10,561,967

HOLDCO: Common Z	
Bill Jr.	\$2,685,957

NEW Seg. Non-Reg. Portfolio (Joint)	
Sue	\$2,359,388

TFSA (Bill)	
Sue	\$907,104

RRSP(Bill)	
Sue	\$103,033

Sue Age 90 (2066)	
\$ Allocation	Bill Jr. \$0
% Allocation	Bill Jr. \$2,186,310
123 Wine Rd., Okanagan	Bill Jr. \$11,796,296
HOLDCO: Common Y	Bill Jr. \$459,961

Bill Jr. son of M&B



Income Tax Return for 2064:

Bill

T1 GENERAL			
FEDERAL TAXES			
Old Age Security pension		\$33,593	
Canada or Quebec Pension Plan benefits		\$59,960	
Other pensions or superannuation		\$24,909	
Taxable amount of dividends from taxable Canadian corporations		\$14,517	
Interest and other investment income		\$40,477	
Taxable capital gains		\$21,953	
Total Income		\$196,409	
Net Income Deductions:			
Pension adjustment \$0			
Deduction for elected split-pension amount	\$12,455		
Total Net Income Deductions	\$12,455	\$12,455	
Net Income		\$182,955	
Taxable Income Deductions:			
Taxable Income		\$182,955	
Total federal taxes (Line 34)			
Federal tax on split income		\$0	
Non-refundable tax credits:			
Basic personal amount	\$42,093		
Age amount	\$11,484		
Pension income amount	\$2,000		
Total	\$55,578		
Non-refundable tax credits @ 15%	<u>\$8,337</u>		
Total non-refundable tax credits	\$8,337		
Federal dividend tax credits	<u>\$2,180</u>		
Total tax credits	\$10,517	\$10,517	
Basic federal tax		\$19,241	
Net federal tax		\$19,241	
Federal taxes payable		\$19,241	

Income Tax Return for 2064:

Bill

T1 GENERAL			
FEDERAL TAXES			
Old Age Security pension		\$33,593	
Canada or Quebec Pension Plan benefits		\$59,960	
Other pensions or superannuation		\$10,326	
Taxable amount of dividends from taxable Canadian corporations		\$14,517	
Interest and other investment income		\$40,477	
Taxable capital gains		\$1,364,882	
Total Income		\$1,623,766	
Net Income Deductions:			
Pension adjustment \$0			
Deduction for elected split-pension amount	\$5,568		
Total Net Income Deductions	\$5,568	\$5,568	
Social benefits repayment		<u>\$33,593</u>	
Net Income		\$1,484,493	
Taxable Income Deductions:			
Taxable Income		\$1,484,493	
Total federal taxes (Line 34)			
Federal tax on split income		\$0	
Non-refundable tax credits:			
Basic personal amount	\$42,093		
Pension income amount	\$2,900		
Total	\$44,993		
Non-refundable tax credits @ 15%	<u>\$6,814</u>		
Total non-refundable tax credits	\$6,814		
Federal dividend tax credits	<u>\$2,180</u>		
Total tax credits	\$8,794	\$8,794	
Basic federal tax		\$420,981	
Net federal tax		\$420,981	
Social benefits repayment		<u>\$33,593</u>	
Federal taxes payable		\$454,574	



Name Bill Jr. son of Maggie & Bill - Life Needs - Bill

Life Disability Critical Illness Long-Term Care

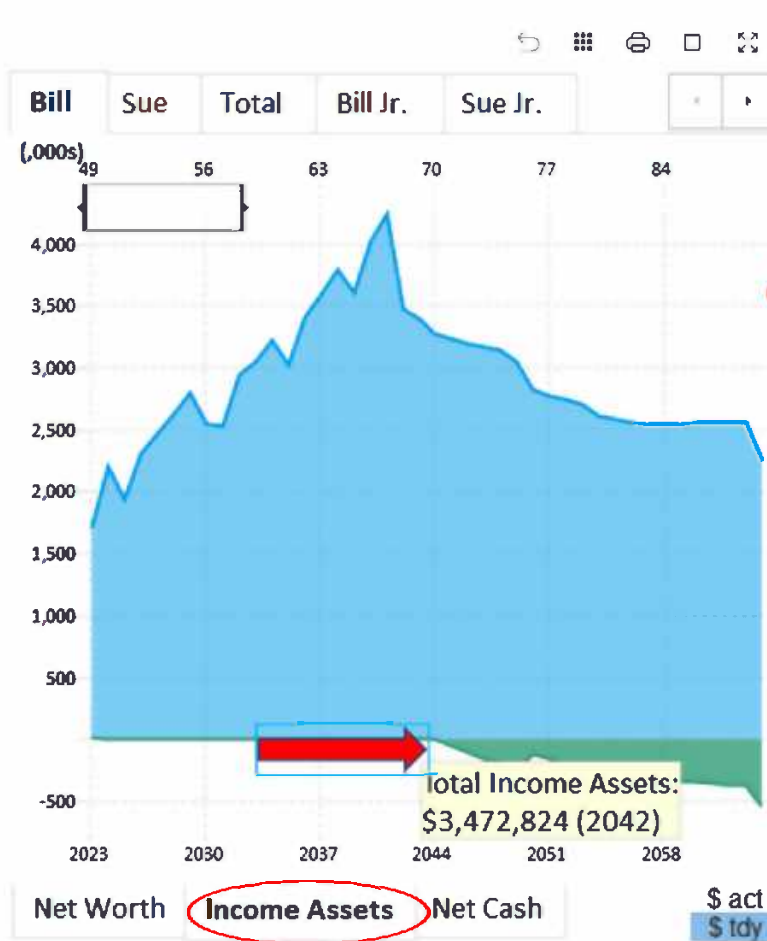
Changes... CW Re-Set

Total Coverage \$0

Invest In NEW Seg. Non-Reg. Portfolio (Jo)

	Lifestyle	Estate
Bill's Life Expectancy	49	90
Coverage	\$0	\$0
Additional Need	\$3,249,000	\$1,575,000

Help Over Time Undo Calculate



Name: **Bill Jr. son of Maggie & Bill - Disability Needs - I**

Life **Disability** Critical Illness Long-Term Care

Bill Disabled At Age: 49 [Reset]

Extra Monthly Medical Costs (Today's \$): \$0

Extra Monthly Medical Costs (Inflated \$): \$0

Taxable Coverage: \$0

Tax-Free Coverage: \$5,000

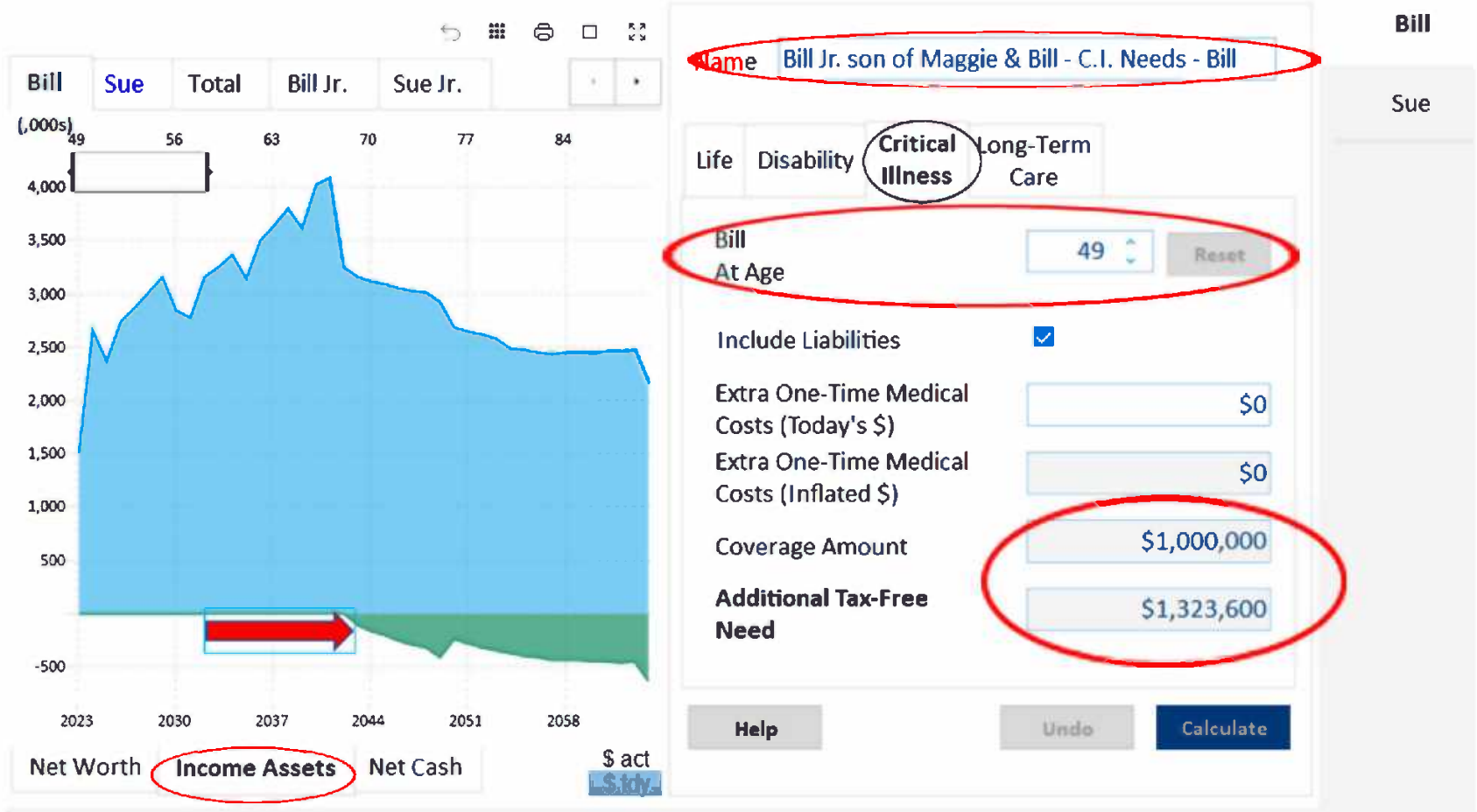
Benefit End Age: 65

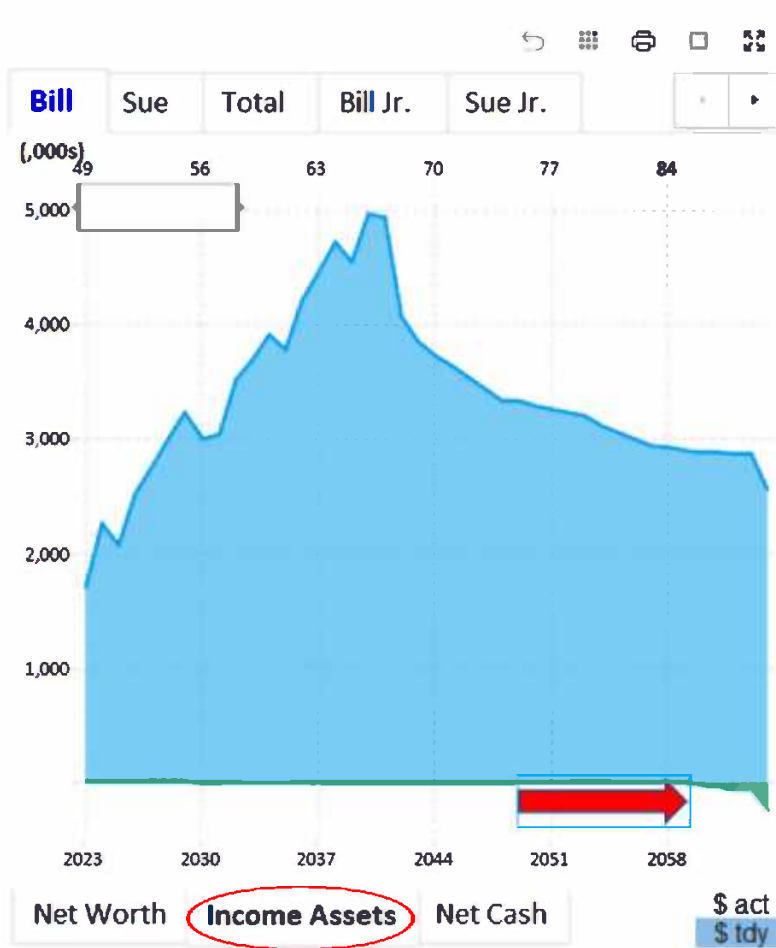
Additional Monthly Tax-Free Need: \$5,962

Help [Undo] Calculate

Bill

Sue





Name: Bill Jr. son of Maggie & Bill - LTC Needs - Bill

Life Disability Critical Illness **Long-Term Care**

Bill At Age: 64

At Home In A Facility

Extra Monthly Medical Costs (Today's \$): \$0

Extra Monthly Medical Costs (Inflated \$): \$0

Monthly Coverage Amount: \$0

Additional Monthly Tax-Free Need: \$0

Help Undo Calculate

Bill
Sue



Liquid Assets	(\$438,678) ...
Insurance Paid to Estate	\$0
Taxes Paid at Death	\$190,808 ...
U.S. Estate Taxes	\$0
Estate Administration Taxes	\$10,774
After-Tax Residue Assets	(\$640,260)
Liabilities	\$0
Bequests and \$ Allocations	\$0
Funeral and Other Expenses	\$15,000
Legal and Accounting Fees	\$25,000
Executor and Trustee Fees	\$0
Spousal Equalization / Support	\$0

Residue for Distribution (\$680,260) \$ act
\$ tdy

Beneficiaries/Testamentary Trusts

Beneficiary	Sum
Sue	\$2,405,633
Johnny's Trust	(\$68,026)
Bill Jr.	\$776,649

JTWROS Assets	\$3,054,010 ...
Assets Named In Will	\$0 ...
Less Liabilites Transferred	\$36,144
Family Law Transfer	\$0
\$ Allocation Received	\$0
% Allocation Received	(\$612,234)
Registered Plans/Annuities	\$0 ...
Life Insurance Benefits	\$0
Total Received	\$2,405,633

Help Show Graph Graph **Map**

Bill

Sue
Joint
Sue Jr.

Resolution Bill Jr. son of Maggie_Bill - C.I. Needs - Bill

Total **\$3,355,838**



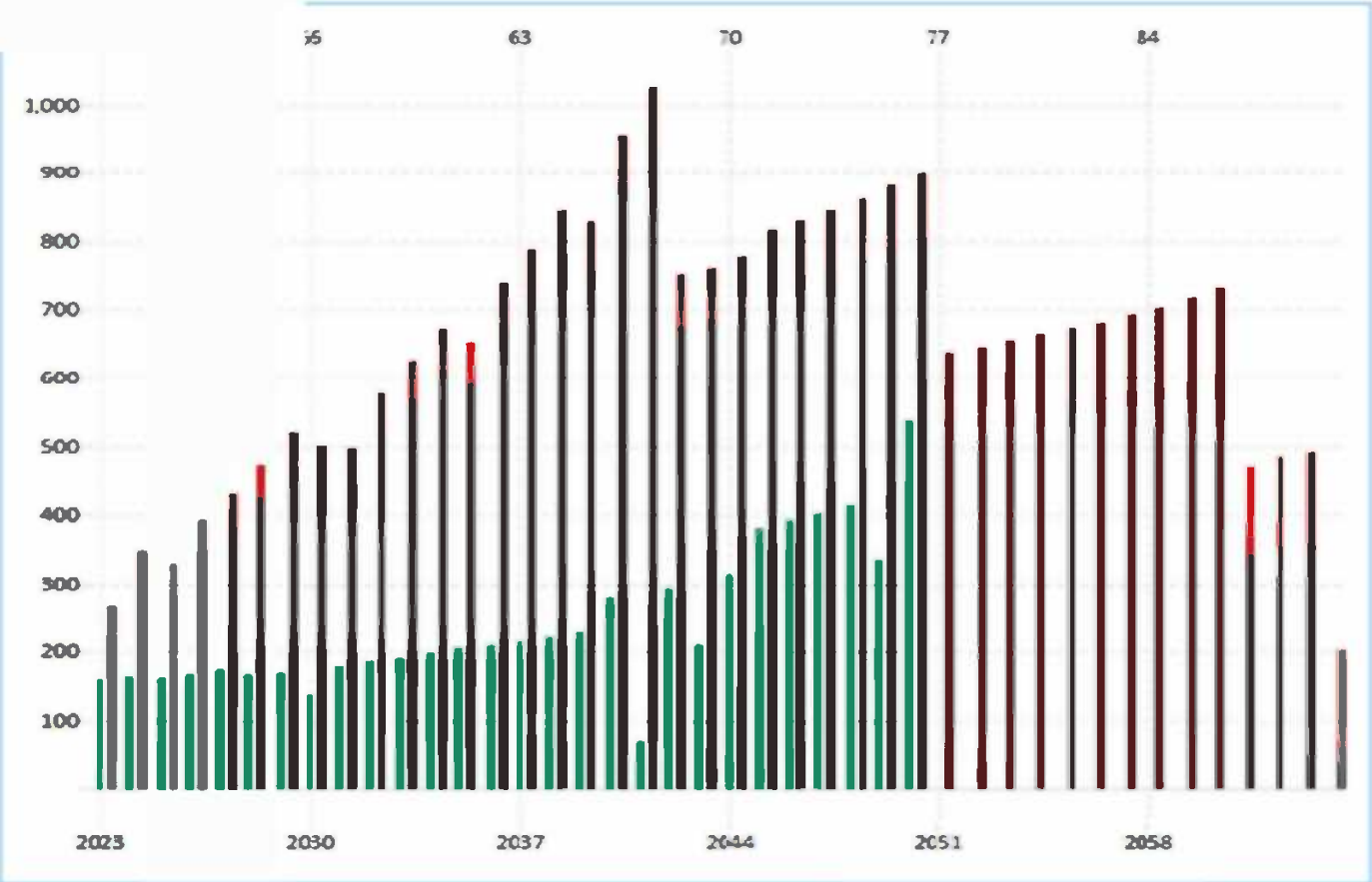
- \$2,405,633 Sue
- (\$68,026) Johnny's Trust
- \$776,649 Bill Jr.
- \$201,582 Gov't.
- \$40,000 Other

Residue for Distribution (\$680,260) \$ act
\$ tdy



Current Situation
Liquidity and Charges to the Estate
Bill

- Liquid Assets
- Life Insurance
- Government
- Bequests
- \$ Allocations
- Other



Year	Liquidity	Charges
2023	\$160,888	\$266,859
2024	\$165,349	\$346,444
2025	\$163,555	\$328,845
2026	\$167,575	\$393,653
2027	\$174,037	\$430,101
2028	\$167,587	\$474,393
2029	\$169,729	\$520,240
2030	\$138,346	\$501,382
2031	\$178,360	\$497,134
2032	\$186,314	\$577,608
2033	\$191,773	\$627,968
2034	\$198,059	\$671,031
2035	\$204,123	\$650,981
2036	\$210,042	\$738,130
2037	\$217,514	\$790,167
2038	\$224,318	\$847,903
2039	\$231,766	\$829,430
2040	\$278,231	\$953,984
2041	\$71,780	\$1,026,067
2042	\$294,760	\$749,771
2043	\$210,780	\$764,387
2044	\$313,899	\$779,177
2045	\$381,108	\$817,185
2046	\$392,166	\$832,861
2047	\$403,525	\$848,982
2048	\$415,356	\$865,717
2049	\$333,834	\$882,726
2050	\$537,820	\$898,418



Solutions? Decisions are VALUES based...

- Will Bill Jr. give Sue the money?
- Will Bill Jr. or Sue qualify for a loan?
- Use insurance proceeds from Family Trust?
- Multiple Wills?
- Corporate Restructuring? Funded (LI, Sinking Fund) Shareholder's Agreement?
- Life insurance:
 - New on Bill? Bill Jr. could take over premiums in the future. Benefit offsets CG Tax on Bill's death
 - New JLTD Life insurance? Inexpensive premium. Lots of funding Tax-Exempt MTAR Room.
 - Use EXISTING insurance proceeds from Family Trust?
- Spousal Testamentary Trust for Sue?
 - More tax on her death
 - New Life Insurance, Less premium on younger (healthier?) female, CG Tax offset
- **Other solutions? Anything can be modelled to show VALUE.**

Thank you!

