

# First Five Years Community of Practice

**Jan 8, 2025**

**Speakers:**

Mr. John Stocking

Mr. Jarrett Holmes

Mr. Jesse Francis

**Moderators:**

Dr. Ryan Banach

Dr. Eleanor Colledge



## ***Prescription for Prosperity: Accounting and Financial Planning for Early-Career Physicians***



Family & Community Medicine  
UNIVERSITY OF TORONTO

# Land Acknowledgement

We wish to acknowledge this land on which the University of Toronto operates. For thousands of years, it has been the traditional land of the Huron-Wendat, the Seneca, and the Mississaugas of the Credit. Today, this meeting place is still the home to many Indigenous people from across Turtle Island and we are grateful to have the opportunity to work on this land.

## About the First Five Years Community of Practice

- Designed for you!
- Free, fun and full of answers
- Sessions are highly practical
- Tap into the expertise of both speakers and colleagues
- Tonight's snack pairing: Cheese & Charcuterie
- Fully Accredited for 1.5 Mainpro credits per session

Moderators:

- **Dr. Eleanor Colledge**, CPD Program Director, University of Toronto and Family Physician, South East Toronto Family Health Team, Toronto, ON
- **Dr. Ryan Banach**, Family Medicine Early Career Supports Lead, Office of Health System Partnership, University of Toronto and Lead Physician, Norfinch FHO, Toronto, ON



# *First Five Years Community of Practice*

## **Disclosure of Financial Support**

Nothing to disclose.

## **Potential for conflict(s) of interest:**

N/A

## **Mitigating Potential Bias**

- The Scientific Planning Committee has full control over the choice of topics/speakers.
- Content has been developed according to the standards and expectations of the Mainpro+ certification program.
- The program content was reviewed by a three-member national/scientific planning committee.



## **John Stocking – Panelist**

Financial Planner & President of Evidence Based Finance



## **Jarrett Holmes – Panelist**

Financial Planner & Founder of Unaffiliated Wealth



## **Jesse Francis – Panelist**

Accountant, Baker Tilly Trillium

# Speaker Disclosure

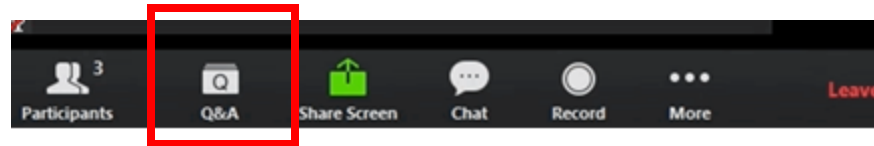
- Name: **John Stocking**
- Relationships with financial sponsors:
  - Grants/Research Support: N/A
  - Speakers Bureau/Honoraria: N/A
  - Others: Evidence Based Finance & receives commission from insurance sales
  
- Name: **Jarrett Holmes**
- Relationships with financial sponsors:
  - Grants/Research Support: N/A
  - Speakers Bureau/Honoraria: N/A
  - Others: Unaffiliated Wealth & licensed life/accident/sickness agent (receives sales commission)
  
- Name: **Jesse Francis**
- Relationships with financial sponsors:
  - Grants/Research Support: N/A
  - Speakers Bureau/Honoraria: N/A
  - Others: Baker Tilly Trillium LLP

# Speaker Disclosure

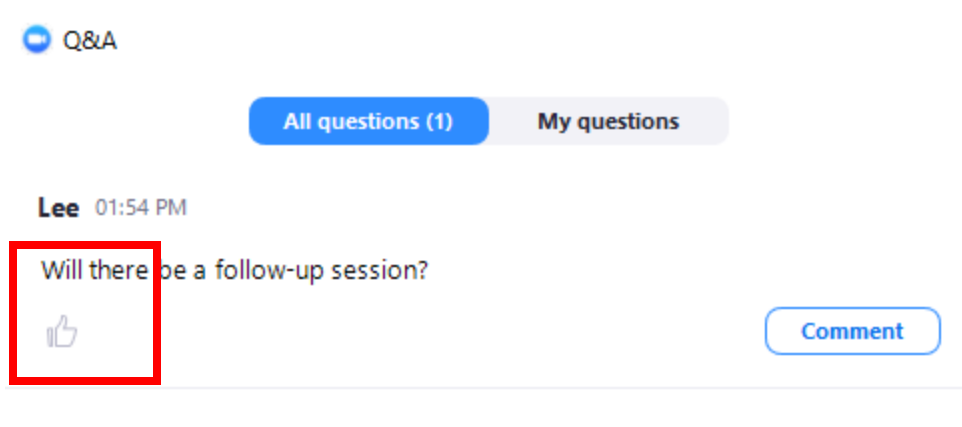
- Faculty Name: **Dr. Ryan Banach**
- Relationships with financial sponsors:
  - Grants/Research Support: N/A
  - Speakers Bureau/Honoraria: OMA – Speaker for Billing and Practice Management
  - Others: DFCM OHSP – Salary, SGFP Tariff Committee
  
- Faculty Name: **Dr. Eleanor Colledge**
- Relationships with financial sponsors:
  - Grants/Research Support: N/A
  - Speakers Bureau/Honoraria: Ontario College of Family Physicians
  - Others: The Foundation for Medical Practice Education (McMaster University)

# How to Participate

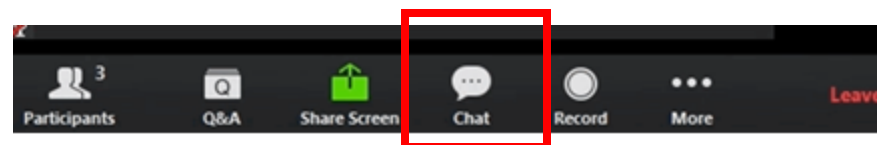
- All questions should be asked using the Q&A function at the bottom of your screen.



- Press the thumbs up button to upvote another guest's questions. Upvote a question if you want to ask a similar question or want to see a guest's question go to the top and catch the panels attention.



- Please use the chat box for networking purposes only.







Financial  
Planning for  
First Five Years  
of Practice

**Evidence Based Finance**

# What to concentrate on & What to avoid



PAYING DOWN  
DEBT



SAVINGS



INVESTING



INSURANCE

# Paying off debt



## What to do

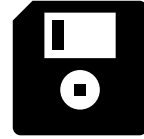
- Pay off highest interest debt first
- Lower interest debt next
- Low interest tax deductible debt last
- Use LOC in first year or so as savings place for personal taxes
- Live like a resident

## What to avoid

- Don't pay off 0% loans like student loans
- Don't mix LOC and student loans
- Accumulate more debt through lifestyle expansion
- Put your down payment on LOC
- Giving family money or investing from LOC



# Savings



## What to do (in order)

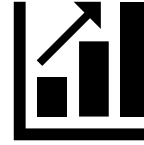
- RRSP
- TFSA
- Down payment
- Corporate savings

## What to avoid

- Saving in your corporation before filling registered accounts
- Paying yourself in dividends, avoiding RSP room and creating CPP contributions
- Not savings for personal taxes



# Investing



## What to do

- Discover the evidence for investing
- PFI or “SPIVA reports” or an unbiased advisor
- Low cost, globally diverse portfolio of stocks and bonds
- Concentrate on savings and discipline

## What to avoid

- Borrowing to invest
- Taking stock tips from friends or industry insiders
- Bank mutual funds
- Active management
- High costs



# Insurance



## What to do

- Maximize disability insurance
- Optimize with a personal insurance contract that cannot be changed
- Get life insurance for your partner and dependents
- Consider Critical Illness as a lump sum to cover elimination period and debts and other costs if sick

## What to avoid

- Early career whole life insurance
- Split dollar Critical Illness, look for term CI
- Using insurance as an investment or retirement tool
- Thinking you can risk it – self insurance



# HOOPP Pension Plan

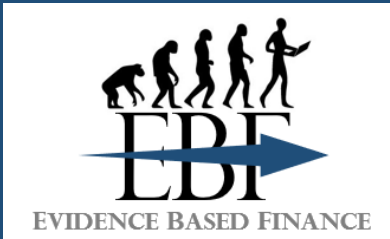
## Good

- Risk Pooling – specific retirement risks are spread out amongst pension plan members
- Longevity risk – risk you out live your savings
- Sequence of Return risk – risk that bad market conditions seriously impact your retirement nest egg

## Bad

- Employer contributions = your contributions
- Feature – no RSP contributions
- No value to your estate beyond your spouse
- Lack of control
- Loss of flexibility





# Evidence Based Finance



John Stocking  
CIM® CIWM® PFP®  
Founder of Evidence Based Finance



Jarrett Holmes  
CFP®  
President's List FP Canada 2022



[www.evidencebasedfinance.ca](http://www.evidencebasedfinance.ca)





# Accounting Essentials for New Grads: Starting Your Business Off Right

Practical Advice for Incorporating and Managing Your Finances



# Incorporation Basics

Key Question: Should You Take **Salary** or **Dividend**?



**Salary**: Regular income, contributes to CPP, eligible for RRSP contributions.



**Dividend**: Tax-efficient, no CPP contribution, no RRSP eligibility.



**Pro Tip: Work with an accountant to assess your cash flow needs and tax bracket.**

# Deductible Expenses

## Common Deductions

### Office Supplies

Paper, pens, and equipment.



### Professional Services

Legal and accounting fees.



### Memberships and Dues

OMA, CMA, Royal College, CPSO etc.



### Insurance - Only insurance related to active business

- CMPA and overhead disruption is allowable.
- Life insurance may be with a corporation, but never for unincorporated.
- Disability insurance is functionally never deductible.



### Marketing Costs

Ads, website fees, and promotional materials.



**Pro Tip: Ensure all expenses are business-related and well-documented.**

# Travel and Conference Expenses

## What Can Be Deducted?



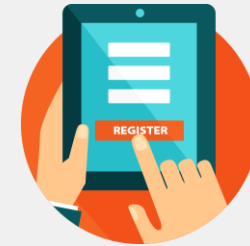
Airfare



Accommodation



Meals  
(50% limit)



Registration  
Fees

Transportation  
Car rentals,  
mileage if using a personal vehicle.



**Pro Tip: Keep detailed records of the business purpose for each trip.**

# Home Office Expenses

## Eligibility

Must use a portion of your home exclusively for business.



## Deductible Costs



Utilities

Rent/ Mortgage Interest



Property Taxes

Internet (Pro-Rated)



**Pro Tip:** Calculate the square footage of your office and storage area relative to the usable living space in your home.

# Record Keeping Essentials

## Records You Need to Keep

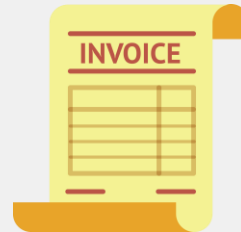
Receipts



Bank Statements



Invoices



Tax Returns



Contracts



Keep records for at least 6 years! (CRA requirement)



**Pro Tip: Use a consistent filing system (physical or digital).**

# Digital Tools for Record Keeping

## Top Tools for Receipt Scanning

- Dext (formerly Receipt Bank)
- QuickBooks Online
- Wave Apps



## Benefits

- ✓ Simplify tax filing.
- ✓ Reduce paper clutter.
- ✓ Access records anywhere.

# Tax Deadlines and Compliance

## Key Filing Deadlines

### Corporate Filing Deadlines

- [Payment due 3\(2\) months after year-end](#)
- [Filing due 6 months after year-end](#)
- Late payments subject to interest



### Personal Tax Deadlines

- Unincorporated professionals have until [June 15 to file taxes](#), but [must pay taxes owed by April 30](#)
- This applies to both parties even if only one spouse

### Other Filings

- [T4](#) and [T5](#) slips due by [end of February](#)



**Pro Tip: Use calendar reminders to stay on top of deadlines.**



# Benefits of Hiring a Professional Accountant

## How They Can Help



✓ Tax strategies and financial planning.

✓ Setting up efficient bookkeeping systems



**Pro Tip: Engage an accountant early to avoid costly mistakes.**

# Dealing with CRA Audits

## Tips for CRA Audits

- Red flags to avoid (e.g., inconsistent records).
- Be prepared with detailed documentation.
- Know when a review is normal or not (don't stress!).
- Defer calls to your accountant, don't say the wrong thing.
- Don't delay response
  - Important to have "My CRA" and "My Business Account" set up



**Pro Tip: Consult a professional if contacted by the CRA.**

# Understanding Shareholder Loans

## Key Considerations

- Rules for withdrawing funds from your corporation and required repayment timelines.
- Tax implications of shareholder loans.



**Pro Tip: Work with an accountant to manage these accounts proactively.**

# Common Accounting Mistakes to Avoid

## Mistakes to Watch For

- Overlooked deductions.
- Poor record-keeping practices.
- Relying solely on DIY tools without professional review.
- Remember your priorities and guide decision making.
- Value your time, hire help when needed!



# Final Tips

- ✓ **Consult with a professional accountant early to:**
  - Set up your bookkeeping system.
  - Maximize deductions.
  - Stay compliant with CRA requirements.
  
- ✓ **Stay organized and consistent to avoid stress at tax time.**



# Q&A

# Contact Information

**Jesse Francis, CPA, LPA, BMOS**  
**Baker Tilly Trillium LLP, London office**  
540 Clarke Rd., Suite 18  
London, Ontario N5V 2C7

T (519) 453-1400  
F (519) 453-6497  
E [jfrancis@bakertilly.ca](mailto:jfrancis@bakertilly.ca)

# Upcoming session

Our next First Five Years Community of Practice sessions:

**Wednesday February 12 from 7:00 – 8:30pm**

*Establishing Healthy Practice Habits & Planning for Parental Leave*

**Mar 5, 2025 from 7:00-8:30pm**

*Locuming 101 and Efficient Medical Form Management*

Contact us: [dfcm.quality@utoronto.ca](mailto:dfcm.quality@utoronto.ca)

The First Five Years Community of Practice is a one-credit-per-hour Group Learning program that has been certified for up to a total of 13.5 Mainpro+ credits.





# Evaluation

Please take a moment to complete the evaluation:



*We will also email the link to you directly.*