

# Money Matters

**A Wealth of Investment Expertise in Halton Hills.**



R. Scott Becksted, BES  
Investment Executive

- Retirement Planning, RRSPs, RRIFs
- Mutual Funds, Stocks, Segregated Funds
- GICs, Bonds
- Fee-based Managed Accounts

(905) 873-6640 or (905) 796-5024  
Toll Free: 1-800-263-2454 Fax: (905) 450-6343  
scott\_becksted@scotiamcleod.com  
www.advisors.scotiamcleod.com/sbecksted

**ScotiaMcLeod**  
ScotiaMcLeod is a division of Scotia Capital Inc., a member of the Scotiabank Group.

## Answers to the Most Common Questions about RRSP's

Despite all the attention Registered Retirement Savings Plans (RRSPs) receive at this time of year, many Canadians still find it's a mysterious acronym. They're unaware that an RRSP is not a specific investment per se, but rather a structure to house a portfolio of investments such as stocks, bonds and mutual funds.

To clarify some common misperceptions, here are answers to five of the most common questions financial advisors\* hear about RRSPs.

- 1.) Why should I use an RRSP to help save for retirement?** One of the most effective methods many Canadians use to help reach their retirement goals is saving within an RRSP. Your contributions can be deducted from your income, which will help reduce the amount of income tax you pay. In addition, any growth earned in your RRSP is not taxed as income until funds are withdrawn. That means investments in your RRSP grow tax-deferred so the total value may grow more quickly.
- 2.) I have heard that if I have too much income from an RRSP I could lose out on government benefits?** This may occur with Old Age Security (OAS) payments if your retirement income exceeds a certain

amount, but your income in retirement will not affect your Canada Pension Plan (CPP) benefits. On average, only about five per cent of Canadians experience any OAS "claw back," and approximately two per cent have all their OAS "clawed back."

**3.) What type of investments should I have in my RRSP?** Investments in your RRSP can vary and include such assets as stocks, bonds and mutual funds. But to ensure you have the right mix of investments to suit your goals and objectives you should consult with a financial advisor on a regular basis. That advisor will consider your asset diversification in totality - addressing what you hold both inside and outside your RRSP. Your consultations should also include discussion of other related factors such as your risk tolerance, the number of years you have left until retirement, and the taxability of different types of investments.

**4.) Is it true that I will need about \$1 million in my RRSP before I am able to retire?** There is no one simple answer to that question. The amount you will need in retirement will depend on a range of factors, such as your health, retirement age and lifestyle. In short, retirement



planning is far more complex than some magical amount and you should speak with a financial advisor to identify whether or not this target makes sense for you.


**5.) What happens to my RRSP when I retire? What do I do with it?** By the end of the year in which you turn 71 you must wind up your RRSP. At that time, you have a variety of choices. You could choose to purchase a Registered Retirement Income Fund (RRIF), purchase an annuity or withdraw the funds and declare the entire amount as taxable income for the year. You can also choose a combination of these options so it's not an "all-or-nothing" decision. RRIFs are one of the most common choices because they generally provide maximum flexibility to meet your changing needs during your retirement years. With an annuity, you create a simple income stream, without having to manage any investments. A financial advisor can help you decide on an appropriate retirement income plan for you that might include both RRIFs and annuities.

There are many other common questions about RRSPs - too many to be covered in just one column. But as with all matters related to retirement planning, speak to your financial advisor so you can make the best choices possible given your unique needs and circumstances.

*Article courtesy of Colin Brookes, Financial Advisor with Edward Jones in Georgetown, Member CIPF.*

**NOT PREPARING FOR RETIREMENT DOESN'T MAKE MUCH SENSE EITHER.**

All too often, investors take an extremely short-term approach to long-term retirement planning. But at Edward Jones, we believe the best way to prepare for retirement is to follow investment strategies that have proven themselves over time. For a free retirement review, or to find the Edward Jones office nearest you, call 1-800-ED-JONES or visit [www.edwardjones.com](http://www.edwardjones.com). Member CIPF.



**Colin Brookes**  
Financial Advisor  
211 Guelph St., Unit 4  
Georgetown, ON L7G 5B54  
905-873-7630

*For the same price, wouldn't you rather have your taxes prepared by a Chartered Accountant?*



**Tbuttle AND ASSOCIATES**  
CHARTERED ACCOUNTANT  
MANAGEMENT CONSULTANTS

- Personal & Corporate Tax Return preparation
- Audits, Reviews, Compilations (All Industries)
- Schedule of Business Activities
- Accounting & Bookkeeping
- Personalized Service, Competitive Rates

**(905) 873-8837**  
16 Mountainview Rd. S., Suite 202,  
Georgetown, ON L7G 4K1


**JOHN A. GIBSON**  
Chartered Accountant  
**Financial Statement Preparation**  
**Small Business Accounting**  
**Personal Tax Returns**  
**Corporate Tax Returns**  
**905-873-0996**  
10 MOUNTAINVIEW RD. S., SUITE 203  
(MOUNTAINVIEW & GUELPH)

**Yorkshire Enterprises Inc.**  
*stress-free bookkeeping & tax preparation*

Knolcrest Centre  
360 Guelph St., Unit 47  
Georgetown, ON L7G 4B5  
Call: 905-873-2697  
Email: [info@yorkshirent.com](mailto:info@yorkshirent.com)  
[www.yorkshirent.com](http://www.yorkshirent.com)

**At Yorkshire Enterprises:**

- Pick-Up & Delivery Available. Call to arrange a meeting.
- Your return is completed by tax professionals with more than 35 years of combined experience.
- You get our assurance of accuracy and maximum tax savings.
- Your return will be done while you wait.
- EFILE services are available.



## Rees helps Gold Ice claim silver

The Brampton-based Gold Ice Novice team, with Georgetown Skating Club member Haleigh Rees in the fold, won the silver medal at the recent Winterfest 2008 competition at the Hershey Centre in Mississauga.

Gold Ice narrowly missed winning the gold medal by 0.35 after two skates, finishing as runner-up to a group from Quebec.

The GSC's Madison Kelly from Gold Ice Novice Festival placed fifth at Winterfest 2008 out of 15 teams, and local club coach Tracey Paucan won the silver medal in the Adult Competitive division skating for Nexxice.

Kelly will skate in Oshawa at the Regional Synchronized Skating Championships Feb. 8-10, vying for a position to represent Ontario at the 2008 Canadian Synchronized Championships in Chilliwack, B.C. later that month. The top six teams from Ontario will travel to the Canadian championships.

Next for Rees is the Cupid's Capers event in Newmarket this Saturday (Feb. 2), and then on to Midland, Mich. for the Tri-State competition Feb. 15-17.

The Novice Gold Ice team will also travel to B.C. for the national championships.

•••

Ten-year-old Holly McNeil of the Georgetown Skating Club was in a colourful mood after her performances at the Dennis Silverthorne Memorial Invitational meet in Sarnia, earning gold, silver and bronze medals in her skates.

Following are the results for GSC members at the event.

- CanSkate Freeskate**
- Benjamin Conrad— 4th
  - Cody Ellis— 7th
- PrePreliminary Freeskate A**
- Antonia Pancevski— 4th
  - Brianna Basha— 5th
  - Rachel Thomsen— 9th
- PrePreliminary Freeskate B**
- Samantha Yalowica— 9th
- PrePreliminary Startskate Freeskate**
- Holly McNeil— 2nd
  - Haley Lambert— 6th
- PrePreliminary Skills**
- Brianna Basha— 2nd
- Preliminary Skills**
- Haley Lambert— 3rd
  - Holly McNeil— 3rd
  - Samantha Yalowica— 7th
- PreIntroductory Interpretive**
- Holly McNeil— 1st

## Roller hockey sign-up

The Georgetown Roller Hockey League will hold registration for players age 7 to adult tomorrow (Saturday), from 2-4 p.m. at the Mold-Masters SportsPlex.

There are several divisions, plus a new juvenile division for players age 17-19. Games are played Wednesdays from April 30-June 25 starting at 6:30 p.m.

The 13-game schedule includes a house league tournament and there are no practices.

Contact Paul Mintha at 905-259-4514, e-mail [pmintha@oihl.com](mailto:pmintha@oihl.com) or visit the website [www.oihl.com](http://www.oihl.com).