

Parting Thoughts on 2009

As accountants, we find ourselves often solicited for business advice. Throughout the year, we have shared business advice, which we hope you have found useful, through the Learning Kurve. But, as the year draws to an end, we would like to take this opportunity to broaden the scope of our advice into non-traditional areas of expertise. And so we offer you these parting thoughts...

2009 has been quite the year.

It started in the throes of a global financial crisis, plummeting real estate values, factory closings, business and personal bankruptcies, job losses, plunging consumer demand and reduced retail sales.

Then add the spread of the H1N1 virus and environmental threats and no one could blame you for staying in bed for the entire year.

Indeed, this constant bombardment of bad news has rendered many of us motionless with **uncertainty**. We are afraid to spend, afraid to save, afraid to breathe, afraid to touch, afraid to move, afraid to act, afraid to live. But it's too easy to join the naysayers and simply stop making decisions, waiting for sure signs of a better time for all.

In adversity, there is always **opportunity**. Adversity offers the **opportunity** to step back and gain perspective and clarity of the reality facing us. And when we do this, we find that, simply put, we are **fortunate**. Yes, there's a word we have not heard for awhile – **fortunate**. We are fortunate to live in one of the best countries in the world - a solid, safe and beautiful country - for most of you in the nation's proud capital. Most of us are fortunate to have a roof over our heads, a bounty of food to eat and family and friends to love and laugh with. We are fortunate to work with good people. We are fortunate to be able to run our businesses. We are fortunate to be immersed in supportive communities. We are safe. We are free. We are healthy. We breathe clean air. We are alive. We are truly fortunate!

Adversity also offers financial **opportunities**. At the start of the holiday season, now is a great time to take stock in the future and for owner/managers to capitalize on opportunities.

The Job Market

If you are thinking of hiring for that much needed skill set, do it. The job market has never been more favorable for an employer for several years now. There are people of terrific skills, unemployed through no fault of their own, looking for job opportunities. Terms of employment have never been more flexible.

Financing Costs

Not much has to be elaborated upon. Costs of borrowing are at historical lows. While financing may be somewhat more difficult to obtain, expansion and growth projects, with well developed business plans, by companies with good track records and financial position, should look at business opportunities. Now is the time to grow when others are entrenching or freezing up.

Investments

While it is difficult to go against the throng of people moving in one direction, opportunities abound. As always, we emphasize diversification and a suitable investment plan with proper advice.

Leasing

Whether it is for high dollar value goods such as cars or for retail space, if you have tried to negotiate with suppliers over the past six months, you will realize how flexible the negotiations can be.

Now is the time to contact your landlord to see about negotiating for additional space or a longer lease term, at very fair terms. Landlords realize how long it takes to fill up vacant space. Why wait until you are formally required to start negotiations with your landlord to start the process.

Expansion

Whether it is a new business or a new product launch, owner/managers should be seriously pursuing their strategies. A detailed analysis of strategies may result in a pleasant surprise to the owner/manager, upon learning of the reduced costs to implement their plan.

Donating

If you find yourself thinking of those less fortunate than you, help them. Donating to any charitable cause pays off many fold, over and above the donation tax credit, which makes it financially appealing to donate. You help those less fortunate than you. You add value to the world. You make a difference. You generate goodwill which will not show up on your company's balance sheet, but will no doubt show up on your life's balance sheet. It is an asset offering you future benefit far beyond its book value.

There are an abundance of excellent, hard working, worthy charitable organizations to choose from.

Balance

If you are thinking of taking that family vacation you have been talking about for so long – take it! Vacation prices are reasonable and as easy to book as a click of a mouse. The investment in your family is a limited time offer. Money will always be there to spend, save, lose, and make. Family will not. Invest in your family – it reaps rewards now and builds memories for the future.

Change

If you have always wanted to try something new, whether it is a new business, new product line, new career, or new hairstyle- try it! The new year offers a symbolic beginning for you and yours.

Finally, adversity offers the **opportunity** to learn from our mistakes. The biggest lesson learned from the financial crisis of the past year is this: Spend less than you earn. Stop for a moment, right now, wherever you are, and just look around. What you will see is that everything you really need to be happy, you already have. So take it easy on spending for spending sake. When you spend, spend wisely, with prudence and forethought. Now is the time to rebuild.

Amidst the constant bombardment of doom and gloom and the **inaction** that the resulting **fear** creates, we wish you the gift of **gratitude** and the resulting **action** that it creates – to live in the moment, fully, wisely, with peace and clarity.

Happy Holidays!



Happy New Year!