

Issue
2009-01

- Tax Planning for Difficult Economic Times
- Personal Tax Update—What's New?
- Lipson Loses Supreme Court Decision
- Required Minimum Withdrawal for RRIFs Reduced for 2008
- Income Split By Taking Advantage of Low Interest Rates
- What's New at the CRA?

Tax Planning for Difficult Economic Times

With the downturn in the economy, it is important to think about the impact this will have on your tax situation. Doing so will ensure that the tax planning and practices that you have used in the past are still relevant. It will also help you determine whether there are specific tax planning ideas that you can use to minimize or defer taxes. In this article, we identify key areas where planning may be possible. It is important to note that the comments are very general in nature, and you will need to work with your BDO advisor to implement any of the ideas discussed.

Tax Planning Ideas for Individuals

There are a number of ways individuals can reduce tax or defer tax.

Capital Loss Planning – With the recent declines in capital markets, investors should review whether it makes sense to trigger capital losses. To the extent that capital losses triggered in 2009 exceed capital gains realized in 2009, the resulting net capital loss can be carried back to reduce capital gains that you realized in 2006, 2007 and 2008. Where it makes sense to trigger a capital loss in 2009, you will need to keep in mind that our tax rules prevent taxpayers from creating a capital loss where the investment is repurchased within 30 days by the taxpayer or another affiliated person and on certain transfers. For more information on these issues, please see [“Tax Rules to Remember When Triggering Capital Losses”](#) in issue 2008-02 of *The Tax Factor*.

Interest Deductibility – Where you have borrowed to purchase investments, remember that you can continue to deduct interest on the loan even if that investment is sold for a loss. To maintain full interest deductibility, you must reinvest the proceeds you receive for the loss investment in a new investment if the proceeds are not used to repay your investment loan. Note that different rules apply for real estate and depreciable property.

Utilize Tax-Free Savings Accounts – Beginning on January 1, 2009, a new investment option is available—the Tax-Free Savings Account or TFSA. This option allows Canadian resident individuals who are 18 years of age or older to set aside \$5,000 a year (subject to indexing) and earn income that will not be subject to tax. For more information, please see [“Answering Your Questions on the New Tax-Free Savings Account”](#) in the 2008-02 edition of *The Tax Factor*.

Carefully Consider RRSP Contributions—Particularly for individuals in the upper income tax brackets, RRSPs are a powerful tool to save for your retirement. However, if cash is tight or your income may decline in 2009, then you should carefully consider how much to contribute. Remember that if you need to withdraw funds from your RRSP before retirement, the withdrawal will



be taxed and the contribution room used for the original contribution will be effectively lost.

Review Your Estate Plan—A downturn in investment values actually presents an opportunity from an estate planning perspective. For example, if you intend to pass on an investment portfolio to your children on death, an estate freeze now can make sense as it will lock-in the tax that will become payable on your death. Under an estate freeze, the current value of the portfolio is frozen in a corporation for your benefit while allowing future growth to accrue to others, such as your children. If you completed an estate freeze in the past, the downturn also represents an opportunity to enhance that freeze. In particular, if the value of the corporation has declined since the freeze, it may be possible to re-freeze your preferred shares at a lower value, thereby reducing the amount that will be taxed on your death.

Consider a Share Redemption – Where cash flow is needed and you have completed an estate freeze in the past, you may want to consider whether it makes sense to redeem some of your estate freeze shares in order to receive cash now. A redemption of such shares will usually result in a deemed dividend and will also lower the value of the estate freeze shares that will eventually be disposed of on your death.

Seek Tax Advice Before Settling Debts – If you settle a commercial obligation (basically, a debt where the interest is deductible for tax purposes) for less than its face amount, adverse tax consequences can arise for the debtor. Also, similar problems can arise where debt is transferred to a related party. Therefore, you should seek specific tax advice before a debt is settled or transferred.

Review Your Tax Instalment Obligations – If your total tax liability, less the portion that was withheld at source, is greater than \$3,000 for both the current year and either of the two preceding years, you are required to make instalments for the current year. In Québec where provincial tax is collected by the province, the threshold is \$1,800 for both federal and Québec tax. However, when paying instalments, it is possible to base your 2009 income tax instalments on an estimate of what your final tax obligation will be for 2009. If the estimate is correct and you pay ¼ of the estimate on or before the 15th day of March, June, September and December, no instalment interest will be charged. It is important to keep in mind that if you pay less than the instalments that the

Canada Revenue Agency requires and your final tax obligation is higher than your estimate, instalment interest and penalties can arise.

File Your Return Electronically if You Expect a Refund – If you will receive a refund when you file your 2008 personal tax return, remember to file the return electronically so that you will receive your refund faster. Electronically filed returns are usually assessed in less than 2 weeks (compared to 6-8 weeks or more for paper returns).

Tax Planning Ideas for Corporations

There are a number of ways to reduce or defer tax if you have a corporation.

Capital Loss Planning – As was the case for individuals, corporations can trigger capital losses and where these losses exceed current year gains, the resulting net capital loss can be carried back to the previous 3 taxation years (see the earlier discussion on the rules for individuals). In the case of a corporation, prior year taxable capital gains were subject to refundable tax. So, if a dividend was paid by your corporation in the prior 3 years, the refundable tax associated with these gains may have already been refunded to your corporation. Where this is the case, it may make sense to carry capital losses forward to apply against future gains.

Corporate Group Loss Utilization – Where you have more than one corporation, you may find that you have income in one corporation and losses in another (or property with an accrued gain in one corporation and property with an accrued loss in another). If this is the case, there are a number of strategies to consider, including:

- **Merge the corporations** – It may be possible to merge one or more corporations together so that income and losses (or capital gains and capital losses) are offset directly.
- **Review intercorporate interest and expense charges** – Subject to reasonability, it may be possible to adjust intercorporate charges so that income is increased for corporations with unapplied losses.
- **Transfer a gain property to a loss corporation before a sale** – Depending on the circumstances, it may be possible to transfer a property with an accrued gain to a corporation with unapplied losses prior to a sale. This could allow the loss corporation to use its losses to offset the gain.

- **Loan funds to loss corporations without interest** – Where a corporation has losses, an interest-free loan to that corporation will enhance its ability to generate income.

Consider a Holding Company – A holding company can provide a number of benefits, including:

- **Pay out corporate earnings of a subsidiary corporation as a tax-free intercorporate dividend** – Where dividends are paid by a subsidiary to a holding company, this may provide asset protection for the amount paid, and may help ensure that the shares of the corporation remain eligible for the capital gains exemption.
- **Cash in the tax cost of shares that you have acquired** – If you bought shares of a corporation, and your tax cost is higher than the paid-up capital of the shares, you may be able to transfer your shares to a holding company in return for debt or paid-up capital, which can be repaid tax-free. This planning may not be possible if you acquired shares from a relative.
- **Protect tangible assets such as land and buildings from business risk** – A holding company can also provide protection for tangible property such as land or buildings. This property can be held in a holding company even if it is being used by a subsidiary in its business. The holding company shares can still be eligible for the capital gains exemption if certain conditions are met.
- **Protect “GRIP” from future losses** – Under the dividend taxation rules, a private company can pay eligible dividends (which are taxed at a lower rate) to the extent that the corporation has a positive balance in its general rate income pool (GRIP) at year-end. If a corporation has losses in the future, this GRIP balance could be eroded. Paying the GRIP balance to a parent company as an eligible dividend can protect that balance from future losses. Your BDO advisor can help you determine whether your corporation has a GRIP balance.

Consider Paying Dividends from Your Corporation – If your corporation has had capital gains in the past or received life insurance proceeds, consideration should be given to paying

a tax-free capital dividend now. Depending on the circumstances, future capital losses can reduce the amount that can be paid as a capital dividend. Therefore, consider paying any capital dividends before triggering any capital losses. Also, if your corporation has refundable dividend tax on hand, paying a dividend to trigger a refund of this tax in your corporation may make sense (especially if your corporation can pay an eligible dividend).

Review Your Corporation's Instalment

Obligations – A corporation can pay instalments based on an estimate if you believe that its corporate income tax for the current year will be lower (interest and penalties will arise if tax is underestimated).

Review Your Remuneration Strategies – If corporate income falls, you should review your owner-manager remuneration planning to determine whether dividends or salary should be paid. Also, when cash is tight, this would be a good time to revisit income splitting strategies to ensure you pay as little tax as possible on distributions from your corporation. For example, it may be possible to pay dividends to adult family members with little or no tax.

Have Your GST and PST Status Reviewed

When cash is tight, it will be more important than ever to ensure that you are not overpaying GST and PST. In addition, you may be charging tax in situations where it is not required, and addressing this will be beneficial if it means your customers will have more money to spend on your products or services.

Ensure Research and Development (R&D) Costs are Identified and Claimed

– Many Canadian corporations are engaged in R&D and they don't know it. Most people associate R&D with work done in a laboratory by skilled scientists. However, R&D activities for small and mid-sized businesses are often integrated with daily business activities. Your BDO advisor can help you ensure that all R&D activities are identified and investment tax credit claims are maximized.

Contact your BDO advisor to discuss which planning ideas will be beneficial for you. Keep in mind that the ideas discussed are not exhaustive. Your BDO advisor can review your situation to help identify any additional tax planning ideas that can help you through the difficult economic times we are now facing.

Personal Tax Update – What’s New?

With the new year, it’s time to take a look at the tax changes that may impact you in 2009. The following is a summary of the more significant federal tax changes to consider when preparing your tax return this year as well as other significant personal tax developments.

New Tax-Free Savings Account for 2009

New for 2009, eligible individuals can now open up a tax-free savings account. This new savings plan was introduced in the 2008 budget and will allow individuals to save for many purposes. For further information, refer to our *Tax Factor* 08-02 article titled “[Answering Your Questions on the New Tax-Free Savings Account](#)”.

Registered Disability Savings Plans Now Available

The Registered Disability Savings Plan (RDSP) was introduced in the 2007 federal budget and became available on a national basis in December of 2008. The RDSP is a new plan to help parents and others save for the long-term financial security of a child with a disability. The RDSP will allow funds to be invested tax-free until withdrawal.

In December, the government announced that the deadline for opening an RDSP, making contributions and applying for the matching RDSP Grant and income-tested Bond for the 2008 contribution year has been extended to March 2, 2009 from December 31, 2008. The 2009 RDSP contribution year will begin March 3, 2009. For further information on the RDSP, refer to our *Tax Factor* 08-03 article titled “[Tax Breaks for the Physically and Mentally Challenged](#)”.

2008 Personal T I Tax Return

No Changes to Federal Tax Rate – The personal federal tax rate for the lowest tax bracket (income not exceeding \$37,885 for 2008) has fluctuated in past years. This year, however, there is no rate change so the lowest tax bracket rate remains at 15% for 2008.

Basic and Spousal/Partner Personal Tax Credits – The basic personal and the spousal/partner amounts for federal purposes remain at \$9,600 for the 2008 taxation year. A number of other federal credit amounts have been indexed

by 1.9%. The actual federal tax credit is calculated by multiplying the applicable amount by 15% for 2008. A number of corresponding provincial credits have also increased due to inflation or specific tax changes.

Medical Expense Tax Credit – The federal medical expense tax credit recognizes the effect of above average specific medical and disability-related expenses on an individual’s ability to pay tax by providing relief equal to 15% of the eligible medical and disability-related expenses in excess of a threshold. Under changes proposed in the 2008 federal budget, which apply to 2008 and subsequent years, the list of eligible expenses is expanded to include amounts paid to purchase, operate and maintain the following devices prescribed by a medical practitioner: altered auditory feedback devices for the treatment of a speech disorder, electrotherapy devices for the treatment of a medical condition or a severe mobility impairment, standing devices for standing therapy in the treatment of a severe mobility impairment, and pressure pulse therapy devices for the treatment of a balance disorder. Also, the rules are extended to include costs associated with service animals specially trained to assist an individual who is severely affected by autism or epilepsy.

Registered Disability Savings Plan – Individuals who received an income payment from a Registered Disability Savings Plan (RDSP) in 2008 (which is unlikely as RDSPs only became available late in 2008) will receive a T4A slip and are to report the income on their tax return. This income is not included in the calculation for GST/HST credit, Canadian Child Tax Benefit payments, social benefits repayment, the refundable medical expense supplement or the Working Income Tax Benefit calculations.

Northern Residence Deduction – Individuals who live in prescribed areas in northern Canada on a permanent basis for at least six consecutive months beginning or ending in a taxation year may claim the northern residence deduction. For 2008 and subsequent years, the residency deduction has been increased to \$8.25 per day for those entitled to only the basic residency amount, or \$16.50 per day for those entitled to both the basic and the additional residency amounts.



Capital Gains and Donations – Exchangeable Securities

– When a taxpayer donates certain publicly-traded securities to a registered charity or other qualified donee, the full value of the security is eligible for a donation credit and any gain on the security is exempt from capital gains tax. This exemption has been extended to capital gains realized on the exchange of certain unlisted securities for publicly-traded securities when the publicly-traded securities are then donated within 30 days of the exchange. This change applies to donations made on or after February 26, 2008. This exemption may also apply in cases where the exchanged property is a partnership interest (other than certain prescribed interests).

Carry-forward Period for Investment Tax Credits Extended

– The carry-forward period for investment tax credits earned after 1997 and before 2006 was extended to 20 years from 10 years.

New Scientific Research & Experimental Development (SR&ED) Form

– A new SR&ED form (Form T661) was issued by the CRA in November. For further details, refer to our *Fast Facts* 08-04 titled [“The New SR&ED Claim Form - A Story in Words”](#).

Mineral Exploration Tax Credit – The mineral exploration tax credit is available to individuals who invest in flow-through shares and is equal to 15% of the specified mineral exploration expenses incurred in Canada and renounced to individual investors. This temporary credit was scheduled to expire at the end of March 2008, but the deadline was extended in last year’s budget and again this year.

If you need more information on these changes or have any questions about how these changes may impact your 2008 tax return, contact your BDO advisor.

Lipson Loses Supreme Court Decision

After a fairly long wait, the Supreme Court released a split decision in the Lipson case, which dealt with whether interest on a home mortgage was deductible for income tax purposes. And, unfortunately for Mr. Lipson, his appeal was denied. However, as we will see, the outcome was not as negative as it could have been, and that will be good news for some taxpayers.

Before we deal with what the Supreme Court said, a review of the facts is in order.

The Facts

Mr. and Mrs. Lipson needed to borrow funds to buy a home. However, rather than simply borrowing the money using a conventional mortgage, the couple entered into a series of transactions which, they believed, would allow them to deduct the interest on the loan. The specific steps were as follows:

1. Mrs. Lipson obtained a demand loan and purchased shares of the family’s company from Mr. Lipson. Since the direct use of the funds was to buy the investment, interest on this loan would be deductible.
2. Mr. Lipson then used the funds to buy the home.
3. The couple took out permanent financing secured by a mortgage on the new home, and used the proceeds to repay the demand

loan. Under a specific tax rule, a new loan will be treated in the same way as the loan it replaces when determining whether interest is deductible.

As the transfer of shares from Mr. Lipson to his spouse would presumably create a gain, he allowed the tax-free spousal rollover rule to apply to the sale of the shares. As a result, the income attribution rules also became applicable, and consequently, any income or loss on the family company shares would attribute to the transferor (Mr. Lipson) even though Mrs. Lipson was holding the shares. Based on this, he deducted the mortgage interest as a loss from property.

Tax Court Decision

The Canada Revenue Agency denied Mr. Lipson’s deduction of the mortgage interest, so he appealed to the Tax Court. Although there was a direct eligible use for the demand loan (and by extension, the mortgage), the Tax Court judge ruled that the general anti-avoidance rule (GAAR) applied. Specifically, he felt that the planning was abusive tax avoidance since the taxpayer had frustrated the interest deductibility rules. The judge reached this conclusion in spite of the fact that the Supreme Court in the Singleton case allowed a taxpayer to rearrange his affairs to maximize his interest deductions for tax purposes in a somewhat similar



fashion. In addition to pointing out his general observations on the overall purpose of the loan (to buy the home), the Tax Court judge ruled that the series of transactions, including the use of the spousal rollover and income attribution rules, was abusive.

The Supreme Court's View

After losing in Tax Court, Mr. Lipson appealed to the Federal Court of Appeal. However, under guidelines set by the Supreme Court in another case, the ability of the Federal Court of Appeal to overturn a GAAR ruling is limited and they chose to deny the appeal. Mr. Lipson then appealed to the Supreme Court of Canada.

In a split decision, the majority of the Supreme Court also denied Mr. Lipson's appeal. Although the Court appears to believe that it would be acceptable to buy an asset from a spouse and deduct interest on money borrowed for the purchase as a general rule, they believed that using the spousal rollover and thereby triggering the income attribution rules went too far. In particular,

they held that creating such a series of transactions was an abuse, and they denied Mr. Lipson's interest deduction. In reaching their decision, the majority focused on the specific effect of the series of transactions but they did not endorse the Tax Court judge's comments on the overall purpose of the loan. The majority also seems to suggest that Mrs. Lipson should be entitled to deduct the interest.

Conclusion

Despite the result for Mr. and Mrs. Lipson, this case may well be a positive development for other taxpayers. First, it would seem that using GAAR to deny an interest deduction based on a perceived overall ineligible purpose for a loan is not appropriate. In addition, for spousal transfers in particular, it appears that the planning used by the Lipsons would be acceptable as long as the spousal rollover and therefore, the income attribution rules do not apply.

For more information on this case, and how it may affect you, contact your BDO advisor.

Required Minimum Withdrawal for RRIFs Reduced for 2008

On November 27, 2008, the Finance Minister released the mid-year fiscal update that included a change for Registered Retirement Income Fund (RRIF) holders and individuals receiving variable benefit payments under a money purchase Registered Pension Plan.

In recognition of recent exceptional market conditions and their effect on retirees' savings, the government has proposed to reduce the required minimum withdrawal amount for RRIFs by 25% for 2008. The problem with RRIFs is the fact that the required withdrawal for a given year is based on the value of the RRIF at the beginning of the year, and for retirees holding a significant amount of their savings in equities, their RRIF value will have declined substantially since then.

As a RRIF holder, this means that you may keep more of your savings in your RRIF. If you have withdrawn more than the reduced 2008 minimum amount, you will be allowed to re-contribute the excess (up to the amount of the reduction

provided by this proposal) to your RRIF until the later of March 2, 2009 and 30 days after this proposal is enacted into law by the government. These re-contributions will be deductible on your 2008 tax return. This change will apply to all RRIF holders regardless of age.

Similar rules will apply if you are receiving variable benefit payments under a money purchase Registered Pension Plan.

The Canada Revenue Agency (CRA) has indicated that they will permit you to take advantage of this proposal before it is passed into law as it is the CRA's longstanding practice to allow taxpayers to act upon proposed tax measures. Note that if the proposed measure is not passed into law, the CRA will not penalize you for acting on the proposal, but you may be required to withdraw the ineligible amount from your RRIF.

If you have questions about how this change may impact you, consult with your BDO advisor.



Income Split By Taking Advantage of Low Interest Rates

With interest rates back down to historic lows, now is the time to make sure that you're maximizing your benefits from income splitting. Income splitting involves redirecting income within your family group to take advantage of lower tax brackets, deductions and credits available to each family member.

You can achieve income splitting by transferring an income-producing asset, such as a treasury bill, to your spouse or minor children who are earning lower amounts of income.

The total tax on your family's income will be the lowest when each member earns approximately the same level of income.

Is Income Splitting That Easy?

No, it's not. Canadian tax law includes some complicated attribution rules that are designed to prevent you from income splitting. However, if you make an investment loan to a spouse or a minor child, and charge interest on the loan at the "prescribed rate," then the net income that they earn will not be subject to the attribution rules.

Interest at the Prescribed Rate

Based on 90-day treasury bill rates, the prescribed rate is used by the Canada Revenue Agency (CRA) for many purposes. In the case of the attribution rules, as long as the interest rate on the loan you make to a family member is not lower than the prescribed rate at the time of the loan, then the attribution rules won't apply. In addition, the interest payable on the loan each year must be paid during the year, or within 30 days from the end of the year. For example, for 2009, all interest must be paid on or before January 30, 2010. If an interest payment is late, the prescribed rate exception will be lost, and the attribution rules will apply.

What's New at the CRA?

Over the past several years we have seen a lot of changes at the Canada Revenue Agency (CRA)—mostly in how they provide service to their clients. Overall, these changes focus on making things more convenient for taxpayers. In particular the CRA has introduced many on-line services with a growing number of self-serve options. This article

Timing is Critical

Because of recent interest rate reductions, the prescribed rate for the first quarter of 2009 is only 2%. That means that if you loan money to your spouse or a child between January 1, 2009 and March 31, 2009, and charge interest at 2%, they will be taxed on any income they earn on the funds (net of the interest expense) and you won't be. It should also be noted that it is possible that the prescribed rate could fall to 1% for the second quarter of 2009—the CRA will make an official announcement in March. Due to this, you may want to wait for this announcement before making a prescribed rate loan (it is unlikely that the prescribed rate will go up).

The Benefits

The benefits from these loans are clearer with an example. Assume that your spouse realizes a 5% return on a mortgage, which they acquired with funds that you loaned to them. After they pay you interest on the loan (we'll assume interest is charged at the prescribed rate for the first quarter of 2%), which they will deduct on their tax return, they will be left with a 3% return on which they will be taxed. You will pay tax on the interest you receive from them. Should the prescribed rate rise at some point in the future, and it likely will, you still only have to charge interest at 2% for the term of the loan to avoid the attribution rules. Therefore, the income splitting benefits of the loan will almost certainly increase over time.

This is the time to ensure that you have maximized the benefits of income splitting. Ask your BDO advisor for more information, and to recommend an income splitting plan that works for you.

will highlight some of the enhancements that the CRA has made to their "My Business Account" service and their "Quick Access" service.

What is "My Business Account"?

"My Business Account" is touted by the CRA as being a secure and convenient way for businesses



to access their CRA account information online. You can use “My Business Account” if you are a business owner, partner, director, officer or an employee of a corporation provided that your social insurance number (SIN) is on your Business Number file with the CRA. Alternatively, you can allow your trusted BDO advisor to gain access to the service as your authorized representative.

If you already have access to “My Business Account” you will have found that it allows you to do many things. For instance you can view your banking information, file a GST/HST return and view correspondence, assessments and communication items issued by the CRA.

What is new with “My Business Account”?

Within the past year the CRA has added some new services to “My Business Account”. For example, the CRA has added a service that will allow you to view the status of a GST/HST return. Specifically, this service allows you to see the status, the filing period end and the date that GST/HST returns were filed and received by the CRA for the current and previous calendar years.

The CRA also announced that you can transfer a payment/credit from one interim period to another interim period within the same account, except for payroll, or pay a balance owing in “My Business Account”.

Beginning this year the CRA will be rolling out a pilot project called electronic transfer of accounting data (ETAD). Under this system, an auditor will call a taxpayer otherwise selected for audit and offer the possibility of sending in electronic records through “My Business Account”. The auditor will provide a case number to the taxpayer to be entered on the ETAD screen in “My Business Account” to allow the transmission of his/her data. The taxpayer will receive a confirmation page when the file is successfully transmitted.

The CRA promises that a few more changes will be coming down the pipeline. “My Business Account” will be further enhanced and will soon provide you with the ability to:

- View interest transactions;
- Receive electronic notifications;
- View/update business activity;
- View owner information; and
- View Pensionable and Insurable Earnings Review (PIER) list.

What is “Quick Access”?

Last year, the CRA brought back an electronic service which was available to individuals before the “My Account” service was launched (referred to as “Quick Access”). It is an online service that gives individuals fast and secure access to limited personal tax and benefit account information. Although this information is currently available on “My Account”, you can access it on “Quick Access” without having to register for a Government of Canada epass.

When using “Quick Access”, you can view the following information:

- Tax return status;
- RRSP deduction limit;
- Canada Child Tax Benefit payment status;
- GST/HST credit payment status; and
- Universal Child Care Benefit payment status.

To use “Quick Access” you’ll need to provide your social insurance number, date of birth and the amount you calculated and entered on line 150 (“Total Income”) of your 2006 or 2007 filed and processed income tax return.

If you have any questions regarding the services launched by the CRA, please contact your BDO advisor.

This is a publication of BDO Dunwoody LLP on developments in the area of taxation. This material is general in nature and should not be relied upon to replace the requirement for specific professional advice. The information in this document is current as of January 20, 2009.

Comments and suggestions should be addressed to National Tax, by Fax: (416) 367-3912 or E-mail at info@bdo.ca. We invite you to visit our web site at www.bdo.ca to find out more about our firm and the offices near you. Or call us at 1-800-805-9544.

BDO Dunwoody LLP is a Member Firm of BDO International. BDO International is a world wide network of a public accounting firms, called BDO Member Firms, serving international clients. Each BDO Member Firm is an independent legal entity in its own country.

© 2009 BDO Dunwoody LLP