

Books and records

Last week I attended seminars held by the Canadian Council of Christian Charities. Over the next few letters I will talk about the seminars. The one I want to address today is one that I receive many questions being “How Long Should Records be Kept?” Everyone wants to rid themselves of paper as soon as possible so I trust this will answer some of your questions. The general rule is that all books and records should be kept for 6 years from the last year end. So for example assuming that everyone is on a calendar year end being December 31 then as at December 31, 2010 you must keep all books and records from 2005 to 2010. This means that all invoices, bank statements, cancelled cheques, payroll, duplicate tax receipts and any other documents used during the year must be kept. I know that the rules allow you to destroy tithing envelopes after 2 years but I highly recommend they be kept for the 6 year period. Now as everyone knows we are dealing with rules so there are exceptions. The following exception listing must be kept permanently and permanently means for 2 years after the charity ceases to operate. What must be kept is as follows:

The general ledger.
Minutes of all board, executive and membership meetings.
Governing documents. (Constitution & Bi-Laws).
Annual charity returns T3010 with financial statements attached.

When destroying documents please do not take them to the local landfill site but have them shredded by a company that will issue you a shredding certificate.

Please never hesitate to call the office if you have any questions.

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