



## Financial Records

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**Reviewed by:** LFNP Contributors

**Time to Read:** 8 minutes

This Fact Sheet provides information about the legal rules non-profits must follow for keeping official records about its finances.

Non-profits must keep and store certain financial records. Section 20 of the Societies Act requires non-profits to keep records of its financial statements and auditors' reports (if any) on those financial statements. Best practice is for non-profits to also keep up-to-date and detailed accounting records. Financial statements and accounting records are not the same thing.

<b>Financial Statements Broad Overview of Financial Position</b>	<b>Accounting Records (aka General Ledger) Detailed Individual Financial Transactions</b>
Income Statement	Date and amount of deposits and withdrawals
Balance Sheet (Statement of Financial Position)	Cheque numbers
Statement of Cash Flows	Bank account numbers
Equity Statement	Daily balances
*must be approved by the membership	Bank statements
	Donation receipts

Financial statements should be stored in the non-profit's official records folder. Accounting records change frequently so it is best to not keep these records in the official records folder. Instead, there should be a notation in the official records folder about where to find the accounting records. A non-profit can restrict access to the accounting records in its bylaws.