



Fondation
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Avançons l'apprentissage

September 11, 2026

Financial Resilience

Coaching Sessions

Understanding Finances and Compliance

CCBI
YAMM Services

Please note that this presentation deck was originally created for a live and interactive virtual coaching session, and has since been modified from it's original version to better suit being shared as a self-paced online resource.

Land Acknowledgement

Before we begin, we'd like to take a moment to acknowledge the territories from which we are joining.

CCBI is located on the unceded territory of the Kanien'kehá:ka Nation, in Tiohtià:ke, a place of gathering for many Nations including Huron/Wendat, Abenaki, and Anishinaabeg First Nations.

Yamm Services is in Tkaronto, on the traditional territory of Anishinaabeg, Wendake-Nionwentsio, Haudenosaunee, and Mississaugas of the Credit First Nations.

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Introduction

Developed by **Jack**, the session is designed to help organisations better understand their finances and financial compliance.

As the founder of Community Capacity Building Initiative, Jack bring expertise in non-profit financial management.



Goals & Guidelines



By the end of this session you should be able to...

- Name the level of review your organization requires, and why;
- Read and understand the most important parts of a financial statement;
- Leave with three concrete next steps.



Session guidelines:

- Bring your curiosity
- Explore and engage with questions and topics genuinely

Let's begin!



Are you
ready?

Where are you starting from?

1

What are you hoping to learn from this session?

2

What about finance and compliance scares you the most?

3

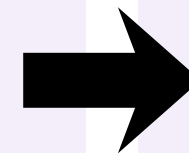
Can you name any types of financial reports? Any components of financial reports?

4

Does your organization have a finance and/or audit committee?

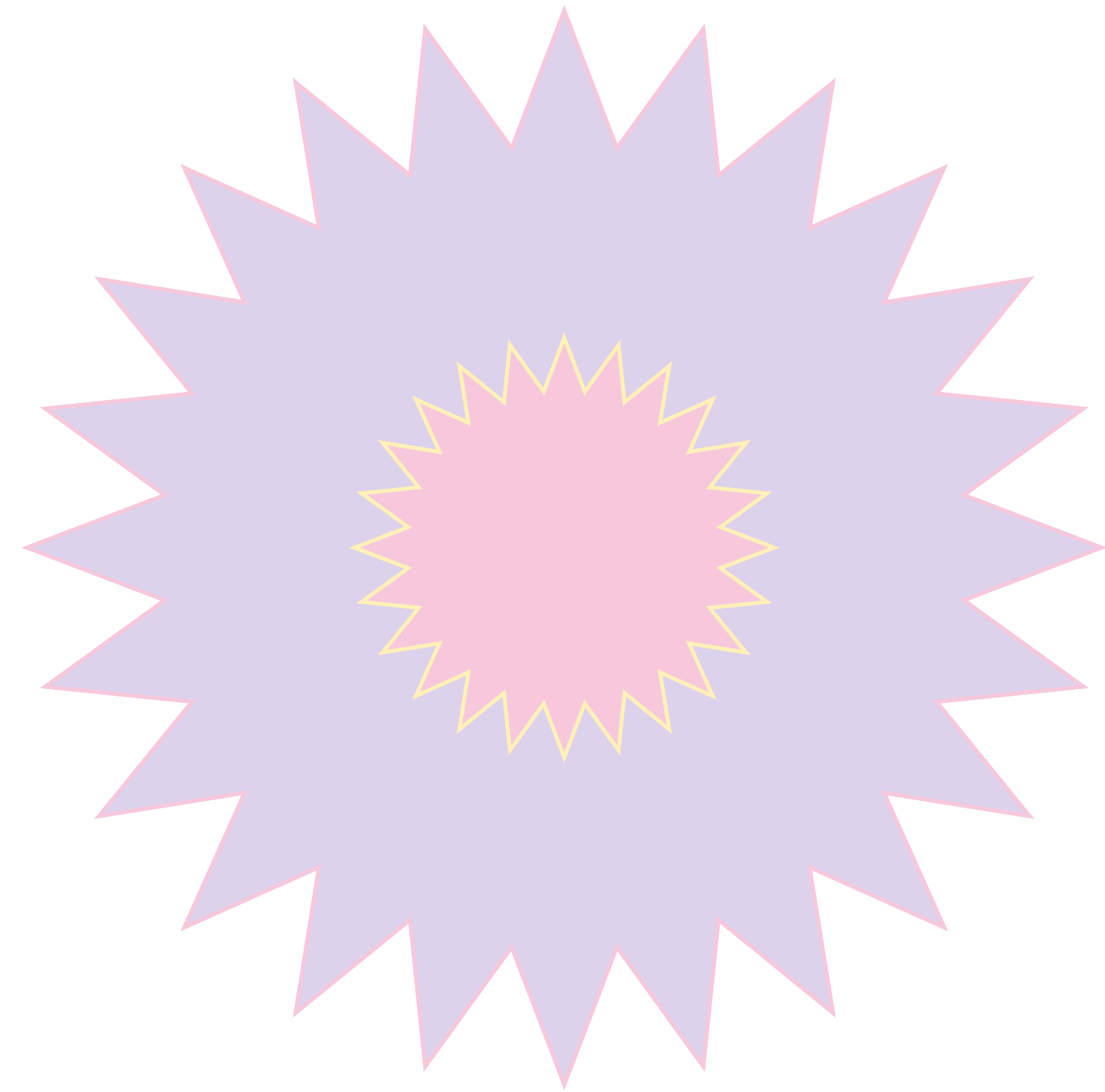
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What types of financial reports do you (or they) review regularly?



What is compliance?

Who are we compliant to?



What is compliance?

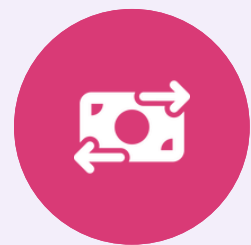
Compliance refers to meeting the legal, tax, funder, and internal obligations related to running your organization — **and being able to prove it!***



File...

Things you submit

- Annual return to your corporate registry
- T3010 (charities) or T2 / T1044 (NPOs)
- Grant reports to funders



Remit...

Money you pass on

- Payroll deductions: CPP, EI, income tax
- GST/HST you've collected (if registered)
- Workers' compensation premiums (where required)



Follow...

Rules you live by

- Your organisational bylaws (e.g. conflict of interest, transparency)
- Grant agreement terms
- AGM held, minutes kept, directors elected

**Compliance also covers areas like privacy, employment standards, and health & safety. This session will focus on the financial aspects.*

Who are we compliant to?

Canada	Canada Not-for-profit Corporations Act (CNCA)
Ontario	Not-for-Profit Corporations Act, 2010 (ONCA)
Québec	Companies Act, Part III
British Columbia	Societies Act
Alberta	Societies Act, or Companies Act (Part 9)
Saskatchewan	The Non-profit Corporations Act, 2022
Manitoba	The Corporations Act (Part XXII)
Atlantic & territories	Check your provincial / territorial registry

What are internal controls?

Internal controls are the policies, procedures, and systems that companies use to protect their assets, ensure accurate financial records, and follow laws and regulations.



Money

Coming in or out

- Require two cheque signers
- Set spending limits and expense approval processes
- Have clear signing authorities for all processes (e.g. wage changes must be approved by X)



Governance

Money you pass on

- Related-party transactions
- Conflict of interest policy
- Meeting minutes



Accounting principles

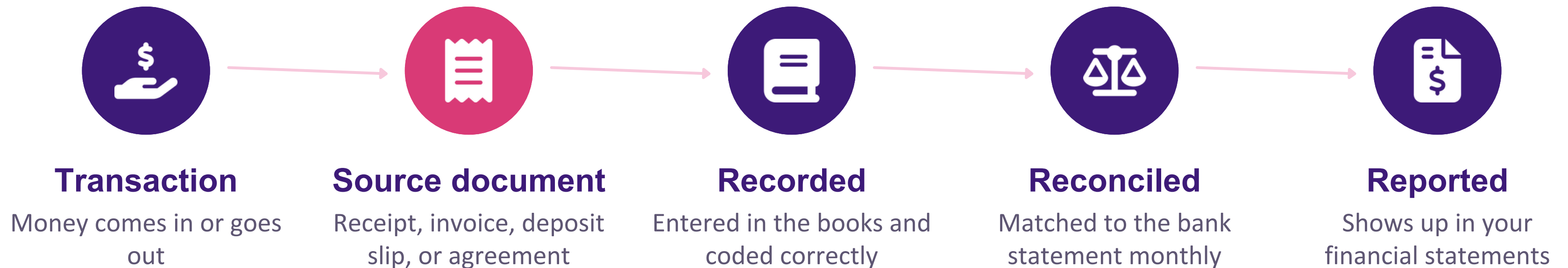
Standard practice

- Separation of duties
- Accrual accounting
- Records & systems: asset register, individual log-ins, monthly reconciliation

What does it mean to be “audit ready”?

You are “audit ready” when your records are complete, organized, and reconciled; so that anyone — a CPA, a funder, a new treasurer or the CRA — can follow the trail from any transaction to your financial statements.

A good “audit ready” trail follows these steps and has records readily available for verification:



Audit Ready Tool!

The *Audit Ready Books Template* can be downloaded on the resource page.

What is a CPA, and what are they looking for?



Chartered Professional Accountant

Canada's accounting designation.

To sign a review or audit report, a CPA must also be licensed for public accounting in their province, and must be independent from your organization.

What a CPA will ask to see:

- ✓ Monthly bank reconciliations
- ✓ Receipts and invoices linked to every transaction
- ✓ Board meeting minutes documenting budget approvals and key decision-making
- ✓ Records for restricted grants tracked separately from general funds
- ✓ Proof of payroll and GST/HST remittances being up to date
- ✓ Signed contacts and agreements

What's the difference?

Compilation

  **No assurance**

What the CPA does:

Assembles statements from the information you provide; Nothing is verified.

Often used by:

Small organizations, for tax filings and internal use.

Cost & time: \$

Review engagement

  **Limited assurance**

What the CPA does:

Inquiry and analysis (i.e. do the numbers look plausible?); No detailed testing.

Often used by:

Mid-sized organizations; accepted by many funders.

Cost & time: \$\$

Audit*

 **High assurance**

What the CPA does:

Tests transactions, confirms balances with banks and third parties, looks at internal controls.

Often used by:

Larger or soliciting organizations; required by many government contracts.

Cost & time: \$\$\$

**Not to be confused with a CRA audit, which is a government compliance examination of your records.*

FOUR SOURCES OF REQUIREMENTS

Four main sources of requirements



Your incorporating statute

The federal or provincial act under which you're incorporated sets the rules for whether you need an audit, a review, or neither — and your annual filing requirements.



Creditors

e.g. Banks, lenders, and sometimes landlords

Loan agreements can require reviewed or audited statements every year.



Funders

e.g. Government, foundations, United Way

Grant agreements often specify the required level of assurance and your reporting deadlines.



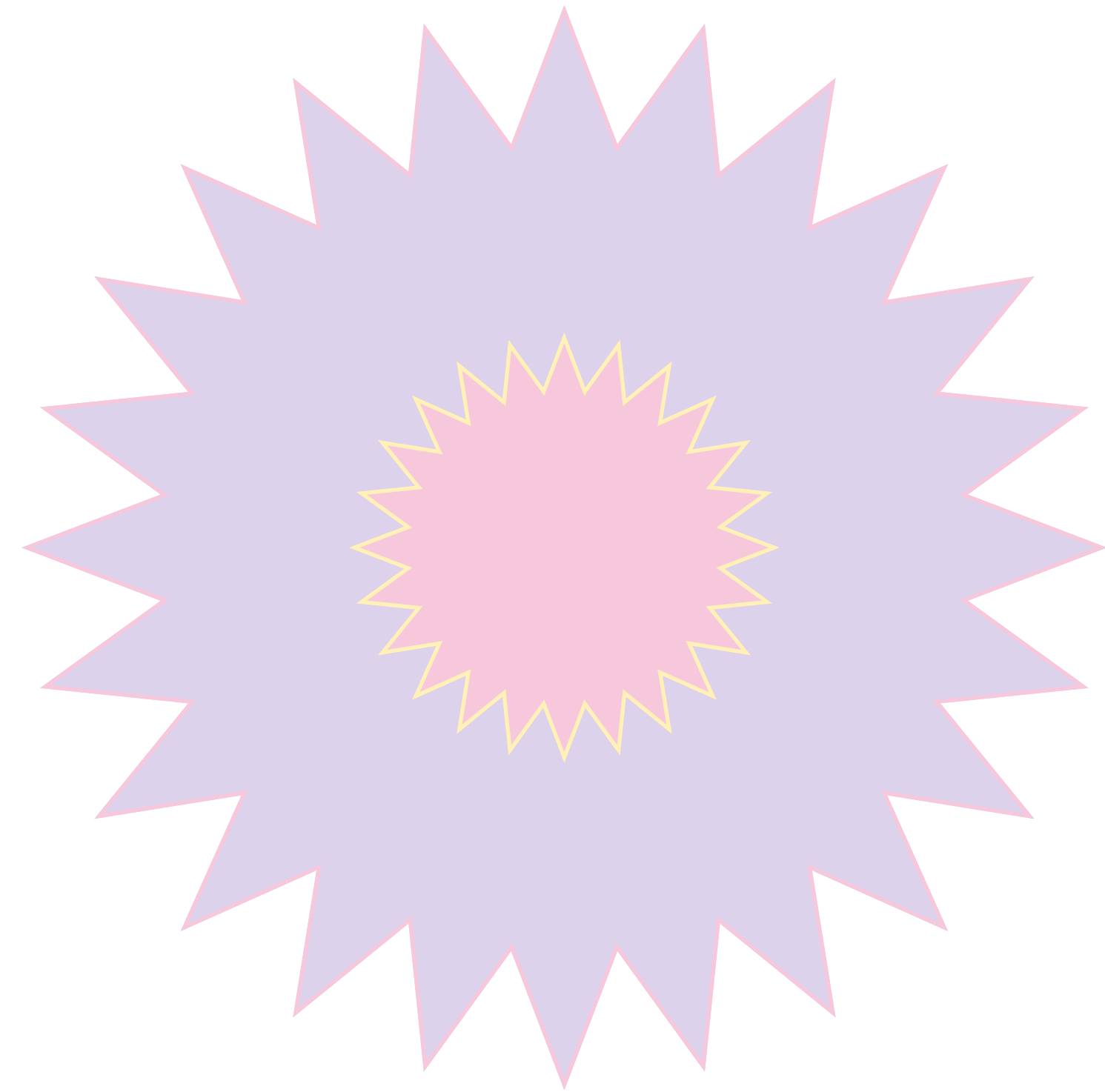
Your own organization

Your bylaws, board policies, and member resolutions can require an audit even when the law doesn't.

Rule of thumb: If you are subject to multiple requirements, follow the strictest one.

Reading a financial statement

Grab a recent financial statement and follow along!



What you'll find in a set of financial statements

01 Accountant's report

The first page will tell you whether the report is a compilation, review, or audit.

02 Statement of financial position

A snapshot on one date: what you own, what you owe, what's left over.

03 Statement of operations

The recap of the year: revenue in, expenses out, and any surplus or deficit.

04 Changes in net assets

How each fund (unrestricted, restricted) moved during the year.

05 Cash flows

Where cash actually came from and where it went (not the same as surplus).

06 Notes

The fine print, includes your accounting policies, commitments, and restrictions. **These are worth reading! Don't skip them.**

Decoding the vocabulary

● Assets

What you own or are owed (cash, receivables, equipment).

● Net assets

= Assets minus liabilities. The non-profit version of 'equity'.

● Internally restricted funds

Money your board has set aside (e.g., a reserve fund). Your board controls internal restrictions, and can undo it.

● Accrual basis

Record income and expenses when earned or incurred, not when cash moves.

● Liabilities

What you owe (payables, loans, unspent grant money).

● Externally restricted funds

Money a funder or donor says must be used for a specific purpose.

● Deferred contributions

Grant money already received but not yet spent on its intended purpose is a liability until you do.

● Amortizations

Spreading the cost of equipment or buildings over their useful life.

Five questions to ask any financial statement

- 1 Are we running a surplus or a deficit — and was that part of the plan?
- 2 How much of our cash is actually ours (unrestricted)?
- 3 Do deferred contributions match what we still owe our funders?
- 4 Are net assets growing or shrinking year over year?
- 5 What do the notes flag? Are there any commitments, restrictions, or concerns?



Months of reserves

Months of reserves = unrestricted net assets ÷ average monthly expenses

Try it on your statement. Many boards aim to have 3-6 months of reserves, depending on the organization's level of risk.

ACTION PLANNING

3 Next Steps



Meet with your bookkeeper or finance team

Clarify 1–2 financial questions from today.

By when:

Who's with me:



Book a free intro meeting with a CPA

Ask what level of engagement fits your organization’s size and funders.

By when:

Who's with me:



Tailor your basic compliance checklist

Start from the tool provided and the next slide.

By when:

Who's with me:

Compliance Checklist Tool!

The *Compliance Checklist* can be downloaded on the resource page.

STARTER COMPLIANCE CHECKLIST (Abridged sample)

What to track, and how often

Every year

- ☐ Hold your AGM and keep minutes
- ☐ File your annual return with your registry
- ☐ Board approves the financial statements
- ☐ Appoint (or properly waive) a public accountant
- ☐ File T3010, or T2 / T1044 as applicable

Monthly or ongoing

- ☐ Reconcile every bank account
- ☐ Remit payroll deductions on time
- ☐ File GST/HST returns if registered
- ☐ File receipts and invoices as you go
- ☐ Board sees financial reports regularly

For each funder

- ☐ Keep the signed agreement on file
- ☐ Track restricted spending separately
- ☐ Calendar every reporting deadline
- ☐ Know the required level of assurance
- ☐ Save copies of every report submitted

Complete your *Compliance Checklist*!
Return to the resource page to download this tool.

Need more information?



Helpful resources to check out:

- **Corporations Canada**
Federal NPO rules, annual returns, soliciting status
- **Your provincial / territorial registry**
Your act, filings and any audit thresholds
- **CRA - Charities and giving**
T3010 guides and charity compliance
- **CPA Canada & your provincial CPA bodies**
Find a licensed public accountant near you
- **Imagine Canada**
Standards and resources for charities and non-profits

Before you go



Reflect

What's one thing you understand better now than you did at the start of this coaching?



Find an accountability buddy

Pair up with a colleague and support each other through your next steps.



Try body doubling

Book a virtual hour with your buddy — cameras on — to tackle finance tasks side by side, collaboratively or just in parallel.

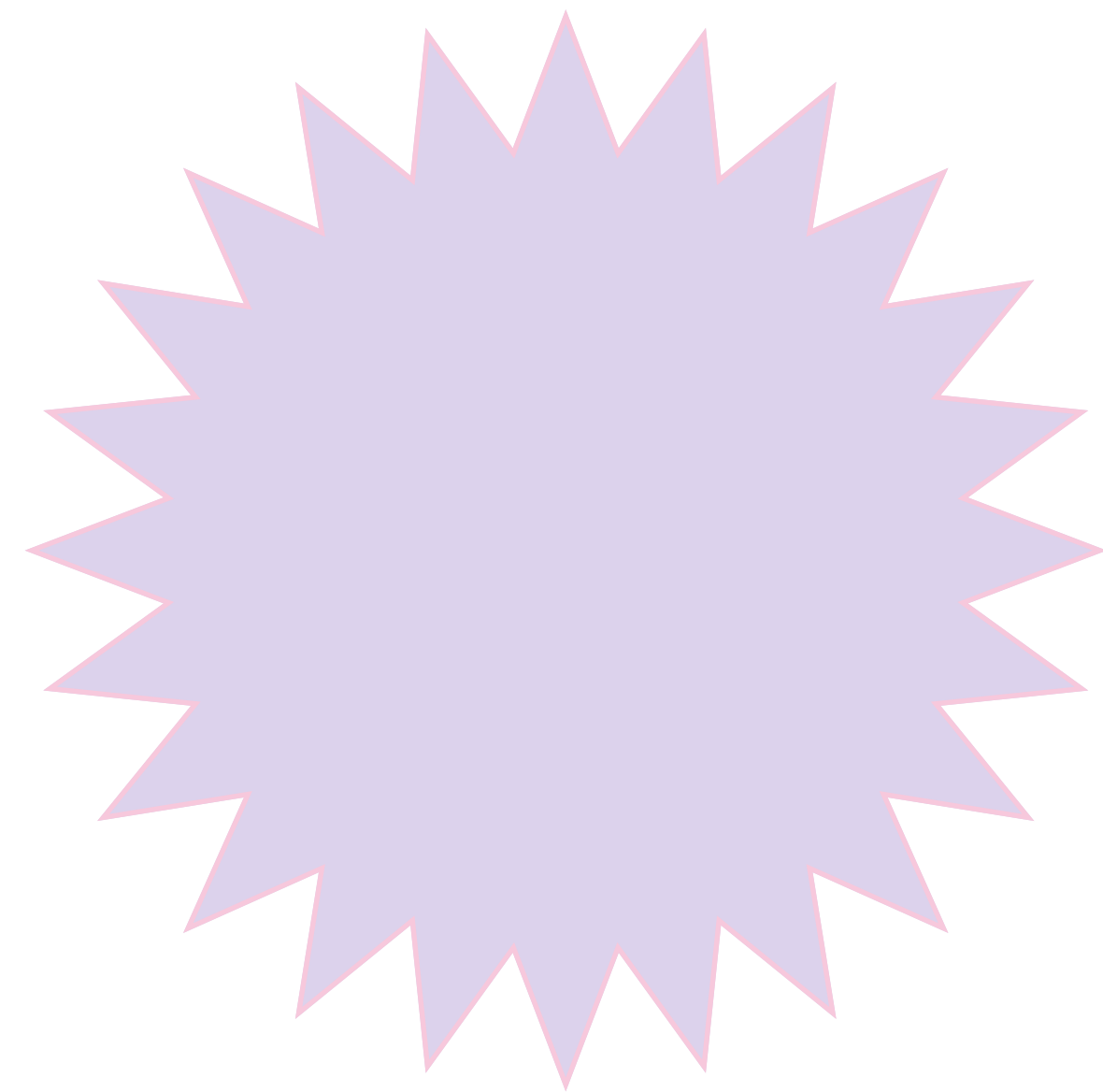


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Thank you!

See other resources related to the Financial Resilience Learning Series by visiting the links on the resource page.



This **Catapult Canada Coaching Session**
was created by Community Capacity Building Initiative.