Keeping Records

Every organization has to keep records. The Canada Revenue Agency (CRA) stipulates that if a tax return is filed on time, records should be kept for a minimum of six years after the end of the tax year to which they relate. If the return is late, records have to be kept for six years from the date of filing of the return, and if a taxpayer files an appeal or an objection, records have to be kept until the issue is settled and the time for filing any further appeal expires or until six-year period has expired, whichever is later. To destroy your records before the minimum six-year period ends, you need written permission from the CRA.

WHAT YOU SHOULD RETAIN

For Tax Records:

Returns and supporting documents for at least six years following the year of the income, GST or HST returns; cheques documenting payments for goods; cheques and credits for revenue received.

For Insurance Claims:

For proof of loss: evidence of ownership of goods. All major equipment purchases should be supported by original receipts. For loss-of-business claims: tax records, income statements and balance sheets for periods representative of business being done. Retain records for two years minimum.

For Product Liability Claims by Third Parties:

All records of customer purchases to show where products were shipped and who got them. Corporate e-mails relevant to products, management decisions and decisions by directors of the company.

For Human Resources Issues:

HR documents that explain hiring decisions, pay raises, vacation time, pensions, medical benefits and employee performance for 10 years. All records of employee on-the-job injury, illness and workers' compensation claims. Keep records 20 years to cover claims for latent injuries.

A 14-page guide to the rules can be found at the CRA Web site (www.cra-arc.gc.ca) as item RC4409, "Keeping Records".

References:
Ontario Soccer Association. Club Excellence Template Booklet. Vaughan: The Ontario Soccer Association, 2009.