Gondaliya CPA
Your Growth Partner

Nonprofit Compilation Checklist

Gondaliya CPA Professional Corporation · Registered Ontario CPA Firm

Twelve things to settle before the engagement

For Canadian nonprofits and registered charities. Current to 4 November 2026.

- [ ] **Read the bylaws and every funding agreement**
  A requirement for a review or audit lives in a document. The strictest wins.
- [ ] **Check the incorporating statute as well**
  Federal and provincial rules differ. Read the one you are incorporated under.
- [ ] **Name everyone outside who will get the statements**
  The third-party question is settled before the engagement is accepted.
- [ ] **Choose the contribution recognition method**
  Deferral or restricted fund. Apply it consistently and describe it.
- [ ] **Schedule unspent restricted amounts at year-end**
  This is what stops restricted funds being booked as unrestricted.
- [ ] **Check the restriction is in the agreement, not an email**
  A restriction nobody passed to the bookkeeper is the usual failure.
- [ ] **Reconcile the bank before anything else**
  Everything downstream is built on it, and catch-up work costs multiples.
- [ ] **Write the basis note to match what was done**
  It names ASNPO only where the statements fully comply with it.
- [ ] **Keep the report with the statements, always**
  Distributed alone, they invite a reader to assume assurance.
- [ ] **File the T2 even with no tax payable**
  Paragraph 150(1)(a). The 149(1)(l) exemption removes the tax, not the return.
- [ ] **Test the T1044 on assets and passive income**
  Over $200,000, or over $10,000, or having filed before. Not revenue.
- [ ] **Keep the records six years**
  Subsection 230(4). Form T137 is needed to destroy them sooner.

Gondaliya CPA performs compilation engagements under CSRS 4200, which provide no assurance. Audit and review engagements are referred out. Educational information only, not advice.

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