

Ontario Not-for-profit Corporations Act (ONCA) Webinar

July 26, 2023

Q&A

1. Filing your T3010 and associated schedules does not update the Ontario Business Registry (OBR)?

The T3010 and T1235 does not update the OBR. Effective May 15, 2021, registered charities under the Ontario Corporations Act will be affected by some changes when filing their T3010. CRA will no longer be using the Form RC232, Corporations Information Act Annual Return for Ontario Not-for-Profit Corporations.

2. Can you provide a template/example Director consent letter?

ONCA says that Directors need to provide consent in writing, for example, in a form or in a letter.

I, (INSERT NAME OF DIRECTOR), consent to act as director of (INSERT NAME OF NONPROFIT) beginning on (INSERT DATE OF ELECTION).

The director has to sign the letter, which must also include their mailing address. The non-profit must keep the letter agreeing to be a director (section 24).

3. It sounds like with an extraordinary resolution the membership can request not to conduct a review or audit?

Yes, but this waiver is only eligible for organizations with annual revenue of less than \$100,000.

4. If our letters patent are generally in line with the act (and superseded where they are not), and our bylaws are recently reviewed and ONCA compliant – is there anything that we must do?

Possibly nothing, but it would be prudent to check your status on the OBR to ensure the Articles are aligned and the filed annual returns and directors listing is current.

5. Can you define “review engagement” for us?

An audit is when a certified public accountant that is independent of your church checks your financial records and financial position and expresses an opinion on the figures.

A financial review engagement also has to be done by a certified public accountant that is independent of your church, but it is less intensive, takes less time and is less expensive than an audit.

6. These rules also would apply to Classis, correct?

Yes, if the Classis is incorporated in Ontario.

**7. Are charitable offerings (2nd offerings) included in “annual revenue”?
Does total income include amounts distributed to other charities?**

Yes, inasmuch as they have been recorded as revenue and included in the financial statements.

8. When this is all done, what happens to the Letters of Patent?

The Letters Patent continue as your original incorporating document. They will be considered to be your Articles of Incorporation under ONCA and referred to as such by the Government of Ontario. Subsequent changes will be filed as Articles of Amendment, preferably by way of the Ontario Business Registry (OBR)

9. It would be cool if CRCNA would do up a sample set of bylaws that we could just put our church's name on.

The ONCA resources offered by the Government of Ontario include a [Standard Organizational Bylaw](#), which can serve as a template for your church's bylaw.

Alternatively, CLEO has made available a [Sample Bylaw with Options](#), which can also serve as a template and offers step by step options for the various elements of the bylaw.

Personally, I am working on preparing the bylaw for my local church, in consultation with legal counsel, which when complete I am willing to share, with some attempt to make it as generic as possible.

10. Can Directors be appointed by drawing lots?

Yes, this is possible with the caveat that some form of election by the Members would be necessary. The process for electing directors in this manner would be included in the bylaw. Ultimately, the election of the Directors by the Members should be recorded in the minutes of the annual meeting of the Members.

11. If we are happy with our Bylaws, do we still have to file them?

There is no requirement or provision for the bylaws to be filed with the Government of Ontario. They are considered to be an internal document but the bylaws should be reviewed to ensure they are consistent with the provisions of ONCA.

12. Are there any special requirements from the government that we should be aware of?

The Government of Ontario has made available a number of resources pertaining to ONCA, including the [Rules for Not-for-Profit and Charitable Corporations](#)

13. So if we have a December year end, do we need an audit for the Dec 2024 statements or do we need it for Dec 2025?

Yes, churches should be prepared to respond to the requirement of an audit or review engagement or waiver, depending on the level of annual revenues and the determination of the Members, for the fiscal year ended, December 31, 2024.

End.