



cafe

Canadian Association
of Fairs and Exhibitions

Association canadienne
des foires et expositions

Annual Report

2017 – 2018



2017–2018

CAFE BOARD OF DIRECTORS

The members of the Board of Directors are supported by their respective organizations which finance their involvement on the Board.

Executive Committee

GREGG (SCOOTER) KOREK, PRESIDENT (Service Members)

North American Midway Entertainment
Calgary, AB

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Canadian National Exhibition
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PEI Association of Exhibitions
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Canadian Association of Fairs and Exhibitions
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Edmonton, AB

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(Volunteer)
Shawville Fair
Shawville, QC

PH: (819) 647 1909

DOUG KRYZANOWSKI

(Staff)
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Lethbridge, AB

PH: (403) 317 3213

NATHAN MAIER

(Service Members)
Those Little Donuts of Canada Inc
Calgary, AB

PH: (403) 254 2755

CHAD FINDLAY

(Volunteer)
Carp Fair
Carp, ON

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RODERICK TATE

(Staff)
Calgary Stampede
Calgary AB

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EXECUTIVE DIRECTOR: CHRISTINA FRANCO

ADMINISTRATOR: LILY KILLINGBECK

About CAFE

The Canadian Association of Fairs & Exhibitions (CAFE) is a nonprofit organization established in 1924 and largely funded by membership fees. We represent Canadian rural and urban fairs and exhibitions, festivals, rodeos, agricultural societies, provincial associations, industry service providers and affiliate associations with a direct interest in the industry.

We work with members, industry, and government towards building a financially secure and sustainable industry that directs its resources toward improving and advancing the economic, social and cultural life of Canadian communities. CAFE provides advocacy, programs, services and leadership to coordinate, unify and advance the industry so that it can adapt to changes and build for the future to meet the needs and priorities of the communities our industry serves.



Vision

To be the recognized champions driving a vibrant and diverse national community of fairs and exhibitions.

Who Are We?

Fairs are living reflections of the life and times around them, rooted in agriculture and volunteer driven. They hold deep cultural, traditional and emotional connections to the people of their local area and define a sense of community that grows social capital and quality of life. Fair organizations positively impact their communities through events they plan, the assets they hold and the traditions and values they nurture.

Our members are comprised of the agricultural societies and organizations that produce fairs and those fairs' partners in production, such as exhibitors, vendors and entertainers.

Mission

CAFE is committed to fostering excellence through innovative leadership with partners and key stakeholders, providing meaningful resources, collaborating to increase national awareness and ensuring a sustainable future for the fair and event industry.



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PRESIDENT'S REPORT



The 2017/2018 fiscal year has been nothing less than a blur of activity around the CAFE. We have been engaged in so many exciting outlets in the past 365 days. Admittedly, I have a hard time pointing a finger to which program we are most proud of.

On the financial side of the coin we have focused long and hard on investing our available resources on programs that give us the biggest bang for the buck and which foster a healthy Canadian industry. We are happy to report that we showed a net profit of \$19, which in comparison to a loss of \$20,334 in the prior year, was primarily attributable to an investment in our government relations program. This government relations program was the right investment at the right time and it paid off huge dividends.

We now have a substantial rainy day fund that would more than help us survive a downturn in our organization. This rainy day fund was certainly a mandate in our prior strategic plan and we are pleased to report we achieved this goal. It is important to note that our member's equity remained at \$169,000, which further supports the fact that we are headed in the right direction.

This past year the board met to develop a new three-year strategic plan. This process took four meetings to look in every nook and cranny of our organization, leaving no stone unturned. The final document, which reflects our values and goals, and gave a broad new direction to further expand the CAFE. Under the tutelage of Max Fritz, we crafted a document that sets the course of our organization.

Our Strategic Plan consists of three major pillars:

1. Membership Value

- a. Building Strong Provincial partnerships
- b. Fostering Growth
- c. Offering Best in Class Programming

2. Leadership

- a. Being Recognized Resource
- b. Championing National Initiatives
- c. Connecting the Industry with Events, Research and Information

3. Connecting People

- a. Focusing on Tourism
- b. Developing Volunteerism
- c. National Awareness Campaign

At The Banff Convention we will have the new Strategic Plan available for you. Needless to say – we, the CAFE Board, are very proud of this document and our future direction.

The Board also focused on some new projects such as:

Awwwww, Snap! A National photo contest, which in its first year was a success and we look forward to increased participation and growth in the future. We are excited to present the grand prize winner with a \$2,000 camera and 11 runners ups with \$100 prizes at the National Awards.

We have also embarked on the first CEO Summit, to invite leaders from major fairs across Canada to examine high-level industry challenges that affect fairs of all sizes. This Summit took place November 19th and 20th. We wait with anticipation to hear the outcome of this endeavour and the vast knowledge these executives can share with us.



During 2018, we admittedly let the Canadian Livestock Identification and Traceability program, which is going to affect all fairs at every level or size and scope, fall off of our radar. Working with Provincial Associations, we placed this initiative back on our priority list and we are now working with the federal government, Provincial Associations and fairs alike to keep abreast of developments and program roll out.

In 2017, we partnered with Ensignt Canada, who aided us with our government relations program. In addition, we invested in a learning program for our Executive Director, Christina Franc, to develop her government relations skills. Both endeavours paid off tremendously. The CAFE is making amazing inroads and we have dramatically raised the profile of our industry at a national level in many federal departments.

Our 2018 program saw the CAFE organize a Canadian Parliament Hill Day whereby 40 CAFE board members and members joined forces by holding a reception for members of Parliament and their aids and staffers to a festive fair setting at Parliament Hill, more than 200 federal representatives attended. We offered midway-styled food, CAFE stuffed animals, a message from Virginia Ludy of the CNE and a meet and greet setting that provided us with one-on-one contact with our esteemed guests. A big thanks to those who played a role in making this a cornerstone event.

Since the Parliament Hill event, Christina has taken the government relations ball and is running with it. Christina and the government relations committee have kept the momentum rolling and they are organizing countless government meetings that are happening monthly.

The CAFE has been at the forefront of the Canadian government Bill S-228 that restricts the advertising of unhealthy food choices to children, which potentially will negatively affect every fair in Canada. We at the CAFE have been successful in working with the federal government to modify the Bill as to minimize the impact to fairs, exhibitions and vendors.

As in the past we continue to foster and grow our present programs that have become the hallmark of our association, which include: the Annual Convention, future conventions, the ever-important National Awards program, ongoing Provincial Association communication and Canadian cannabis regulation and legalization.

We as a Board have made numerous inroads by collaborating with other associations such as the Canadian Provincial Associations, International Association of Fairs and Exhibitions, German Federation of Fairs and the Royal Agricultural Society of the Commonwealth. This important work is paramount to garner a global perspective on our industry and stay current on trends and challenges facing our industry.

Five or six years ago a board member brought up the idea of a Future Leaders Work Exchange Program, which, in short order, we adopted as a program for the CAFE. When we unleashed the concept I thought that within a few years that demand for this would be overwhelming positive. In fact, this gem of a program is outstanding in every aspect and the participants and hosts have nothing but rave reviews. The program is designed where you send an employee from your association to another fair in Canada to understand their practices, methods, and hands on experience in a vastly different setting than your own. Alas, today, we only see a handful of participants each year – this is a big disappointment. We kindly ask you to take a second look at program and encourage your fair to think about sending an employee or volunteer or think about being a host, to help round out a young person's experience.

Finally – I would be remiss not to thank our Executive Director, Christina Franc, for her positive energy and directed insightfulness that keeps our organization rolling each and every day. Also, a big thanks to Max Fritz for filling in while Christina took maternity leave. Christina and her husband delivered our youngest CAFE member, Brooke, on September 10, 2018.

Most importantly, to the people who sit on our Board, you are the unsung heroes of our industry. You give your time freely and provide insight and direction to move our mission forward – thank you! I'm overly proud and blessed to be associated with each and every one of you.

GREGG (SCOOTER) KOREK, PRESIDENT
CANADIAN ASSOCIATION OF FAIRS & EXHIBITIONS



EXECUTIVE DIRECTOR'S REPORT

The strength of our events comes from their creative, rich backgrounds, which are complemented with modern innovations, education and entertainment. Our events have been at the forefront of technological innovation and educational exchange for decades, having in the past been the one of the only places where this information could be sought. We are one of the few events that offer real, authentic experiences that still see children and families get outside and do something, whether it's enjoying rides in the midway, visiting animals, playing games, and much more.

Over the past year, this is one of the key messages we focused on as we engaged with the federal government. As part of the last pillar of our past strategic plan, and a leading component in our new plan, CAFE focused on building government relations this year, among other priorities. This led to countless meetings with various Members of Parliament, hiring a government relations firm, the opportunity to speak at the federal Heritage, Agriculture and Finance committees, and to top it off, a highly successful reception on Parliament Hill last May.

Building a relationship with the federal government will have several long-term benefits. It will allow us to be recognized leaders in our industry, be treated as a credible source for information, be considered a key stakeholder for relevant issues, and hopefully help us generate financial support from the government in future years. Over the coming years we will continue to engage the federal government to foster a relationship that will benefit all members across Canada.

Another highlight this year was the completion of our strategic plan. A special thanks to Max Fritz who guided us through the process and helped develop a plan we can all be proud of. We listened to the members, collected feedback from other industry partners and as a result have three main priorities: membership value, leadership and connecting people. We will be discussing this further over the duration of the convention but we look forward to the years ahead and the goals we have set for the organization.

Financially, CAFE broke even this year, which is good news. As a charitable organization this is where we want to be, and this financial statement reflects a series of one-time activities such as the strategic plan development and our government relations strategy.

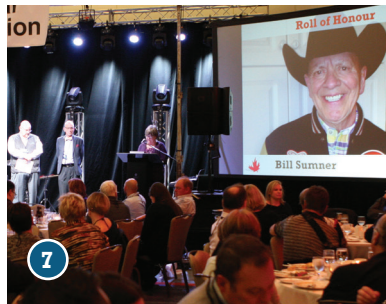
Finally, I would like to share my deepest and sincerest thanks to the CAFE Board of Directors. They are a wonderful group of people who inspire me every day. This year, several are stepping down from the board, and I want to take a moment to recognize them: Doug Kryzanowski (Exhibition Place, Lethbridge), Sara Knox (Pontiac Agricultural Society), Paul Jackson (PEI Association of Exhibitions) and Scooter Korek, who will remain on the board as past president, but will be passing on the presidential torch.

Time and again I am amazed at the dedication and passion of everyone involved in this industry and it is a pleasure to work with each of you. Please remember my door is always open, and I'm happy to have a chat about how CAFE can serve you better any time. I look forward to seeing you on the fair and event route in 2019!



CHRISTINA FRANCO, EXECUTIVE DIRECTOR
CANADIAN ASSOCIATION OF FAIRS & EXHIBITIONS





2017 Canadian Fair Champion

1 CATHERINE REDDEN

ONTARIO ASSOCIATION OF AGRICULTURAL SOCIETIES (OAAS) BOARD OF DIRECTORS AND EXECUTIVE FROM 2011 UNTIL 2017

2 DARREN LITTLE

2017 PRESIDENT OF MARKHAM FAIR

2017 National Award Winners

2017 CAFE INNOVATION AWARD

3 PONTIAC AGRICULTURAL SOCIETY

FUTURE LEADERS

4 JESSICA VANDERSCHEE, NORFOLK COUNTY FAIR & HORSE SHOW

5 ABBY MCFAUL, RUSSELL FAIR

ROLL OF HONOUR

6 CARL SCHLOSSER, PRAIRIELAND PARK, CAFE PRESIDENT IN 2009 (ACCEPTED BY HIS WIFE, CELINE)

7 BILL SUMNER, BILLBROOKE CONCESSIONS, CAFE BOARD

8 KATHRYN LAMBERT, OAAS CONVENTION COORDINATOR



CANADIAN ASSOCIATION OF FAIRS AND EXHIBITIONS/
ASSOCIATION CANADIENNE DES FOIRES ET EXPOSITIONS

STATEMENT OF FINANCIAL POSITION

AS AT JULY 31, 2017

ASSETS	2018	2017
CURRENT		
Cash	\$ 39,970	\$ 28,941
Short-term investments (note 4)	147,820	157,777
Accounts receivable – other	18,921	33,165
– government	3,881	7,512
Prepaid expenses	72,234	29,739
	<u>\$ 282,826</u>	<u>\$ 257,134</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 20,652	\$ 15,408
Deferred income	92,196	71,767
	112,848	87,175
MEMBERS' EQUITY		
BALANCE - END OF YEAR	169,978	169,959
	<u>\$ 282,826</u>	<u>\$ 257,134</u>



Approved on behalf of the Board of Directors:

GREG (SCOOTER) KOREK
PRESIDENT



CANADIAN ASSOCIATION OF FAIRS AND EXHIBITIONS/
ASSOCIATION CANADIENNE DES FOIRES ET EXPOSITIONS

**STATEMENT OF OPERATIONS &
MEMBERS' EQUITY**

FOR THE YEAR ENDED JULY 31, 2018

CANADIAN ASSOCIATION OF FAIRS AND EXHIBITIONS/
ASSOCIATION CANADIENNE DES FOIRES ET EXPOSITIONS

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JULY 31, 2018

	2018	2017
REVENUE		
Memberships	\$ 106,859	\$ 109,851
Convention	229,982	154,608
Fair News and directory	10,959	19,993
Special Project	6,000	205,873
CAFE Service Levy	40,620	42,469
Merchandise, donations and other income	20,162	16,081
	<u>414,582</u>	<u>548,875</u>
EXPENSES		
Management and administration	216,159	168,758
Convention	155,011	114,769
Fair News and directory	8,401	11,612
E-Coli Project	34,380	271,464
Merchandise and other	612	2,606
	<u>414,563</u>	<u>569,209</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19	(20,334)
MEMBERS' EQUITY - BEGINNING OF YEAR	<u>169,959</u>	<u>190,293</u>
MEMBERS' EQUITY - END OF YEAR	<u>\$ 169,978</u>	<u>\$ 169,959</u>

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ 19	\$ (20,334)
Changes in certain non-cash operating assets and liabilities		
- Accounts receivable	17,875	(29,208)
- Prepaid expense	(42,495)	(6,457)
- Accounts payable and accrued liabilities	5,244	4,035
- Deferred revenue	20,429	(10,450)
	<u>1,053</u>	<u>(42,080)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	1,072	(62,414)
Cash and cash equivalents - beginning of year	186,718	249,132
CASH AND CASH EQUIVALENTS - END OF YEAR (note 7)	<u>\$ 187,790</u>	<u>\$ 186,718</u>



CANADIAN ASSOCIATION OF FAIRS AND EXHIBITIONS/
ASSOCIATION CANADIENNE DES FOIRES ET EXPOSITIONS
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2018

1. ORGANIZATION

The Canadian Association of Fairs and Exhibitions/
Association Canadienne des Foires et Expositions

(CAFC/ACFE) is the national association representing fairs, exhibitions and agricultural society organizations and such firms, organizations and enterprises as may rely on the Canadian Fair Industry for an important part of their continuing livelihood.

The CAFC/ACFE was originally incorporated under Part II of the Canada Corporations Act as a not-for-profit organization and qualifies as a registered charity under the Income Tax Act. The Association has received certification of continuance under the Canada Not-for-Profit Corporations Act.

2. GENERAL

Basis of Presentation:

Revenue and expenditures are recorded on the accrual basis whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been finally settled by the receipt or payment of money.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

Revenue and expenditures are recorded on the accrual basis whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been finally settled by the receipt or payment of money.



(b) Revenue Recognition

The Canadian Association of Fairs and Exhibitions/ Association Canadienne des Foires et Expositions follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and its collection is reasonably assured.

Membership fees are recorded in the year they are related to. Contributed services, conference, advertising for publications and project revenues are recorded in the year the function or supply takes place.

(c) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the year. Actual results could differ from these estimates. Significant estimates and assumptions include the carrying amount of accounts receivable and accounts payable and accrued liabilities.

(d) Contributed Materials and Services

Contributed costs are recognized when the fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association's operations and would otherwise have been purchased.

4. SHORT-TERM INVESTMENTS

Investments comprise cashable GIC's with interest rates ranging from .75% to 1.7%.

5. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. The carrying amounts reported on the balance sheet for these financial instruments approximate fair market values due to their immediate or short-term maturities. Unless otherwise noted if is management's opinion that the Association is not subject to significant interest rate risk and credit risk arising from these financial instruments.

There is no foreign currency risk

The liquidity risk is constantly monitored through current and future cash flows and financial liability maturities. The Association's exposure to and management of risk has not changed materially from July 31, 2017.

6. CASH AND EQUIVALENTS

Cash and equivalents consist of the following:

	2018	2017
Cash	\$ 39,970	\$ 28,941
Investments	147,820	157,777
	<u>\$ 187,790</u>	<u>\$ 186,718</u>





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