



Canadian Association of Fairs and Exhibitions **Association canadienne des foires et expositions**

ANNUAL REPORT

2018 – 2019

2018–2019

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

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Toronto, ON
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SCOOTER GREGG KOREK (Past President)
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GEORGE ARAUJO, (Vice President)
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Edmonton, AB
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CHRISTINA FRANCO, EXECUTIVE DIRECTOR (Staff)
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EXECUTIVE DIRECTOR: CHRISTINA FRANCO

ADMINISTRATOR: LILY KILLINGBECK

PROGRAM OFFICER: HOLLY CAMPBELL

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.

Directors

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PHIL SHUCHAT (Member at large)
Spot on Entertainment Inc
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DEAN THOMSON (Volunteer)
Okotoks Agricultural Society
Okotoks, AB
T: (403) 669 6953





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



For more than nine decades the Canadian Association of Fairs and Exhibitions has addressed the needs of fairs, service members and provincial associations from across the country. Our new strategic plan, adopted in late 2018 to guide us from 2019 through 2021, has set a bold new course for our future together and we are seeing progress in many areas. We are seeking to be the recognized champions within our industry, to be leaders, drivers, of a vibrant and diverse national community. That's a tall order, but we are confident that as an industry, working together, we will achieve it.

As a board, we've organized our directors among 6 active committees, each in support of one of our strategic goals. These committees are tasked with the stewardship of key activities, and to bring forward meaningful and tangible initiatives that will drive our association forward:

Provincial Partnerships, Mike Vokey – Chair

National Initiatives, George Araujo – Chair

Growth and Development, Nathan Maier – Chair

Events and Research, Yvonne Paulson – Chair

Programming, Roderick Tate – Chair

Connecting People, Amanda Frigon – Chair

Members from across the association are encouraged to contact a committee chair, and to join your colleagues on a committee. Our success as an association is dependent upon the contributions of our members.

We have continued our collaboration with many partners at the federal government over the past year. Because of our past successes, we were invited to round table discussions for S-228 (the bill that could curtail sponsorship revenue at fairs) as an active stakeholder, we are in regular talks with department designates on the issue, and we expect to continue this dialogue as the government reforms following the election. Further, we are members of the Regulatory Implementation Committee and Industry-Government Advisory Committee as the government discerns direction on traceability. This contentious and significant legislation will impact many of our fairs as the responsibility for livestock traceability shifts to fairs, causing significant challenges for many of our members.

CAFE received funding from the “Youth Take Charge” program run by Canadian Heritage to run an initiative called, “Youth Inspired!” which enables our own Future Leaders initiative to expand and grow. More than \$150,000 in funding was received over two years enabling young professionals among CAFE members to travel to fairs across the country and participate in the annual convention. This program has been a highly successful and visible opportunity for our members to realize real, meaningful value as members return to their fairs with significant learnings.

We have been working very closely with the provincial associations in Saskatchewan and BC (SAASE and BC Fairs) and we are excited to develop a model for future CAFE conventions to be held collaboratively with these organizations, giving members of these provincial associations and CAFE new opportunities to network and collaborate. We are continuing our efforts to strengthen our ties across all provincial areas with the philosophy that together we are stronger, uniting the voices of fairs and service members across the country.

Our association continues to recruit new members, and as-of the printing of this message, 9 new fairs have joined the association in 2019, accompanied by 15 new service members. This represents a 10% increase in fairs, and a 25% increase in service members. We continue to advocate on behalf of all fairs and service providers, and we are buoyed by the increase in overall membership. We are further investigating the opportunity to expand our membership base to include festivals and other events within our ranks. Given that so many of our members already operate fairs and other events within their mandate, it seems logical that we would consider welcoming more of the same kinds of organizations into our association.

The Canadian Association of Fairs and Exhibitions is thriving. Your industry association is proud to work on your behalf, and we welcome your voice and support.

JOHN PECO, PRESIDENT

CANADIAN ASSOCIATION OF FAIRS & EXHIBITIONS



EXECUTIVE DIRECTOR'S REPORT

It has been a whirlwind year here at CAFE. After bringing our strategic plan to the AGM last year, the board and office have been focused on laying the foundation and implementing the goals in the plan. We knew when we started that it was an ambitious three-year plan, but I'm very proud of the achievements to date. We have set up several committees who take the time to analyze, research and critique our current and potential offerings as it relates to membership value, leadership and connecting people. Over the next year, we will continue to bring forth significant change to help us reach our goal with the support of you, our members.

John Peco, our President, has laid out our key accomplishments in his report, so I'd like to take a moment to focus on CAFE's future. Through the strategic plan, we are working on offering better programming and member benefits to each member. We are looking at both tangible benefits (such as the Entertainment coupon book we now offer to members), but also more comprehensive benefits to save you money. We are offering more and more customized training specific to the fair industry, while also providing more resources and templates for any of your needs. The goal is to be the "one-stop shop" for all your fair and event needs. Through this, we are also realizing our members are often organizing more than their fair each year. There are bingo nights, festivals, haunted houses and more happening. This is why we are investigating a potential name change: fundamentally, to be more inclusive of what you already offer. Of course, this is an open dialogue and we will continue to be led by the members. This is your organization and I challenge you to take ownership and help lead us into the future together. There is so much opportunity and I am truly excited for what the future holds through our strategic plan.

I would like to thank the Board of Directors and our President, John Peco, for their continued dedication to the organization and the support they offer me. I am very fortunate to have an ambitious and focused board.

As well, I'd like to thank the staff at CAFE. First, my right hand woman: Lily Killingbeck. Many of you have interacted with her for membership or convention needs, and her attention to detail ensures these things run smoothly. Secondly, Holly Campbell started with us as a summer student and her drive, resourcefulness and team mentality made her such an asset, we have kept her on. Both have helped CAFE and myself in many ways and I am very grateful.

CHRISTINA FRANCO, EXECUTIVE DIRECTOR
CANADIAN ASSOCIATION OF FAIRS & EXHIBITIONS





2018 Canadian Fair Champion

- 1 Canadian Fair Champion Winner Mavis Hanna (Shawville Fair)
- 2 Canadian Fair Champion winner Jill Hayward (North Thompson Fall Fair and Rodeo)

2018 National Award Winners

2018 CAFE INNOVATION AWARD

- 3 John Peco of the CNE accepting the Innovation Award on behalf of Paula Ellis

FUTURE LEADERS

- 4 CAFE 2018 Future Leaders From left to right Virginia Ludy (CNE) Jane Matthews Future Leader (CNE) Erin Dittburner Future Leader (Shawville Fair) Kayla McCann Future Leader (Shawville Fair) Scooter Korek (CAFE President) Sean Farnell (Authentigate)

ROLL OF HONOUR

- 5 Gaylon Davis and Guylaine Tetreault accept the Roll of Honour Award for Gaston Auger
- 6 Virginia Ludy of the CNE presents the Roll of Honour to Karen Oliver with Scooter Korek (CAFE President) and Jim Laurendeau of the Calgary Stampede
- 7 Roll of Honour Winner Peter Male on the right with Faizzal Fatehali of the PNE and Scooter Korek (CAFE President)





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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

ASSETS	2019	2018
CURRENT		
Cash	\$ 125,454	\$ 39,970
Investments - at cost (note 4)	140,000	147,820
Accounts receivable – other	28,071	18,921
– government	575	3,881
Prepaid expense	25,503	72,234
	\$ 319,603	\$ 282,826
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 2,972	\$ 20,654
Deferred income	160,141	92,196
	163,113	112,850
MEMBERS' EQUITY		
	156,490	169,976
	\$ 319,603	\$ 282,826

Approved on behalf of the Board of Directors:



 JOHN PECO,
 PRESIDENT



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

**STATEMENT OF OPERATIONS &
MEMBERS' EQUITY**

FOR THE YEAR ENDED JULY 31, 2019

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

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JULY 31, 2019

	2019	2018
REVENUE		
Memberships	\$ 114,351	\$ 106,859
Convention	189,518	229,982
Fair News and directory	10,236	10,959
Special Project	60,385	6,000
CAFE Service Levy	41,816	42,469
Merchandise, donations and other income	17,259	18,313
	<u>433,565</u>	<u>414,582</u>
EXPENSES		
Management and administration	201,272	216,159
Convention	181,265	155,011
Fair News and directory	12,456	8,401
E-Coli Project	47,423	34,380
Merchandise and other	4,635	612
	<u>447,051</u>	<u>414,563</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(13,486)</u>	<u>19</u>
MEMBERS' EQUITY - BEGINNING OF YEAR	<u>169,976</u>	<u>169,957</u>
MEMBERS' EQUITY - END OF YEAR	<u>\$ 156,490</u>	<u>\$ 169,976</u>

	2019	2018
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ (13,486)	\$ 19
Changes in certain non-cash operating assets and liabilities		
- Accounts receivable	(5,844)	17,876
- Prepaid expense	46,731	(42,495)
- Accounts payable and accrued liabilities	(17,682)	5,243
- Deferred revenue	67,945	20,429
	<u>91,150</u>	<u>1,053</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	<u>77,664</u>	<u>1,072</u>
Cash and cash equivalents - beginning of year	<u>187,790</u>	<u>186,718</u>
CASH AND CASH EQUIVALENTS - END OF YEAR (note 7)	<u>\$ 265,454</u>	<u>\$ 187,790</u>



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

FOR THE YEAR ENDED JULY 31, 2019

1. ORGANIZATION

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

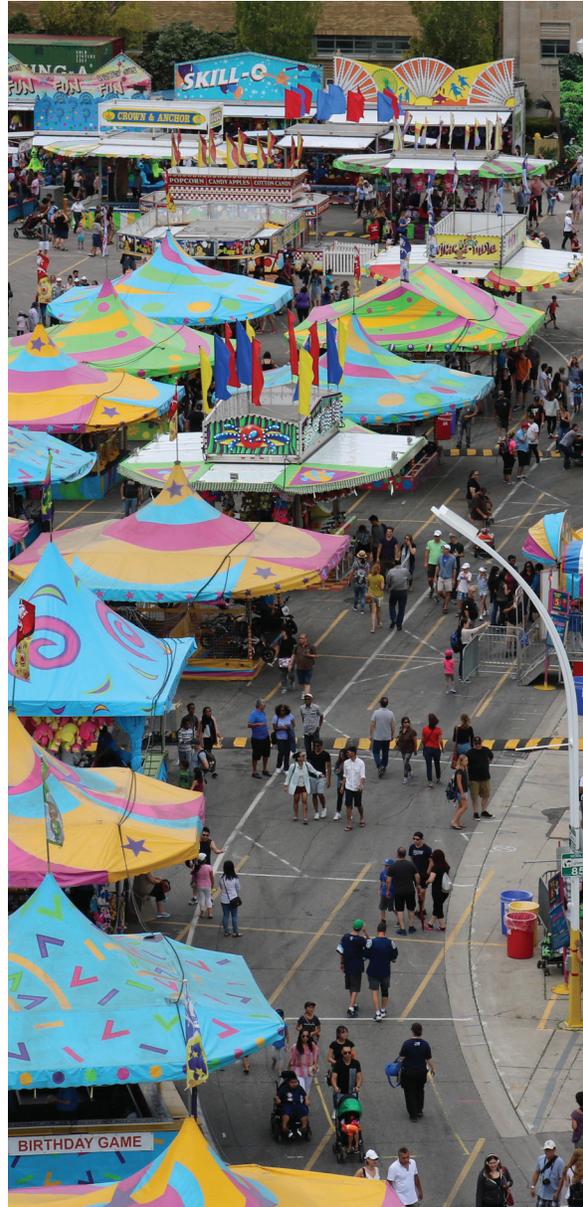
Basis of Presentation:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for profit organizations.

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.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge and obligation. The Association is not exposed to credit risk.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association constantly monitors its liquidity risk through current and future cash flows and financial liability maturities.



Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The Association is not exposed to market risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association is not exposed to this risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is not exposed to this risk.

Other price risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is not exposed to this risk.

Changes in risk

There have been no significant changes in the Association's risk exposures from year to year.

6. COMMITMENT

The Association has entered into a two year contribution agreement with the Minister of Canadian Heritage and Multiculturalism commencing April 1, 2019 and ending March 31, 2021. The Minister agrees to contribute \$150,000 or 75% towards eligible expenditures incurred by the association. The objective of the "Youth Inspired!" program is to strengthen youth attachment to Canada through engagement. The approved funding amounts are \$75,000 for each period. The excess of the current year advance of \$18,750 over the eligible expenditures is \$3,750 and is included in deferred revenue. This will be applied against future eligible expenditures incurred in fiscal 2020.

7. CASH AND EQUIVALENTS

Cash and equivalents consist of the following:

	2019	2018
Cash	\$ 125,454	\$ 39,970
Investments	140,000	147,820
	<u>\$ 265,454</u>	<u>\$ 187,790</u>





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