

NATIONAL ASSOCIATION OF CAREER COLLEGES



2018 ANNUAL REPORT

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Agenda

NACC Board Members

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NACC Annual General Meeting Agenda

Friday, November 8th, 2019
Delta Hotel, 100 Kent Street, Ottawa, ON

1. Call to Order – Dr. Michael McAllister, NACC Chair, Board of Directors
2. Confirmation of Quorum
3. Approval of the Agenda
4. Approval of the Minutes for the 2018 Annual General Meeting
5. Chairman’s Address - Dr. Michael McAllister, NACC Chair, Board of Directors
6. CEO Address - Denis Sabourin, CEO
7. Election of new Directors-at-Large – Jeremy Nichols, Chair Nomination Committee
 - i. Call for Nominations
 - ii. Nominations from the floor
 - iii. Close of nominations
 - iv. If necessary election of Directors-at-Large
8. Approval of Proposed Amendments to the By-laws - Stuart Bentley Chair Finance and Governance Committee
9. Auditor’s Report - Stuart Bentley, Chair Finance and Governance Committee
 - i. Approval of the 2018 Audited Financial Statements
 - ii. Approval of the Appointment of Auditors for fiscal year 2019
10. Approval of Proposed Amendments to the By-laws - Stuart Bentley Chair Finance and Governance Committee
11. New Business
12. Ratification of Board Activities
13. Motion to Adjourn

NACC Board Members

Dr. Michael McAllister - Chair
Herzing College – Montreal & Ottawa

Mr. Ralph Tucker – Vice Chair
Keyin College

Mr. Stuart Bentley – Treasurer
triOS College Business Technology
Healthcare Inc.

Mr. Robert Prendergast – Director
Member-at-Large
Western Maritime Institute

Ms. Ginette Gervais – Director
Collège Salette Inc.

Mr. Jeremy Nichols – Director
Commercial Safety College

Ms. Grace Pyo – Director
Greystone College of Business &
Technology

Ms. Sunita Vyas – Director
Academy of Learning Career College

Mr. JP Roszell – Director
Academy of Learning Career College

Mr. Des Soye – Director
Algonquin Career Academy

Mr. James Connery - Director
Louis Riel Vocational College

Ms. Coryne Yacucha – Director
Academy of Learning – Edmonton

Audited Financial Statements

NATIONAL ASSOCIATION OF CAREER COLLEGES

FINANCIAL STATEMENTS

DECEMBER 31, 2018

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PARKER PRINS LEBANO
Chartered Professional Accountants
Professional Corporation

INDEPENDENT AUDITORS' REPORT

To the Members of the:

NATIONAL ASSOCIATION OF CAREER COLLEGES

Opinion

We have audited the accompanying financial statements of the **NATIONAL ASSOCIATION OF CAREER COLLEGES**, which comprise the Statement Of Financial Position as at December 31, 2018, and the Statements Of Changes In Net Assets, Operations, and Cash Flows for the year then ended, and Notes To The Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **NATIONAL ASSOCIATION OF CAREER COLLEGES** as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the **NATIONAL ASSOCIATION OF CAREER COLLEGES** in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the **NATIONAL ASSOCIATION OF CAREER COLLEGES's** ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the **NATIONAL ASSOCIATION OF CAREER COLLEGES** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the **NATIONAL ASSOCIATION OF CAREER COLLEGES's** financial reporting process.


Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NATIONAL ASSOCIATION OF CAREER COLLEGES's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NATIONAL ASSOCIATION OF CAREER COLLEGES's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the NATIONAL ASSOCIATION OF CAREER COLLEGES to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



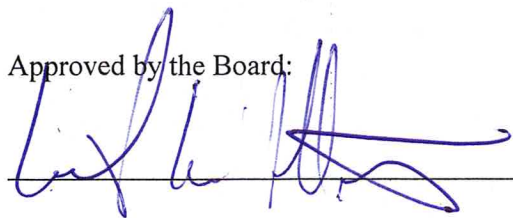
Parker Prins Lebano Chartered Professional Accountants Professional Corporation
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario
March 8, 2019

NATIONAL ASSOCIATION OF CAREER COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Cash	\$ 5,082	\$ -
Short-term investments	93,841	111,701
Accounts receivable	16,030	25,097
Prepaid expenses	<u>37,492</u>	<u>31,375</u>
	152,445	168,173
CAPITAL ASSETS (note 4)	<u>5,647</u>	<u>7,120</u>
	<u><u>\$ 158,092</u></u>	<u><u>\$ 175,293</u></u>
LIABILITIES		
CURRENT		
Bank indebtedness	\$ -	\$ 4,906
Accounts payable and accrued liabilities (note 7)	29,312	82,690
Prepaid deposits	118	208
Deferred membership revenue	752	752
Deferred audit revenue	<u>1,000</u>	<u>1,000</u>
	<u>31,182</u>	<u>89,556</u>
NET ASSETS		
INVESTED IN CAPITAL ASSETS	5,647	7,120
UNRESTRICTED NET ASSETS	<u>121,263</u>	<u>78,617</u>
	<u>126,910</u>	<u>85,737</u>
	<u><u>\$ 158,092</u></u>	<u><u>\$ 175,293</u></u>

Approved by the Board:



Director



Director

NATIONAL ASSOCIATION OF CAREER COLLEGES

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
INVESTED IN CAPITAL ASSETS		
Balance, beginning of year	\$ 7,120	\$ 8,583
Amortization	(1,663)	(2,034)
Investment in capital assets	<u>190</u>	<u>571</u>
Balance, end of year	<u>\$ 5,647</u>	<u>\$ 7,120</u>
UNRESTRICTED NET ASSETS		
Balance, beginning of year	\$ 78,617	\$ 100,618
Excess (deficiency) of revenue over expenditures	41,173	(23,464)
Amortization	1,663	2,034
Investment in capital assets	<u>(190)</u>	<u>(571)</u>
Balance, end of year	<u>\$ 121,263</u>	<u>\$ 78,617</u>

NATIONAL ASSOCIATION OF CAREER COLLEGES
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE		
Annual conferences	\$ 56,080	\$ 63,978
Curriculum fees	44,600	54,075
Examination service fees	452,166	432,830
Examination services workshops	26,800	30,600
Membership fees	146,788	160,793
Sponsorship	17,750	7,000
Interest and sundry income	13,062	27,494
School audit fees	<u>24,750</u>	<u>34,250</u>
	<u>781,996</u>	<u>811,020</u>
EXPENDITURES (Schedule 1)		
Examination services	116,881	127,170
Member services	327,810	363,378
Office and administration	<u>296,132</u>	<u>343,936</u>
	<u>740,823</u>	<u>834,484</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ 41,173</u>	<u>\$ (23,464)</u>

NATIONAL ASSOCIATION OF CAREER COLLEGES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
CASH FLOWS (USED FOR) FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ 41,173	\$ (23,464)
Items not affecting cash:		
Amortization	<u>1,663</u>	<u>2,034</u>
	42,836	(21,430)
Net changes in non-cash items related to operations:		
Accounts receivable	9,067	20,165
Prepaid expenses	(6,117)	(4,454)
Accounts payable and accrued liabilities	(53,378)	439
Prepaid deposits	(90)	(2,812)
Deferred conference fees	-	(1,000)
Deferred grant revenue	-	(13,589)
Deferred audit revenue	<u>-</u>	<u>1,000</u>
	<u>(7,682)</u>	<u>(21,681)</u>
CASH FLOWS USED FOR INVESTING ACTIVITIES		
Purchases of capital assets	<u>(190)</u>	<u>(571)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(7,872)	(22,252)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>106,795</u>	<u>129,047</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 98,923</u>	<u>\$ 106,795</u>
CASH AND CASH EQUIVALENTS REPRESENTED BY:		
Cash (bank indebtedness)	\$ 5,082	\$ (4,906)
Short-term investments	<u>93,841</u>	<u>111,701</u>
	<u>\$ 98,923</u>	<u>\$ 106,795</u>

NATIONAL ASSOCIATION OF CAREER COLLEGES

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. STATUS AND NATURE OF ACTIVITIES

The Association is incorporated under the Canada Corporations Act as a not-for-profit organization and qualifies as a not-for-profit organization under the Income Tax Act. It provides representation and services to its members. Its members include career colleges and provincial associations representing career colleges.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

REVENUE RECOGNITION

Revenue from examination, curriculum and other services is recognized when the exams and curriculums are shipped to the customer or the services are provided. Payment is based on agreed prices and credit terms contained on sales invoices. The Association recognizes membership revenues from provincial associations and affiliates on a calendar basis which represents the annual term of membership. Payment is based on agreed prices and terms contained on membership renewal notices. Revenue from conferences and workshops is recognized when they are presented. The liability for the portion of conferences and workshops invoiced but not yet presented is recorded as deferred revenue. Sponsorship revenue is recognized in the calendar year pertaining to the terms of the agreement. Grant revenue is recorded as revenue in accordance with the accrual basis of accounting. Interest revenue is recognized on an accrual basis using the effective interest method.

Provincial associations annually self-assess the NACC members' dues from their own provincial memberships and remit the required amount pursuant to terms established for collection. Should a provincial association not exist in a province or a provincial association not be a member of NACC, the Association is able to grant membership to individual career colleges and collect the required membership fees.

SHORT-TERM INVESTMENTS

Short-term investments are stated at cost.

CAPITAL ASSETS

Property and equipment consisting of office furniture and computer equipment are stated at cost. Amortization of office furniture and equipment has been provided over the estimated useful lives of the assets on a 20% diminishing balance basis and computer equipment on a 30% diminishing balance basis.

NET ASSETS INVESTED IN CAPITAL ASSETS

Net assets invested in capital assets comprises the net book value of property and equipment. Net assets invested in capital assets is a component of unrestricted net assets.

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

NATIONAL ASSOCIATION OF CAREER COLLEGES

NOTES TO THE FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2018

3. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and deposits on account of future services. Management is of the opinion that the carrying values of these financial instruments approximate fair value.

NACC is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out by the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

Credit risk associated with cash and short-term investments is minimized substantially by ensuring that these assets are invested in financial obligations of financial institutions or governments that have been accorded investment grade ratings by a primary rating agency.

Credit risk associated with amounts receivable is minimized by NACC's large customer base as well as the geographic dispersion of customers. NACC maintains allowances for potential credit losses, and any such losses to date have been within management's expectations.

It is management's assertion that the Association is not exposed to significant interest rate or market risk.

4. CAPITAL ASSETS

	2018			2017
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 6,205	\$ 4,569	\$ 1,636	\$ 2,106
Office furniture and equipment	80,580	76,569	4,011	5,014
	<u>\$ 86,785</u>	<u>\$ 81,138</u>	<u>\$ 5,647</u>	<u>\$ 7,120</u>

NATIONAL ASSOCIATION OF CAREER COLLEGES

NOTES TO THE FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2018

5. COMMITMENTS

The Association entered into a two year lease agreement for premises in Ottawa commencing on July 1, 2018. The agreement calls for minimum rents of \$2,667 per month, net of applicable taxes. The Association is also required to pay additional rents in the form of operating expense bills and property tax bills, which are submitted to the Association quarterly and semi-annually respectively. The amount of additional rents has not been disclosed as it varies each year. The agreement expires on June 30, 2020.

On February 1, 2015, the Association entered in to a 36-month Cloud service agreement at a cost of \$2,000 per month, net of applicable taxes. This agreement also required a one-time payment of \$7,500. The agreement expired on January 31, 2018. The Association has continued with this service on a month to month basis at the same cost.

The Association has entered into a management services contract with its CEO for the annual amount of \$135,000 net of applicable taxes for the 2016-2018 fiscal years. This contract was further extended for January and February 2019. This contract has been replaced by an employment agreement with a new salaried CEO.

6. LEGAL FUND

Management is no longer deferring the receipt of legal fund revenues collected for the purpose of financing future opinions on government policies affecting career colleges.

7. GOVERNMENT PAYABLES

Accounts payable and accrued liabilities include the following government related amounts payable/ (receivable):

	<u>2018</u>	<u>2017</u>
GST/HST	<u>\$ 2,584</u>	<u>\$ 39,326</u>

8. COMPARATIVE FIGURES

Certain of the 2017 comparative figures have been reclassified in order to conform with the current year financial statement presentation.

NATIONAL ASSOCIATION OF CAREER COLLEGES

SCHEDULE 1 - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
EXAMINATION SERVICES EXPENDITURES		
Committee meetings	\$ 28,747	\$ 37,479
Courier and shipping	4,773	3,639
Curriculum development	7,699	14,085
Exam fees - IDP	37,875	37,500
On-line examination fees	26,250	24,518
Supplies and pins	11,537	9,949
	<u>\$ 116,881</u>	<u>\$ 127,170</u>
MEMBER SERVICES EXPENDITURES		
Annual conference	\$ 34,025	\$ 34,385
Board and committee meetings	46,075	58,924
Consulting services	219,375	217,800
Domestic promotions	24,315	38,465
International promotions	1,248	3,710
Lobbying	-	7,565
Printing and reproduction	2,772	2,529
	<u>\$ 327,810</u>	<u>\$ 363,378</u>
OFFICE AND ADMINISTRATION EXPENDITURES		
Amortization	\$ 1,663	\$ 2,034
Bank charges	20,148	18,609
Computer support services	4,310	4,292
Courier and shipping	145	85
Insurance	5,684	6,448
Office repairs and maintenance	-	38
Office supplies	3,724	2,762
Professional fees	13,000	14,265
Provision for impairment of accounts receivable	2,227	9,285
Rent	44,732	48,848
Salaries and benefits	190,524	224,204
Security	251	240
Subscriptions and promotions	5,694	8,028
Telephone, internet and fax	4,030	4,699
Training and development	-	99
	<u>\$ 296,132</u>	<u>\$ 343,936</u>

Minutes from Previous AGM



NATIONAL ASSOCIATION OF CAREER COLLEGES
L'ASSOCIATION NATIONALE DES COLLÈGES DE CARRIÈRES

MINUTES of the Annual General Meeting of Members of the National Association of Career Colleges /
L'Association nationale des collèges de carrières, held in Ottawa on the 26th day of October 2018.

Present:

May Awad, Evergreen College, ON
John Ballam, Greystone College, BC
Stuart Bentley, triOS College, ON
Aoife Berkery, Greystone College, ILSC, ON
Gurinder, Bhatti, AOL – Bay, ON
Jean Philippe Bourdeau, Greystone College, QC
Ramona Buda, Robertson College, AB
Blair Chapman, Saskatoon Business College, SK
Rich Chapman, Saskatoon Business College, SK
Salman Cheema, Beta College of Business & Technology, ON
Xia Cheng, Cdn Institute of Traditional Chinese Medicine, AB
Ravee Cheng, Canadian College of Acupuncture & Traditional Chinese Medicine, NS
Tayna Cioffi, Medix College of Healthcare, ON
Emidio D'Alfonso, Medix College of Healthcare, ON
Caroline Moreno do Nascimento, ILAC International College, ON
Chris Duffie, Atlantic College of Applied Health Sciences, NB
Carmen Dunn, Centre for Distance Education, NS
Peter Dykstra, Medix College of Healthcare, ON
Patricia Hanbidge, Saskatoon School of Horticulture, SK
Cheryl Harrison, MC College, AB
Charles Jarvis, AOL – Edmonton, AB
Andrew Jones, Trillium – Oshawa, ON
Puneet Khanna, AOL – Bay, ON
Mazen Khoury, AOL – Bay, ON
David Koetsier, Cdn. Automotive & Trucking Institute, ON
Kim Koktylo, Pacific Institute of Culinary, BC
Cynthia Lidster, Atlantic College of Applied Health Sciences, NB
James Loder, Academy Canada, NL
Lori MacMullin, Centre of Distance Education, NS
Simon MacQueen, Queen's College of Business, ON
Ian Marshall, Int'l Academy of Massage, ON
Michael McAllister, Herzing College, QC
Keith McConnell, Robertson College, AB
Dave McCormick, Herzing College, ON
Gail McMullen, Centre for Distance Education, NS
Karina Navarro, Le Cordon Bleu, ON
Jeremy Nichols, Commercial Safety College, NS

National Association of Career Colleges
Association nationale des collèges de carrières

44 Byward Market Square, #270, Ottawa, ON – K1N 7A2

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Dean Olsen, Robertson College, AB
Angela Paoletta-Bennett, Protégé School, ON
Robert Prendergast, Launchlife International Inc., ON
Grace Pyo, Greystone College, BC
Mihkel Ranniste, Anderson College, ON
Jessica Reddon, MC College, AB
Dale Ritchie, McKenzie College, NB
JP Roszell, Anderson College, ON
Ehsan Safdari, Toronto School of Management, ON
Suhail Seth, AOL-Bay, ON
Adrian Sharma, Cestar College of Business, Health & Technology, ON
Des Soye, Algonquin Careers Academy, ON
Cynthia Sullivan, Atlantic Flight Attendant Academy, NS
Kerry Swanson, Herzing College, MB
Steve Taylor, Keyin College, NL
Jeremy Terhaerd, Trillium College, ON
Craig Tucker, Keyin College, NL
Sunita Vyas, AOL, ON
Cassandra Wahn, ILAC International College, ON
Jasvinder Walia, AOL-Bay, ON
Adam Wilkins, Mujo Learning Systems, BC
Julie Wright, Alberta Business & Education Services, AB
Coryne Vacucha, AOL, AB

Non-Voting:

Serge Buy, CEO NACC
Chris Frantz, NACC Staff
Debbie Archer, NACC Staff
Susan Menzies, NACC Staff
Alex Carberry, NACC Staff

The meeting was called to order at 11:40 a.m. EST on October 26th, 2018.



1. APPROVAL OF THE AGENDA

Kerry Swanson, Chair asked to move to vote on the acceptance of the agenda circulated in advance. Stuart Bentley, triOS College, asked that the process for electronic voting be added as a “New Business” item on this agenda.

On motion duly made by Mike McAllister, Herzing College, seconded by Andrew Jones, Trillium College and duly carried, the following resolution was passed unanimously electronically:

RESOLVED THAT the Agenda be approved.

2. APPROVAL OF MINUTES FROM THE OCTOBER 20TH, 2017 AGM

The minutes from the 2017 AGM had been circulated prior to the meeting.

On motion duly made by Peter Dykstra, Medix College of Healthcare, seconded by Grace Pyo, Greystone College and duly carried, the following resolution was passed unanimously electronically:

RESOLVED THAT the minutes of October 20th 2017, AGM be approved.

3. REPORTS

a. Report from the Chair, Kerry Swanson

- Kerry explained that this last year has been a year of transition as Serge made it clear that 2018 would be his last year and that it was time for him to move on. There will be a change in leadership for 2019 and on behalf of the membership he wanted to thank Serge Buy for his commitment and work.
- He noted that the Board looked at last year and their primary objectives and developed a new model for NACC to meet the needs of our members. Each member was tasked with working with their provincial associations, information was brought back to the Board and a new structure model was created. A new budget framework was implemented and the Board determined that they needed to hire a new CEO for PR and GR relations.
- The interview process included an executive search committee, job postings and three firms were interviewed along with 4 individuals who were selected for interviews. Two candidates accepted other positions before the interview process. In the end, it became very evident that one individual was clearly the CEO choice. The position was offered and accepted to begin February 4th, 2019. This individual will work from the NACC offices along with the current staff and will manage both GR and PR. One part-time position may be added to assist with public relations.
- Due to their current responsibilities, the name of the new CEO will not be released until the year end. Kerry assured the members that this person is highly qualified, having extensive public relations experience, management skills and is a past graduate of a regulated career college. The Board is excited and looking forward to working with this individual.

b. Report from the Chief Executive Officer

- Serge Buy identified and introduced each of the three NACC staff members and thanked



them for their commitment and dedication to NACC. He expressed that the NACC staff worked very hard for the membership to support their needs.

- He also thanked the staff at Flagship for what they do on behalf of NACC and that after 7 years, it was time to move on.

4. ELECTION OF BOARD MEMBERS

Serge Buy, explained that there are two vacant positions on the Board of Directors for the Director-at-Large positions. There being no slate of candidates put forward by the nominating committee, he called for nominations for the two positions:

1. Robert Prendergast nominated Mike McAllister, Herzing Montreal. Seconded by Stuart Bentley, triOS College. Mike accepts the nomination.

Serge Buy asks for another name for the position of Director-at-Large. There are no further nominations. Serge closes the nominations. The Board can decide at a later date whether to fill the position.

Mike McAllister is acclaimed and Serge Buy sends his congratulations to Mike.

The elections are closed.

5. FINANCIAL REPORTS

Kerry Swanson called to Robert Prendergast to present the 2017 Financial Statements.

a. Audited Statements for 2017

The Treasurer, Robert Prendergast presents the financial statements for 2017:

- He started by noting that there were no complications with the audit and that it was a clean audit.
- The projected surplus was lower than anticipated. Both revenue and expenses were lower than predicted. The conference is doing slightly better than anticipated in the budget and that we should finish the year with a surplus which will go towards retained earnings.
- He thanked Stuart Bentley for sitting on the audit committee as well as Don Thibert, who was not present, for their diligent work on the committee.
- He explained that we are now making quarterly HST installments.
 - Assuming a break-even year, the surplus will remain at approximately \$100,000, but that this is not a large enough safety net and it will need to be addressed moving forward. Fees need to be substantial enough.
 - NACC board needs to reconsider the number of face-to-face Board meetings to reduce expenses.
 - Suggested a post-mortem committee be appointed by the Board to discuss the Conference (review the number of sponsors, exhibitors, etc.) and the opportunities moving forward.



On motion duly made by Stuart Bentley, seconded by Mike McAllister and duly carried, the following resolution was passed unanimously electronically:

RESOLVED THAT the Audited Financial Statements for 2017 be approved as presented.

b. Appointment of Auditor for 2018

On motion duly made by Mike McAllister, seconded by Peter Dykstra that Parker Prins Lebano be appointed as auditor for NACC for 2018.

The electronic voting was not working and a vote on this item would take place after the AGM.

6. NEW BUSINESS

Stuart Bentley lead the discussion on new business given that there were difficulties encountered with the electronic voting. Stuart asked that voters are properly registered and are able to review data ahead of the voting process.

7. ADJOURNMENT

Kerry Swanson wanted to thank the membership and the board colleagues for the past year and stated that he would be leaving the sector. JP Roszell asked to address the room and stated that on behalf of the many people in the room, that it had been an honor to work with Kerry during this time of transition. He stated that Kerry has always lead with a steady hand, and was admired by those working alongside him. JP Roszell, on behalf of the membership, wished Kerry the best of luck in the future.

There being no further business to come before the meeting, on motion duly made by Robert Prendergast carried, at 12:15 p.m. EST, the meeting adjourned.