



ANNUAL REPORT 2017 | ACTA AGM | JUNE 15, 2018



Association of Canadian Travel Agencies
Association canadienne des agences de voyages

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Message from the Chair, Mary Jane Hiebert

Dear Members,

Think of ACTA's 2017 Annual Report as your guide to where we are heading in representing the best interests of you, our Members and the important role you play in the Canadian travel industry.

During the past year the ACTA team demonstrated their commitment to the priorities expressed in the core pillars of our Association – **Advocate, Educate, Promote and Connect**. The many accomplishments of 2017 are the springboard for the three-year strategic plan we've launched to support your efforts to succeed and strengthen our industry for the future.

As your Board Chair, and as your peer, I see first-hand the value of this Association to our Members, and I assure you the Association is laser-focused on the priorities and initiatives set out by your Board of Directors. Thank you to all contributors to ACTA's success including our Board and Staff, and all Members who participate in our programs and Regional Councils. 2017 – ACTA's 40th Anniversary – was a great year. 2018 promises to be even better.

Kind regards,

A handwritten signature in grey ink that reads "Mary Jane Hiebert". The script is cursive and elegant, with the first letters of each word being capitalized and prominent.

Message from the President, Wendy Paradis

Dear Members,

The achievements of 2017 reflect ACTA's commitment to effectively deliver results on what matters most to our Members.

In our 40th Anniversary year we restructured our efforts and created an action plan that addresses your priorities in key strategic areas that support the success and prosperity of our retail Travel Agency Members. Most importantly, the results are positive.

Our enhanced focus on Advocacy and Education is bearing fruit. Through strong relationships and hard work ACTA has strengthened our voice in government relations at national and regional levels and with supplier partners. The participation rate in our Education programs is soaring. We have raised our public profile in promoting the value of Travel Agents and our role in the Travel Industry and we are connecting our Members more meaningfully with the information, contacts and programs needed for success in our industry.

Our Annual Report recaps for you the progress we are making on multiple fronts. 2018 will be even better as we roll out our new strategic initiatives.

Sincere thanks to our Board of Directors, the hard work of ACTA Staff and Regional Councils and all ACTA Members. Your continued support helps ACTA fulfill our role as YOUR trade association.

Sincerely,



A Review of 2017's Achievements

Mission Focused

We are here to foster the success of our Travel Agency Members. That is our Mission - to ensure that we provide effective leadership and services to our membership. ACTA restructured the trade association in 2017. We created four key groups, each led by a member of ACTA's senior leadership team to strengthen our commitment to the association's strategic priorities. The functional groups correspond to the four pillars of our mandate: Advocate, Educate, Promote and Connect. This helps to position ACTA in tackling challenges and maximizing the opportunities facing Travel Agencies today.

We Advocate – with one strong voice working with governments, suppliers, and always on behalf of Members:

- Formed a CTA committee and raised our profile with Transport Canada and the Canadian Transportation Agency to express our views on the need for a competitive and healthy travel industry in Canada
- Met with federal Transport Minister Marc Garneau to provide input on pending Bill C-49 and proposals for a Passenger Bill of Rights
- Discussions with the Transport Minister which included ACTA's call to reduce taxes and airport fees to stop the drain of Canadian travelers to US border airports and, transparency in pricing
- Actively engaged in all regions on matters that impact the travel industry in both regulated and unregulated provinces
- ACTA and ACTA TIA Committee was actively involved in Ontario's review of the Travel Industry Act (TIA)
- In British Columbia, we voiced Members' opposition to fee increases in proposed changes to the Consumer Protection BC Fee Review
- In Quebec, ACTA was a key stakeholder to the Office de la protection du consommateur Advisory Committee for travel agencies (OPA) which successfully lobbied to allocate funds from the QC Compensation Fund on a consumer awareness campaign that began in October 2017
- We shared ACTA positions with provinces on such issues as Non-Commissionable Fees (Fuel/Carrier Surcharges versus Base Fare Structure, Ancillary Fees) Fraud and Agency Bypass (booking direct)
- Worked with the Travel Health Insurance Association (THIA) toward development of one standard across Canada for selling travel insurance
- Worked closely with the Alberta Insurance Council to ensure ACTA involvement in decisions surrounding the sale of travel insurance in Alberta
- Collaborated with Alberta Insurance Council to bring harmonization message to attention of Canadian Insurance Services Regulatory Organization (CISRO)
- Leveraged ACTA's participation in IATA joint committees to represent our Memberships' concerns regarding several new IATA initiatives

- ACTA's Financial Advisory Group conducting a thorough review of the Local Financial Criteria and drafting a proposal on an alternative to the submission of costly annual Review Engagement
- Successfully lobbied to delay IATA's implementation date for Payment Card Industry (PCI) Data Security Standards (DSS) compliance from fall 2017 to March 2018
- Advisory role to Agency Debit Memo Working Group on progress made in defining, measuring and analyzing the problem of inefficient ADMs
- Proposed solution to ADM issue which IATA will implement in fall 2018.

We Educate – to elevate industry standards and professionalism through certification, accreditations and other learning opportunities:

- Expanded programs on ACTA's online Learning Campus <http://acta.travellearningcampus.ca/>
- In 2017 over 4,200 users completed 26,030 modules on Learning Campus
- More than tripled enrollment in the certification program from 107 to 405
- Added online Travel Health Licensing Exams for BC and SK to ACTA Learning Campus to increase efficiency and convenience for completing these mandatory exams
- Refreshed the Air Canada Global Sales University content in both French and English giving agents and students starting the Air Canada Experts (ACE) certification process online access to up-to-date information
- Monthly webinars on products and destinations attracted capacity audiences
- Provided timely professional development webinars on PCI Compliance, Fraud Prevention and Independent Contractors
- As part of 40th Anniversary events, a successful "grandfathering" initiative gave Travel Agents the opportunity to accelerate attainment of the prestigious Certified Travel Counsellor (CTC) designation
- Made Information tool kits available on demand.

We Promote – the value of the Retail Travel Industry to the travelling public and actively position Travel Agencies and Agents as experts in travel:

- Improved media relations. ACTA both seeks and responds to media opportunities on topics which allow us to promote the value of a Travel Agent to consumers
- Media coverage in 2017 included CTV, CBC and Global news outlets, Globe and Mail, National Post, Toronto Star and local newspapers on topics of importance regarding travel insurance, the pending Passenger Bill of Rights, Canadian travel trends, and inquiries based on health and safety of travelers related to world events including terrorism, hurricanes, earthquakes and flooding
- ACTA featured the value of Travel Agents at consumer shows in Halifax, Montreal, Kingston, Ottawa, Calgary, Edmonton and Vancouver as well as through our website and directories.

We Connect – our Members with the information, contacts and programs needed to achieve more effective awareness and selling:

- ACTA's National Travel MarketPlace Conference attracted more than 400 travel industry participants and was so well received that there are two MarketPlace Conference's planned (Toronto and Vancouver) for 2018
- Increased business tools available to Members including How To Do's, tips, best practices and webinars
- Connected Members to more value-added benefits and services including member discount program to reduce operating expenses including business insurance and employee benefits, savings on Canada-Post prepaid envelopes, and savings on credit card merchant services.



Membership

ACTA exists for its Members. When we restructured in 2017 a new role was created in June. Doreen Lynch was appointed the role of Director of Membership as an important part of the senior staff with the core responsibility to more actively engage and retain current Members and attract new Members. Through the Regional Membership team, there have been great improvements in communication within their territory. The RMM team increased its engagement of the membership, which includes retail chains, consortia, host agencies and Certified Travel Agents. As ACTA's ambassadors, our RMM team promotes the value of our Members and the trade association's contribution to the industry - a key resource and stakeholder in Canada's travel industry.

It was also time to address changes in how and where professional Travel Agents now operate in the retail travel sector. The trend of mergers and acquisitions within the retail travel agency community has continued resulting in a decrease in the number of traditional "bricks and mortar" Travel Agencies operating in Canada. ACTA's membership count, which is based on physical agency locations, has decreased slightly in 2017 mainly due to mergers and acquisitions. However, the number of travel professionals associated with a member travel agency remained consistent. The continued growth of host agencies and home-based agents has also impacted the number of traditional locations. ACTA's membership fees are based on the number of agents and personnel associated within a location, working a minimum of 20 hours/week and earning at least \$10,000/year. The creation of the Independent Membership category was approved in 2017 for launch in early 2018. While the location numbers were slightly down, there was also a shift in the traditional employed agent or personnel to independent contractors, so that our new Membership category adjusts to the new workforce reality.

We've also created value-added benefits to ACTA membership and more opportunities for members to network with peers and suppliers. ACTA members were introduced to "MemberPerks" through the enhancement of the membership card program. This is a savings program that offer ACTA membership card holders instant access to over 2,000 benefits from brand name and local vendors. The program also includes over 400 health and wellness offers that make pursuing a healthy, active lifestyle easier and more affordable, and stretches health spending account dollars even further. Events like the Travel MarketPlace Conference and ACTA Air Canada Awards strengthen our member community by bringing us together, sharing of passion.

2017 Membership (as of Nov 2017)

Region	Retail Members
BC/Yukon	184
Alberta/NWT	114
Manitoba/Saskatchewan/Nunavut	87
Ontario	434
Quebec	154
Atlantic	115
TOTAL RETAIL MEMBERS	1088
TOTAL ALLIED MEMBERS	220
TOTAL MEMBERSHIP	1308
TOTAL ELIGIBLE ACTA MEMBERSHIP CARD HOLDERS	9545

Education

ACTA helps members elevate their professionalism through certification, accreditation, and other learning opportunities that are relevant, timely, and convenient. Participation rates in our programs, webinars, information toolkits and other learning opportunities soared in 2017.

The number of individuals enrolling in the certification program increased in 2017 to 405 from 107 in 2016. This radical increase was largely due to the initiative of ACTA's 40th Anniversary offer which contributed to 335 enrollments.

Throughout the year ACTA has been actively visiting schools to promote certification at a number of colleges in 2017. The Education department has been working diligently with the colleges to encourage students to enroll in the full certification exam instead of writing only the exam. ACTA will proctor an exam sitting at the Travel MarketPlace Conference in Toronto. More than 400 travel industry participants joined us at the Travel MarketPlace Conference in 2017 and due to overwhelming demand, there are two Travel Conferences scheduled for 2018 for Toronto and Vancouver.

Growth in the ACTA Campus <http://acta.travellearningcampus.ca/> continued in 2017. The Webinar Calendar offered a new topic each month in both English and French. Webinars on PCI compliance, Fraud Prevention and Independent Contractors reached capacity audiences.

2017 also saw ACTA automate the BC and SK Travel Insurance Licensing exam through the ACTA Learning Campus. 351 individuals wrote their BC and SK Travel Health Insurance licensing exam. Looking ahead into 2018, ACTA will continue to expand the content within the Campus by integrating new and existing courses into the campus. Monthly webinars and other continuing education and certification content, both live and on demand will continue to be a focus for ACTA in 2018.

Program	Number
Certified Travel Counsellors/Managers (CTC and CTM)	1441
Travel Industry Specialist Programs	30
Endorsed Travel Programs	31

Board of Directors & Team *(December 31, 2017)*

The Association of Canadian Travel Agencies (ACTA) is an association of over 1200 Members representing 70% - 80% of the travel industry business in Canada. ACTA is governed by a Board of Directors that is represented by each of the seven regions. The Board of Directors has an Executive Committee. ACTA also has consultative bodies, known as Regional Councils that liaisons with the Board of Directors, providing grassroots feedback on the matters that directly impact the membership. The President reports to the Board.

BOARD OF DIRECTORS	
Chair	Mary Jane Hiebert (Manitoba/Nunavut)
Vice-Chair	André Desmarais (Québec)
Secretary	Michael Thompson
Treasurer	Louise Gardiner CTM
Directors	Barb Crowe (Saskatchewan)
	Liz Fleming (BC/Yukon)
	Mike Foster (Ontario)
	Barbara Lee-White (Atlantic)
	Anthony Tonkinson (Alberta/NWT)
	Richard Vanderlubbe
	Andrew Enns
	Cyrus Rustamji, CTM (CCTA)

TEAM	
President	Wendy Paradis
Vice President, Advocacy and Member Relations	Heather Craig-Peddie
Director, Marketing, Communications & Partnerships	Marco Pozzobon
Director of Education	Maggie Santos (July 2018)
Director of Membership	Doreen Lynch
Regional Manager – Atlantic	Fiona Bowen (January 2018)
Regional Manager – Québec	Manon Martel
Regional Manager – Ontario	Fiona Bowen
Regional Manager – Western	Judy Bunkall
Meetings and Events Coordinator	Deanne Osborne
Certification and Exam Coordinator	Monica Garcia
Member Services Coordinator	Julia Clarke
Communications and Marketing Coordinator	Katherina Thilavanh

Regional Councils (December 31, 2017)

British Columbia and Yukon

- Liz Fleming (Chair), North South Travel & Tours Ltd.
- Linda May-Dinsmore CTC (Vice Chair), Deluxe Travel
- Glynnis Chan – Happy Times Travel & Tour
- George Clark – Elan Travel
- Arlene Henderson CTC, Windward Travel
- Kyle Oram, KVI Travel
- Michael Scott-Iverson, Hagen's Travel
- Shelley Good CTC, CruisePlus Management Ltd.
- James Shearer, Travel Masters
- Kimberley Wood, Transat Distribution Group

Alberta and Northwest Territories

- Anthony Tonkinson (Chair), formerly Vision Travel
- Peter Keyter (Co-Vice Chair), South Travel Inc. / The Travel Lady Agency
- Terri Jo Lennox CTC (Co-Vice Chair), Travel Time
- Lynda Craig – Transat Distribution Canada
- Shelley Ewing CTC, Tier One Travel
- Dave Heron, Pacesetter Travel
- Pat Montgomery – Maritime Travel
- Brian Oshust – Elite Travel Management
- Jona Way CTC - SAIT

Saskatchewan

- Barb Crowe CTC (Chair), Ixtapa Travel
- Jamie Angus-Milton CTM, Uniglobe Carefree
- Arla Delver, formerly with Ixtapa Travel
- Sharon Kaendo, Leisure Travel 2000
- Kari Dean, Regina Airport Authority
- Lori Sly, Saskatoon Airport Authority

Manitoba and Nunavut

- Mary Jane Hiebert CTC (Chair), Canada One Travel
- Melanie Carter CTM, CAA Manitoba
- Colton Chia, Travel Professionals International (TPI)
- Trish Middleton CTC, Continental Travel
- Irene Neustaedter, Around the World in 80 Ways
- Natalie Schillberg CTC, Around the World in 80 Ways
- Karen Wiggett CTC, CAA Manitoba
- Darlene Newton, Robertson College

Ontario

- Mike Foster CTC (Chair), Nexion Canada
- Norman Payne CTM (Vice Chair), Uniglobe The Premiere Travel Group
- Louise Gardiner CTM, Carlson Wagonlit Travel
- Jason Merrithew, Merit Travel
- Eugene Winer, I Love Travel
- Rashmi Brahmbhatt, Crossways Travel Bureau
- Monica Johnstone CTC, Uniglobe Travel Innovations
- Thanushka Nanayakkara CTM, NARAT International
- Lisa Perkins CTC, Carlson Wagonlit Travel
- Rita Polegri, Transat Distribution Canada Inc.
- Lorena Suarez Balkowski, Wander Travel Advisers Inc.
- Richard Vanderlubbe, Tripcentral.ca

Quebec

- André Desmarais CTC (Chair), Aéroport Voyage
- Marie-France Doucet, Voyages A. Doucet
- Véronique Catteau CTC, Carlson Wagonlit Travel
- Angela Costa CTC, Groupe Voyages Mondesa
- Isabelle St-Amand, Espace voyages
- Chantal Archambault CTC, Voyages Florence
- Jose Manuel Cerrud CTC, Voyages Terra Natura Travel
- Éric Douay, D-Tour Marketing Inc. (**Appointment**)
- Tony Santelli CTC, Collège April-Fortier (**Appointment**)

New Brunswick

- Barbara Lee-White CTC (Chair), Maritime Travel
- Glen Earle, formerly with Manulife

Newfoundland & Labrador

- Scott Stone CTC, Universal Travel
- Heidi Pound CTC, LeGrow's Travel

Nova Scotia

- Glenda Hunter CTM, CAA Travel
- Mel Stewart CTC, Maritime Travel
- Rick Garson, Halifax International Airport Authority

Prince Edward Island

- Marilyn Long CTM, CAA Travel

APPENDICES

Appendix I - Minutes – AGM 2017

Appendix II - Regional Highlights

Atlantic Region

Quebec Region

Ontario Region

Manitoba, Saskatchewan & Nunavut Region

Alberta & Northwest Territories Region

British Columbia & Yukon Region

Appendix III - Financial Report 2017

APPENDIX I

AGM Minutes

**MINUTES of the
ANNUAL GENERAL MEETING of the
ASSOCIATION OF CANADIAN TRAVEL AGENCIES
TORONTO, ONTARIO
JUNE 14, 2017**

Introduction by Chair

ACTA Chair, Mary Jane Hiebert, welcomed attendees and called the meeting to order at 3:35 pm. She introduced the head table: Wendy Paradis, President and Heather Craig-Peddie, Vice President, Advocacy and Member Relations.

Appointment of Secretary

Heather Craig-Peddie, Vice President, Advocacy and Member Relations for ACTA, was appointed to act as Secretary for the purposes of today's meeting.

Introduction of Directors

The Chair introduced the ACTA Directors present at the AGM: Liz Fleming (Chair, BC-Yukon), Anthony Tonkinson (Chair, Alberta-Northwest Territories), Mike Foster (Chair, Ontario), André Desmarais (Chair, Quebec), Louise Gardiner CTM (Board Appointee), and Cyrus Rustamji CTM (Board Appointee). She extended regrets from those Directors who were unable to attend: Norm Payne CTC CTM (Director at Large) and Michael Thompson (Board Appointee). The Chair also introduced the new regional Chairs and Nominees to the Board of Directors: Barbara Lee-White (Chair, Atlantic), Richard Vanderlubbe (Board Nominee) and Barb Crowe (Chair, Saskatchewan). The Chair acknowledged and thanked outgoing members of the Board of Directors for their commitment and service to ACTA over many years: Sharon Kaendo, Marilyn Long CTM, and Rita Polegri.

The Chair recognized our event sponsor, Sabre Travel Network. Unfortunately Grant Rodewald, Director of Sales, was unable to attend, but greetings were extended by the Chair on behalf of Sabre. On behalf of Grand and Sabre, she expressed Sabre's sentiments of support and partnership of ACTA and the retail travel community.

The Chair recognized guests in the audience including Richard Smart, Tracey McKiernan, David McClung, and Earl Link.

Verification of Quorum

Appointment of Scrutineer

Motion: That **Lorie Cohen Hackett** act as scrutineer for this meeting. Moved by Barbara Lee-White and seconded by **Rita Polegri**.

All in favour. None opposed. None abstained. **CARRIED**. The Chair declared the motion passed.

The Chair noted that the notice of meeting was sent to members on **May 19, 2017** in accordance with our bylaws, and she outlined the rules of procedure for the meeting.

The scrutineer reported that the quorum requirement had been met – the lesser of a) 15% of the voting membership, and b) twenty-five (25) members – and it was declared that the meeting was duly constituted for the transaction of business.

1. Approval of the Minutes of the AGM held on May 3, 2016

Motion: That the Minutes of the Annual General Meeting held May 3, 2016 be approved as presented. Moved by **Louise Gardiner CTM** and seconded by **André Desmarais**.

All in favour. None opposed. None abstained. **CARRIED**. The Chair declared the motion passed.

2. Annual Report from the Chair

The Chair stated that she had witnessed many accomplishments through the team's commitment to the priorities outlined in ACTA's core pillars of "Advocate", "Educate and Elevate", "Promote" and "Connect", with the levels increasing for advocacy and education. She also went on to say that she was pleased with the level of engagement of ACTA's partners and the industry as a whole.

The Chair talked about the changes and transitions in ACTA's membership, with the rapid pace of mergers and the influx of online and home based agents and agencies also affecting other parts of the world. Recognizing representatives from the trade media and the Travel Industry Council of Ontario (TICO) in the audience, the Chair thanked the media and TICO for being great partners of ACTA.

The Chair thanked the Board and ACTA team for a great year and welcomed the exciting initiative planned for 2017.

3. Annual Report from the President

The President recognized that while 2016 was a good year, it was also a year of transition for ACTA and the travel industry. ACTA has been witnessing mergers and acquisitions and at the same time growth in the Independent Contractor space. ACTA will continue to make progress on initiatives and grow our relationships with our membership, partners and government.

The President acknowledged that the revenue for 2016 was down, but the expenses were down as well. She continued that ACTA would be looking at a new Director of Membership in 2017.

The President thanked the Members of the ACTA Board of Directors, ACTA Regional Councils and Committees for their contributions of time and feedback.

4. Financial Statements for the Fiscal Year Ended December 31, 2016 and Report of the Auditors

The Chair asked Louise Gardiner CTM, ACTA Treasurer, to present the audited 2016 Financial Statements.

Motion: That the 2016 Financial Statements be approved as presented. Moved by **André Desmarais** and seconded by **Louise Gardiner CTM**.

All in favour. None opposed. None abstained. **CARRIED**. The Chair declared the motion passed.

5. Appointment of Auditors for 2017 fiscal year

Motion: That Cooper Bick Chen LLP be appointed the auditors for ACTA for 2017 and that the Board of Directors be authorized to fix their remuneration.

Moved by **Cyrus Rustamji CTM** and seconded by **André Desmarais**.

All in favour. None opposed. None abstained. **CARRIED**. The Chair declared the motion passed.

6. Election of Directors of the Corporation

The Chair stated that it was time to elect the Directors of the Corporation.

On April 6th, ACTA advised Members of the call for nominations. Applications for the nine positions open were received by the deadline. The Nominating Committee met to review the nominations and proposed a slate of Directors. The slate was sent to the Members and a deadline was provided should any Member wish to stand for election. No positions were challenged and the proposed slate of Directors currently stands. For each position, the Chair asked for a vote to elect the nominee:

Vote: to elect **Liz Fleming** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Liz Fleming as Director.

Vote: to elect **Anthony Tonkinson** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Anthony Tonkinson as Director.

Vote: to elect **Barb Crowe** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Barb Crowe as Director.

Vote: to elect **Mary Jane Hiebert** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Mary Jane Hiebert as Director.

Vote: to elect **Michael Foster** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Michael Foster as Director.

Vote: to elect **André Desmarais** as Director For: 216

Against: 0

Abstain: 0

There were more For than Against so the Chair declared André Desmarais as Director.

Vote: to elect **Barbara Lee-White** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Barbara Lee-White as Director.

Vote: to elect **Louise Gardiner CTM** as Director For: 216

Against: 0

Abstain: 0

There were more For than Against so the Chair declared Louise Gardiner CTM as Director.

Vote: to elect **Richard Vanderlubbe** as Director For: 215

Against: 0

Abstain: 1

There were more For than Against so the Chair declared Richard Vanderlubbe as Director.

7. Confirmation of a new general by-law of the Corporation which reintroduces a new membership category, Auxillary Member, with changes being made to section 1.1 and 3.2

The Chair stated that the Board of Directors were undertaking a review of the classes of Members in the Corporation, to include the class "Auxillary". An Auxillary Membership would allow for an individual or student to be a Member. This category would come into affect for 2018 Membership.

The change to section 1.1: the definition of Auxillary Member would be added to the Definition. The change to section 3.2: the inclusion of the new membership category "Auxillary" would be added to the Membership Conditions.

The Chair advised that should this confirmation come into affect, there would be four classes of Members – Retail, Allied, Certified, and Auxillary. Retail Members would remain as the only voting class, while Allied, Certified, and Auxillary Members would be entitled to vote where a class vote was required.

Motion: To confirm a new general by-law of the Corporation which reintroduces a new membership category, Auxillary Member, with changes being made to section 1.1 and 3.2.

Moved by **Louise Gardiner CTM** and seconded by **Rita Polegri**.

All in favour. None opposed. None abstained. **CARRIED**. The Chair declared the motion passed.

8. Other Formal Business

The Chair asked members if there was any further formal business to be brought before the meeting. No additional items were raised.

9. Termination of Meeting

Motion: That the meeting be adjourned at 3:55 pm.

Moved by **André Desmarais** and seconded by **Barbara Lee-White**.

All in favour. None opposed. None abstained. **CARRIED**. The Chair declared the motion passed.

The Chair concluded by thanking our national sponsors for the year 2016: Air Canada, Cornerstone Insurance Brokers, CTS Systems, Enterprise Holdings, Greater Toronto Airports Authority, Manulife Financial Travel Insurance, Marriott International, MyPassionMedia, Porter Airlines, Regent Seven Seas Cruises, Sabre Travel Network, SecuTrans, Starwood Hotels and Resorts, Travel Learning Campus, VIA Rail and Visit Portugal.

Heather Craig-Peddie Acting as Meeting Secretary

APPENDIX II

Atlantic Region

The Atlantic Council met three times during 2017. Elections were held in February with both retail and allied positions being acclaimed. Barbara Lee-White, CTC, of Maritime Travel was elected to the position of Chair and Glenda Hunter, CTM, of CAA Atlantic as Vice-Chair. A special thank-you was extended to Marilyn Long, CTM of CAA Atlantic as outgoing Chair for the Atlantic Region for the past 6 years. In 2017, the Atlantic Council had eight Members representing the four Atlantic Provinces. In November, 2017 we added Fiona Bowen, Regional Membership Manager for Ontario as the new Regional Membership Manager for the Atlantic Region. She succeeded Lorie Cohen-Hackett who assumed a new role assisting with national groups across Canada.

Advocate:

- In May, the Atlantic Council held an in-person meeting where we discussed supplier issues including taxes, fees and surcharges. Follow-up discussions were held with CTA (Canadian Transportation Agency) on these same issues
- The Atlantic Council provided direct input to the Airport Consultative and Noise Committee.
- Members are representative of the community and include persons representing the interests of consumers, travelling public, aviation industry representatives and provincial and municipal government representatives.

Educate:

- The Atlantic Region together with Tourism Ireland and ASL Airlines hosted a FAM trip to Ireland in June with 10 Travel Agents participating. The FAM trip was a great educational experience and provided a great opportunity for participants to share best practices
- ACTA offered a 40th anniversary CTC promotion in the fall of 2017 for which Travel Agents could obtain their CTC designation. 48 Travel Agents took part in the CTC grandfathering program
- Monthly webinars continued to play an important role in continuing education with an increased number of participants from the region.
- The ACTA Learning Campus continued to be a reliable source of information for education, webinars and destination specialists' programs.

Promote:

- The 5th Annual Travel Agent Day was held on May 3 and ACTA's Atlantic Regional Membership Manager, Lorie Cohen-Hackett, visited Agencies in Saint John. On May 4th, Lorie was joined by Atlantic Chair Barbara Lee-White, CTC as they visited Agencies in the greater Moncton area. Consumers who were in the Agencies during the visits were very pleased to see the recognition that their Travel Agents received.

Connect:

During 2017 ACTA Atlantic participated in these events:

- Travel MarketPlace Conference – Toronto
- ACTA AGM – Toronto
- ACTA Atlantic Region - Travel Agent Day - Saint John and Moncton
- Maritime Travel Conference – Halifax

Quebec Region

The Quebec Regional Council met five times during 2017. Elections were held in February for one retail position and one position was acclaimed, Josée Manuel Cerrud of Voyages Terranatura. At the end of 2017, the Quebec Regional Council had nine representatives serving the council.

Advocate:

- In February, ACTA met with ATOQ (Association of Tour Operators of Quebec) to discuss commission issues, taxes and fees along with fraud and key industry issues.
- The Quebec Regional Council continued to work closely with ATOQ throughout the year on the issue of fraud. This initiative is an extension of our work at a National level which includes ACTA's involvement with the IATA Canada Travel Fraud Prevention Group and outreach to CATO, (Canadian Association of Tour Operators).
- In 2017, ACTA in Quebec met four times with the OPC where two key matters were discussed: OPC council's concern over listing of travel agents on consumer-facing OPC website due to potential for industry fraud. Ongoing issues being monitored also include the new legislation announced May 2, 2017, intended to modernize the Quebec *Consumer Protection Act* (CPA), as well as provide for new consumer protection measures. The CPA provisions on credit, in particular, are long overdue for change, as they have not been significantly amended since 1978. ACTA will work in cooperation with the Quebec Council on how this new legislation will affect ACTA members.
- ACTA in Quebec participated in the IATA NewGenISS meeting in order to assist Quebec ACTA Members on this new IATA procedure.

Educate:

- Monthly webinars in both French and English were offered to ACTA Members in Quebec. Topics included Manulife, Destination Turkey, Fraud webinars, ACTA certification CTC/CTM, ACTA/AC Global Sales University, PCI Compliance, Social Media, Independent Contractors, Norwegian Cruise Line, and Enterprise Holdings.
- ACTA, ATOQ and Pax worked closely during Fraud Month presenting to the trade different fraud tips and steps to fraud prevention.

- ACTA offered a 40th anniversary CTC promotion in the fall of 2017 where travel agents could obtain their CTC designation. In Quebec 30 travel agents obtained their designation ACTA members continue to invest in their career as a trusted, trained and certified professional.
- The ACTA Learning Campus continued to be a ready source of information for education, webinars and destination specialists programs.

Promote:

- ACTA Quebec continues to promote the marketing materials “Without A Travel Agent, You’re On Your Own” to ACTA Members encouraging them to use the material to strengthen their consumer messaging.
- ACTA in Quebec is part of the OPC Advisory committee of travel agents to ensure that ACTA members are well represented. The Consumer Awareness campaign continued in 2017 with a magazine and key advertising to encourage Quebec consumers to book with an OPC registered travel agency. ACTA will be featured with highly visible consumer messaging for the next 4 years in their Protégez-vous magazines to promote ACTA members to consumers.
- In mid-October, Regional Manager, Manon Martel along with Quebec Council members participated in the Salon International Tourism Voyages show (SITV). This consumer show draws thirty six thousand consumers. The value of booking with an ACTA member agency was made clear and consistent to consumers.
- ACTA’s visibility in Quebec continued to rise in the travel industry and among consumers with French press releases and media interviews being held in the province.
- ACTA Quebec also played an important role with members and consumers in managing and solving complaints.

Connect:

- In May 2017, the Quebec Region hosted a travel agent day appreciation event with over 60 travel agents joining ACTA to celebrate their day.
- As part of ACTA’s 40th anniversary year, ACTA hosted a St-Lawrence river cruise where over 140 travel agents, decision makers, partners, sponsors enjoyed a very successful networking event and celebration.
- The French ACTA website continues to be an expanding resource to connect members with ACTA’s latest information.
- ACTAVision continues to be a well-read monthly resource in French to all the Quebec Members.
- ACTA Quebec was invited and took part in the following events during 2017:
 - Canadian Anti-fraud committee meeting - Montreal
 - College LaSalle committee meetings and presentations - Montreal
 - Spring and Fall Ensemble conferences – Montreal /Chateau Bromont
 - SKAL Chapter Events - Montreal
 - Travel MarketPlace Conference - Toronto
 - Manulife event - Montreal
 - Carlson Wagonlit Conference ACTA presentation - Montreal

- ACTA Travel Agent Day - Montreal
- Consumer SITV show - Montreal
- WestJet events - Montreal
- Atout France event - Montreal
- St-Lawrence river cruise event ACTA 40th anniversary - Montreal
- Air Canada events - Montreal
- TDC fall conference - Laval
- VED conference - Quebec city
- Transat event - Montreal
- Velas event - Montreal
- Melia Cuba event - Montreal
- Sandals event - Laval
- Mexico Tourism Board events – Montreal / Ottawa
- Chair de l'UQUAM advisory committee - Montreal
- Interjet event - Montreal
- ACTA Quebec continues to be actively involved:
 - OPC Advisory Committee
 - Canadian Anti-Fraud Committee
 - Organizing two key events for the ACTA Quebec Members
 - College LaSalle advisory committee.
 - Chair de Tourisme de l'UQUAM advisory committee

Ontario Region

The Ontario Council met four times during 2017. Elections were held in January for five retail positions and five retail positions were acclaimed. One new representative joined the Ontario Council - Jason Merrithew of Merit Travel. Mike Foster, CTC of Nexion Canada remained as Chair of the Ontario Council and Norm Payne, CTM of Uniglobe Premiere Travel as Vice-Chair. At the end of 2017 the Ontario Council had 12 representatives serving on the council.

Advocate:

- The most important advocacy project in Ontario for 2017 was the Review of the Travel Industry Act. ACTA and the TIA (Travel Industry Act) committee met seven times in 2017. ACTA submitted feedback to the Ontario government (Ministry of Government and Consumer Services) on Phase 2 by the deadline of April 14 and again for Phase 3 by the deadline of July 31. ACTA participated in numerous government consultations across the province in early 2017 and solicited feedback from the TIA committee, CCTA, Ontario council and Ontario members. Legislation has now been drafted in Bill 166 and it was passed on December 13, 2017. The changes include enabling the creation of new rules for representations, such as advertising, by out of province travel sellers who target Ontarians, creating a registration requirement for individual travel salespersons, lessening the

burden on travel agents and travel wholesalers by creating a registration class of travel seller so that the businesses would no longer need to register as both a travel agency and travel wholesaler and also improving compliance with the rules. ACTA was disappointed to learn that the consumer pay model was not part of the proposed changes in Bill 166. ACTA's position stands that if the Ontario government truly wants to fulfill its mandate of protecting consumers and the funds they invest in their travel plans, then the Ontario Government must move to a consumer-funded Ontario Travel Compensation Fund. The current Fund model is not sustainable and does not provide an adequate level of consumer protection. All of ACTA's submissions throughout each Phase of the Review are available on the ACTA website under the resource section

- ACTA responded to the Interim Report of the Ontario Government's "Review of the Employment Standards Act" and on May 31 the government released their final report on the proposed changes. In the report the Ontario Government identified that they will not change the definition of employee to include "dependent contractor" which was a key concern to ACTA members. Bill 148 was passed in 2017 which proposed changes to vacation entitlement, personal emergency leave, new rules for scheduling and an increase to minimum wage
- The Ontario Council continued discussions on fraud and worked with ATOQ, CATO and the Canada Travel Fraud Prevention Group (CTFPG). Louise Gardiner, CTM of Carlson Wagonlit and Doreen Lynch, Director of Membership for ACTA, sit on the CTFPG fraud committee. The Ontario Council discussed best practices, what to do when fraud occurs and the growing trend of "friendly fraud." March was Fraud awareness month and ACTA hosted a webinar on fraud
- ACTA was invited to meet with the Minister of Transportation Marc Garneau regarding Bill C-49 the passenger bill of rights
- Additional topics that were discussed by the Ontario Council in 2017 - selling of travel health insurance, the Passenger Bill of Rights, PCI compliance and the construction work on the runways at Toronto Pearson International Airport.
- During 2017, ACTA appointed three members to the Travel Industry Council of Ontario (TICO) Board of Directors: Richard Vanderlubbe of Tripcentral.ca, Louise Gardiner, CTM of Carlson Wagonlit Travel and Mike Foster, CTC of Nexion Canada. ACTA took part in the TICO AGM held on June 20, 2017 and participated in TICO webinars on financial compliance.

Educate:

- At the end of 2017 the CTC and CTM certification program in Ontario had a total of 677 certified individuals
- ACTA visited George Brown College, Centennial College, Sheridan College and Algonquin College as guest speakers promoting certification to students
- ACTA offered a 40th anniversary CTC promotion in the fall of 2017 where travel agents could obtain their CTC designation. In Ontario 75 travel agents obtained their designation - ACTA members continue to invest in their career as a trusted, trained and certified professional.
- Webinars continued to play an important role in continuing education with significant growth of attendance of Ontario travel agents taking advantage of these monthly webinars.
- The ACTA Learning Campus continued to be a reliable and updated source of information for education, webinars and destination specialists programs.

Promote:

- ACTA Ontario Membership Manager, Fiona Bowen continued to promote the ACTA Learning Campus encouraging members to sign up to the Learning Campus for education, webinars and training
- The 5th Annual Travel Agent Day was held on May 3 and ACTA celebrated this occasion with visits to member agencies in Ottawa, Kingston and Toronto. ACTA also proudly congratulated all ACTA member travel agents via social media and national trade publications.

Connect:

- The ACTA Ontario Golf Tournament was held at Piper's Heath Golf Club in Milton on July 6th. Thanks to our Title sponsor: Air Canada, Major Sponsor: GTAA (Greater Toronto Airports Authority) and all the sponsors for supporting another successful golf tournament. A sell-out each year with 152 golfers and 200 overall for this well supported industry-networking event.
- The ACTA team, and several travel agency members participated in Canada's first ever Tourism Cares charity event in October at Sunnybrook Veterans Centre. Travel Industry volunteers planted over 250 trees as part of Canada's Highway of Heroes "Living Memorial", and attended a reception to honour veterans. It was a very special day for all participants.
- ACTA Ontario was invited to and also took part in these industry events during 2017:
 - Maritime Travel - Queen's University - Kingston
 - SKAL Chapter Events & Golf Tournament - Toronto
 - TICO's 20th Anniversary Event - Toronto
 - Visit Myrtle Beach - Toronto
 - The Travel Agent Next Door Open House - Toronto
 - Sandals Event - Toronto
 - BSAP (Baxter Student Awards) - Toronto
 - Mexico Tourism Event - Ottawa
 - Uniglobe Franchise Owner Meeting, Fundraiser Golf event and Fall Conference
 - Travel MarketPlace Conference - Toronto
 - TICO AGM - Toronto
 - Ontario Government Travel Industry Act Consultations - Toronto, London, St. Catharines, Mississauga, Ottawa, Kitchener, Cambridge, Markham
 - Industry Fundraiser YellowBird Golf Tournament – Toronto
 - Industry Fundraiser TravelBrands Golf Tournament - Toronto
 - Transat Distribution Conference – Toronto
 - Carlson Wagonlit Travel Conference - Toronto
 - Vision Travel Conference – Toronto.
- ACTA Ontario Council Members and Team were actively involved in:
 - Greater Toronto Airports Authority (GTAA) Consultative Committee - Heather Craig-Peddie
 - Canada Travel Fraud Prevention Group (CTFPG) - Doreen Lynch, Louise Gardiner, CTM

- Travel Industry Council of Ontario (TICO): 3 ACTA representatives sit on the Board of Directors but are also involved in several committees including: Education, Compensation Fund, Audit, Legislative and Regulatory Review, Complaints, and Business Strategy and Executive committees.
- Seneca College Travel Advisory Committee: Thanushka Nanayakkara, CTM.
- ACTA National Board of Directors: The Chair of the Ontario Council Mike Foster, CTC along with council members Louise Gardiner, CTM of Carlson Wagonlit Travel, Richard Vanderlubbe of Tripcentral.ca sit on the ACTA National Board of Directors.
- Fanshawe College Travel Advisory Committee: Mike Foster.

Manitoba, Saskatchewan & Nunavut Region

The Manitoba/Nunavut Council met once in 2017 and the Council had two members whose term ended in 2017. SK council also had two Council Member's term come to an end. A meeting for the Saskatchewan Council in March 2017 saw Heather Craig Peddie, VP Advocacy and Member Relations and Wendy Paradis, President attend. At this meeting Barb Crowe was nominated as incoming Chair of the ACTA SK regional council. Jamie Angus was nominated as Vice Chair. Nomination and submission of applicant to the Nominating Committee for the position on the ACTA Board of Directors 2017-2018, representing Saskatchewan. At the end of 2017, the SK Council had four representatives and the MB Council had five representatives.

Advocate:

- SK region, ACTA monitored the failure of a non-member agency and the governments interest in a sector specific protection program and in Manitoba the current government advised ACTA that the decision was made not to proceed with legislative or regulatory changes
- Fraud is a significant issue and ACTA hosted a webinar for its members on March 22nd, 2017.

Educate:

- SK licensing exams for the province went on-line and made available on the ACTA learning Campus making the process to complete the mandatory exams more efficient
- Uptake on more MB and SK members participating in ACTA webinars
- Webinars hosted in 2017 covering Fraud, independent contractors 101, PCI Compliance
- With the 40th anniversary promotion, the Western provinces with 29 agents taking advantage of the offer and obtained their CTC designation, 15 from MB and 14 from SK.

Promote:

- Worked to resolve any concerns involving ACTA Members.

Connect:

- The MB golf tournament was hosted at the Glendale Golf Club on June 27th
- An SK Travel and Tourism Industry networking event was held on June 20th at the Greenbryre Golf and Country Club, followed by a mystery dine around reception and dinner in downtown Saskatoon.



Alberta & Northwest Territories Region

The AB-NWT Council held three meetings in 2017. The AB council has been active to participate in several subcommittees provincially as well as nationally. There have been numerous meetings with ACTA/AIC and subcommittee members from the AB/NT council regarding the insurance challenges that Alberta faces with independent agents. At the end of 2017, the AB/NT had nine representatives on council.

Advocate:

- Insurance – This topic has remained an important agenda item for the AB-NWT Council at both the National and Provincial levels. ACTA and the ACTA Council Insurance Sub-Committee met with the Alberta Insurance Council (AIC). The goal was to advise of the challenges with selling insurance inter-provincial due to regulations, advisement of the change in the travel industry landscape and who is selling travel (growth in the host agency/independent contractor model), and their challenges due to regulations and finally the need to be at the AIC table. The AIC acknowledged the need to update the rules and will work with ACTA to address member concerns.
- ACTA and ACTA AB/NT council subcommittee members participated in conference call meetings with AIC. Heather re-connected with AIC in September with respect to any regulatory change.
- AB/NT council subcommittee members started to work on the Consumer Protection initiative for an Alberta model. There would be questions that would need to be asked in deciding whether to move forward with regulation in Alberta
- As part of the Consumer Protection Initiative the ACTA AB council wanted to ensure that ACTA Code of Ethics and Standards, By-Laws and Terms of Reference were powerful enough to include any presentation to the government.

Educate:

- Promotion of certification and professionalism was presented at all opportunities by the Regional Manager.
- Webinars hosted in 2017 covering Fraud, Independent Contractors 101, PCI Compliance were well attended by AB/NT members.
- With the 40th anniversary promotion the Western provinces with 131 agents taking advantage of the offer and obtained their CTC designation, 43 from AB and five from NWT.
- ACTA's national office supported consumers with complaints regarding travel agency services, and worked to resolve any concerns involving ACTA Members.

Promote:

- Regional membership manager attended consumer events and agency conferences in the later part of 2017 (after August when new RMM started in the position) always promoting the benefit of booking with an ACTA member agency and promoting ACTA and what we do at the agency conferences:
 - Merit Travel consumer show in Edmonton – September
 - Transat Distribution Manager's conference – Edmonton - September
 - Joint sales calls with Director of Membership in Edmonton, Red Deer, Calgary – September
 - MacEwan University presentation to graduating travel counsellor students – September.

Connect:

- Newly hired industry veteran Judy Brooks, Regional membership manager attended several industry events from August – December 2017
- Despite poor weather, the Alberta/NT Golf and Networking event in September in Red Deer was a fun day of activities for over 100 ACTA members and suppliers.
- Capital City Shakedown Travel Industry appreciation Event – Edmonton, where approximately 85 agents turned out for this fun interactive evening of dinner and team challenges.

British Columbia & Yukon Region

The BC-YK Council held three meetings in 2017. ACTA BC council has been working on key issues with Consumer Protection BC. Two ACTA BC council members are active on committee's with the ACTA National board. At the end of 2017, the BC/YK had 10 representatives on council.

BC-YK Council participated in providing input on national and local issues under the four pillars of Advocate, Educate and Elevate, Promote and Connect.

Advocate:

- BC council has been working with ACTA with some of the challenges and changes members face in the retail travel space. ACTA members expressed concern over CPBC's media campaign and the fact that the message did not support the benefits of bookings with a BC licensed agency. ACTA BC council invited the Director of Stakeholder Relations from Consumer Protection BC (CPBC) to attend a council meeting scheduled for April 2017. It was acknowledged that ACTA would work with CPBC to provide direct member feedback on initiatives (such as media campaigns) prior to final release. CPBC advised that work on a fee review is currently underway. ACTA will be involved as this review proceeds.

- Working with ACTA BC Council, ACTA provided feedback to CPBC fee review by the August 4th deadline. ACTA emphasized that any increase, even one to address inflation, is not seen as favorable to BC ACTA member agencies. ACTA also noted that only 2% of the fees collected are spent on Education and Awareness. Increasing the promotion and awareness to consumers of the benefits of booking with a BC travel agency, would go a long way to address any proposed increase in license fees.

Educate:

- Member Service visits to member agencies in the Vancouver area – September
- Visit to new campus for the Canadian Tourism College Vancouver – met with Lori Alina and Courtney Beharrell who toured us around the new campus and updated on their program
- Key webinars for members in 2017, Fraud, Special Needs travel, PCI compliance were well supported by BC/YK members
- Promotion of upcoming Travel MarketPlace for Vancouver March 2018
- First half of 2017, the ACTA National office was the key contact for consumer concerns brought forward regarding ACTA member agencies.
- With the 40th anniversary promotion the Western provinces with 131 agents taking advantage of the offer and obtained their CTC designation, 73 from BC.

Promote:

- Regional membership manager attended consumer events and industry conferences in the later part of 2017 (after August when new RMM started) always promoting the benefit of booking with an ACTA Member agency and promoting ACTA and what we do at travel agency conferences:
 - Vancouver International Travel Expo – September
 - Trade event combined with consumer event– promoting booking with a travel agent
 - CWT managers conference – Vancouver – October

Connect:

- Back by popular demand was ACTA's BC 2017 Golf Tournament and networking event. Held June 1st at the Mayfair Lakes Golf & Country Club, over 100 golfers attended with over 125 in attendance for the networking reception and dinner.

APPENDIX III

Financial Statements

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

COOPER BICK CHEN LLP
Chartered Professional Accountants

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

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Statement of Cash Flows	4
Notes to the Financial Statements	5 to 9

COOPER BICK CHEN LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ASSOCIATION OF CANADIAN TRAVEL AGENCIES

We have audited the accompanying financial statements of the Association of Canadian Travel Agencies, which comprise the balance sheet as at December 31, 2017 and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many similar organizations, the Association derives revenues from membership fees, education standards, courses and conferences, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to these revenues, excess of revenues over expenses, assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, if any, these financial statements present fairly, in all material respects, the financial position of the Association of Canadian Travel Agencies as at December 31, 2017 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Canada Not-for-Profit Corporations Act, we report that the Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Cooper Bick Chen LLP

Markham, Ontario
April 5, 2018

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

BALANCE SHEET

AS AT DECEMBER 31, 2017

	2017	2016
ASSETS		
Current assets		
Cash	\$ 540,752	\$ 514,470
Short-term deposit (note 2)		86,558
Accounts receivable	69,529	54,957
Prepaid expenses	34,735	29,105
	645,016	685,090
Equipment, furniture and leasehold improvements (note 3)	48,780	69,238
	693,796	754,328
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	116,396	168,947
Government remittances payable	15,776	21,145
Deferred revenue	301,266	279,265
Unearned partnership revenue (note 4)	9,444	70,000
	442,882	539,357
Deferred lease inducement (note 5)	35,090	47,121
	477,972	586,478
Net assets		
Unrestricted	215,824	167,850
	\$ 693,796	\$ 754,328

Approved on behalf of the Board:

_____, Director _____, Director

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

STATEMENT OF OPERATIONS AND NET ASSETS

YEAR ENDED DECEMBER 31, 2017

	2017	2016
Revenues		
Membership fees	\$ 739,050	\$ 706,464
Partnerships (<i>note 7</i>)	540,632	516,705
Activities	174,503	158,730
Canada Post revenue	78,258	57,268
Education	98,233	124,962
Interest and other	26,382	30,377
	1,657,058	1,594,506
Expenses		
General and administration	1,240,480	1,123,885
Board, Council and staff travel (<i>note 7</i>)	132,882	158,884
Activities	128,401	129,617
Canada Post expenses	62,937	48,107
Amortization	25,136	36,477
Education	19,248	17,045
	1,609,084	1,514,015
Excess of revenues over expenses for the year	47,974	80,491
Net assets - at beginning of year	167,850	87,359
Net assets - at end of year	\$ 215,824	\$ 167,850

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2017

	2017	2016
Cash flows from operating activities		
Excess of revenues over expenses for the year	\$ 47,974	\$ 80,491
Add non-cash expense- amortization	25,136	36,477
- amortization of deferred lease inducement	(12,031)	(12,031)
	61,079	104,937
Changes in non-cash working capital items:		
Accounts receivable	(14,572)	72,259
Prepaid expenses	(5,630)	11,239
Accounts payable and accrued liabilities	(52,551)	94,052
Government remittances payable	(5,369)	(18,895)
Deferred revenue	22,001	(62,481)
Unearned partnership revenue	(60,556)	
	(55,598)	201,111
Cash flows from investing activities		
Purchase of equipment, furniture and leasehold improvements	(4,678)	(6,902)
	(4,678)	(6,902)
Cash flows from financing activities		
Redemption of term deposit	86,558	
Increase in term deposit		(2,310)
	86,558	(2,310)
Increase in cash during the year	26,282	191,899
Cash - at beginning of year	514,470	322,571
Cash - at end of year	\$ 540,752	\$ 514,470

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

The Association of Canadian Travel Agencies' ("ACTA" or the "Association") mission is to serve as the focal point for the retail travel services industry, where ideas and resources are pooled into initiatives designed to create and maintain a healthy business and legislative environment in which the retail travel industry will thrive. ACTA's mandate is to ensure consumers have professional and meaningful travel counselling by providing effective leadership in a number of key strategic areas on behalf of the retail travel industry members.

ACTA is a non-profit organization incorporated without share capital in September 1977 under the laws of Canada and, as such, is generally exempt from income tax.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Instruments

ACTA initially measures its financial assets and liabilities at fair value. ACTA subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets and liabilities measured at amortized cost include cash, accounts receivable and accounts payable and accrued liabilities.

Cash and cash equivalents

ACTA's policy is to disclose bank balances and temporary investments with a maturity period of three months or less after the year end as cash and cash equivalents.

Equipment, Furniture and Leasehold Improvements

Equipment, furniture and leasehold improvements are recorded at cost and amortized over its estimated useful life at the following rates and methods:

Computer equipment	- 55% declining balance basis
Furniture and equipment	- 20% declining balance basis
Website	- 33% straight line basis
Leasehold improvements	- over the term of the lease

The above rates are reviewed annually to ensure they are appropriate. Any changes are adjusted for on a prospective basis. If there is an indication that the assets may be impaired, an impairment test is performed that compares carrying amount to net recoverable amount. There were no impairment indicators in 2017.

Deferred Lease Inducement

The deferred lease inducement is amortized on a straight line basis over the term of the lease.

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Membership Fees and Deferred Revenue

Membership fees including CTC/CTM new enrollments and renewals cover the calendar year and are recorded when received and allocated to the period to which they apply. Fees received in the current year that relate to subsequent years are recorded as deferred revenue on the balance sheet.

Partnership Revenue

Partnership revenue includes cash sponsorships, advertisements and non-monetary (in-kind) contributions. Partnership revenue is recognized over the period of the agreement. Revenue not earned in the current year is shown as unearned partnership revenue on the balance sheet.

Activities

Activities are primarily golf tournaments and revenue is recognized when the events take place.

Canada Post Revenue

Canada Post revenue is recognized when the item is shipped to the customer.

Education Standards Revenues

These revenues include the following:

- (a) Examination fees which entitle the student to write examinations are recognized as revenue in the period the examination is written.
- (b) Registration fees for registration in the certification program are recorded when received.
- (c) Curriculum, endorsement and provider fees for recognition of courses offered by colleges, other educational institutions and individual educators are for a specific time period and are recorded as earned.

Other Revenues

Revenues from textbooks sales are recorded when the product is delivered to the customer.

Interest and all other income is recorded as earned.

Non-Monetary Transactions

Assets exchanged with other organizations in non-monetary transactions are recorded at the more reliably measurable of the fair value of the asset given up and the fair value of the asset received.

Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the year end. Revenues and expenses are translated at the exchange rates prevailing on the transaction date. Subsequent variances in exchange rates between the date of recording and actual receipts/payments are expensed at the time of receipt/payment. Any resulting gains or losses are included in income for the year.

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of ACTA's 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

Key areas where management has made difficult, complex or subjective judgments, often as a result of matters that are uncertain, include useful lives for amortization of equipment, furniture and leasehold improvements, valuation of accounts receivables deferred revenue and amounts recorded for non-monetary transactions. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

2. SHORT TERM DEPOSIT

Details of short term deposit are as follows:

<i>Face Value</i>	<i>Security</i>	2017	<i>2016</i>
\$ 75,742 Natcan GIC - 2.75% due January 30, 2017		\$	\$ 86,558
		\$	\$ 86,558

3. EQUIPMENT, FURNITURE AND LEASEHOLD IMPROVEMENTS

Details are as follows:

	<i>Accumulated</i>		<i>Net Book Value</i>	
	<i>Cost</i>	<i>Depreciation</i>	2017	<i>2016</i>
Computer equipment	\$ 73,945	\$ 68,441	\$ 5,504	\$ 4,693
Furniture and equipment	369,153	356,519	12,634	16,506
Website	121,800	115,760	6,040	14,777
Leasehold improvements	63,868	39,266	24,602	33,262
	\$ 628,766	\$ 579,986	\$ 48,780	\$ 69,238

4. UNEARNED PARTNERSHIP REVENUE

Details are as follows:

	2017	<i>2016</i>
Allianze Global Assistance	\$ 5,000	\$
Holland America Line	4,444	
The Manufacturers Life Insurance Company		70,000
	\$ 9,444	\$ 70,000

ASSOCIATION OF CANADIAN TRAVEL AGENCIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

5. DEFERRED LEASE INDUCEMENT

The Association received a lease inducement in the form of leasehold improvements and free rent from the landlord in earlier years. This inducement is being amortized on a straight line basis over the term of the lease. The changes in deferred lease inducements are as follows:

	2017	2016
Balance - at beginning of year	\$ 47,121	\$ 59,152
Amortization of lease inducement	(12,031)	(12,031)
Balance - at end of the year	\$ 35,090	\$ 47,121

6. BANK CREDIT FACILITY

ACTA has a revolving line of credit facility to a maximum of \$100,000 and VISA business facility to a maximum amount of \$20,000. Interest on the line of credit is payable at bank prime rate plus 2.70% per annum. The line of credit and VISA facility is secured by a general security agreement covering all the assets of the Association. There was no balance outstanding as at December 31, 2017 on the line of credit (\$NIL - 2016).

7. NON-MONETARY TRANSACTIONS

In the ordinary course of business, ACTA enters into non-monetary transactions with airlines, railways and hotels in which ACTA receives tickets and hotel rooms in exchange for promotion of the suppliers' products and services to ACTA members and to the industry at large.

These non-monetary transactions resulted in partnership revenue of \$58,000 (\$90,000 - 2016) with a corresponding expense included in Board, Council and staff travel expense. The pricing was at market prices for the tickets and hotel rooms used during the year.

8. LEASE COMMITMENTS

ACTA has entered into an operating lease for its office premises which expires on November 30, 2020 and for an equipment lease expiring in September, 2020. The minimum annual rental payments are as follows:

	Premises	Equipment	Total
Year ending December 31, 2018	\$ 36,000	\$ 5,600	\$ 41,600
2019	38,000	5,600	43,600
2020	36,000	4,000	40,000
	\$ 110,000	\$ 15,200	\$ 125,200

ACTA is committed to paying for operating costs in addition to the minimum rent, which in 2017 was approximately \$42,000 (\$33,700 - 2016).

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YEAR ENDED DECEMBER 31, 2017

9. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

ACTA is exposed to various risks through its financial instruments. The following analysis provides a measure of ACTA's risk exposure at the balance sheet date.

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 an obligation. ACTA's main credit risks relate to accounts receivable. ACTA mitigates credit risk by monitoring accounts on a regular basis. No provision for doubtful accounts receivable is considered necessary by the Management in these financial statements.

Liquidity Risk

Liquidity risk is the risk that ACTA will encounter difficulty in meeting obligations associated with financial liabilities. ACTA is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and commitments. ACTA expects to meet these obligations as they come due by generating sufficient cash flow from operations.

Market Risk

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

10. GUARANTEES AND INDEMNITIES

ACTA has indemnified its past, present and future directors, officers and volunteers against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding, subject to certain restrictions, in which they are sued as a result of their involvement with ACTA, if they acted honestly and in good faith with the best interest of ACTA. The nature of the indemnity prevents ACTA from reasonably estimating the maximum exposure. ACTA has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits and actions.

In the normal course of business, ACTA has entered into agreements that include indemnities in favour of third parties, either express or implied, such as in service contracts, leasing agreements or sales and purchase contracts. In these agreements, ACTA agrees to indemnify the counterparties in certain circumstances against losses or liabilities arising from the acts or omissions of ACTA. The terms of these indemnities are not explicitly defined and the maximum amount of any potential liability cannot be reasonably estimated.

11. COMPARATIVE FIGURES

Certain of the comparative figures in the financial statements have been reclassified to conform with the financial statement presentation adopted for the current year.



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