

M I N U T E S

73rd Annual General Meeting

Café Soleil
Enercare Centre
Toronto, Ontario

February 25, 2018
12:00 pm to 12:30 pm

Chair of the Board: Bill Allen

1. Chair's Welcome & Call to Order

Bill Allen, Chair of the Board, welcomed Directors and members to the 73rd Annual and Special Meeting of Restaurants Canada. The Chair validated that quorum was met and then called the meeting to order.

2. Minutes of the Last Meeting

Secretary Cindy Simpson reviewed the minutes of the 72nd Annual Meeting held on February 25th, 2017.

MOTION

It was moved by Cindy Simpson and seconded by Liam Dolan that the minutes be approved as presented.

CARRIED

3. Treasurer's Report

a) Audited Statements

Acting Treasurer David Clanachan confirmed that the 2016 Summary Audited Financial Statements were made available electronically when the notice of meeting was issued, and provided a snapshot of the association's performance as at December 31, 2016.

Mr. Clanachan noted that while 2016 resulted in a deficit of \$211,000, it was a \$275,000 or 57% improvement over 2015. He also noted that the preliminary results for 2017 indicated the association would finish the fiscal year with a substantial surplus.

Mr. Clanachan highlighted that in 2016, the association reclaimed its media properties, produced its own magazine with a companion e-newsletter and website, and developed a new Strategic Plan. He noted that Expositions created a more exciting and relevant offering to the industry, that helped the association deliver a \$576,000 or 8.7% increase in annual revenues while holding expenses to an increase of only \$275,000 or 4.2% above 2015.

Mr. Clanachan reported that fees from the equity investments were \$52,000 lower than 2015 due to winding down of the Connect Show joint venture with the British

Columbia Hotel Association and the Alliance of Beverage Licensees. The balance of the funds included the equity pickup from Groupex Canada, Restaurants Canada's wholly owned subsidiary. Other revenues included sublease income, royalties, and research material sales which contributed \$93,000 in 2016, 32.9% higher than 2015. Gains on investments delivered \$247,000, \$103,000 or 71.3% higher than 2015.

Salaries and benefits were 3.1% lower than 2015 due to organizational restructuring and related staff vacancies. Occupancy expenses were \$25,000 or 3.8% higher than 2015 due to a property tax reassessment and General and Administrative expenses coupled with Governance and Advocacy expenditures were \$70,000 or 6.3% higher than 2015 due to an increase in the board composition to its full complement.

Mr. Clanachan provided an overview of the Balance Sheet, noting that late timing on RC Show sales and related billings increased Accounts Receivable by \$156,000 while reducing cash by \$91,000. He reported that Bank Indebtedness, Accounts Payable and Accrued Liabilities were \$167,000 higher than 2015 in large part due to timing of RC Show billings and related collections. Deferred Membership revenues increased by \$130,000 over 2015, which helped to offset the reduction in Show deferred revenues.

Mr. Clanachan tabled a Motion to accept the Summarized Audited Financial Statements for the 2016 fiscal year as presented.

MOTION

It was moved by David Clanachan and seconded by Cindy Simpson that the 2016 Summary Audited Financial Statements be accepted as presented.

CARRIED

b) Exemption Granted by Industry Canada

Mr. Clanachan tabled a special resolution that the exemption granted by Industry Canada extending the time for calling the Annual Meeting of members for the financial year ended December 31, 2017 until March 31, 2019, in the form circulated to the members prior to this meeting, was authorized and approved; and, any director or officer of the Corporation was authorized and directed to do on behalf of the Corporation any and all acts and things and execute and deliver all other documents as such director or officer considers necessary, desirable or useful to carry out and give effect to this resolution.

MOTION

It was moved by David Clanachan and seconded by Kelvin Lum that the special resolution be approved as presented.

CARRIED

Approval of Auditors

Mr. Clanachan then tabled a motion to appoint the accounting firm of Grant Thornton as the auditors of Restaurants Canada for the 2017 Fiscal Year.

MOTION

It was moved by David Clanachan and seconded by Brad Kramble that the accounting firm of Grant Thornton be appointed as the auditors for the Restaurants Canada for the 2017 Fiscal Year.

CARRIED

4. Chair's Report

Chair of the Board Bill Allen provided an overview of accomplishments and highlights during the past two years, and thanked the Board of Directors and the association staff for the opportunity to represent the industry and for the support provided to him during his term as Chair. He also thanked Shanna Munro and the RC team for their great work and continued support to the members and industry.

5. Nominating Committee Report

Chair of the Nominating Committee, Paul Methot, presented the nominations to Restaurants Canada Board of Directors, which were as follows:

- David Aisenstat, Vancouver, British Columbia
- George Jeffrey, Oakville, Ontario
- Frank Hennessey, Montreal, Quebec
- Jordan Holm, Mississauga, Ontario
- Jeff Kroll, Toronto, Ontario
- Patrick Saurette, Edmonton, Alberta
- Cindy Simpson, Toronto, Ontario

MOTION

It was moved by Paul Methot and seconded by Susan Senecal that the nominations be approved as presented.

CARRIED

6. Remarks by Chair-Elect

Mr. Methot introduced Patrick Saurette, the incoming Chair of the Board. Mr. Saurette welcomed the opportunity to lead and serve the industry in his new role to bring more stakeholders to the table and grow membership as well as to great opportunities in the industry for years to come.

The meeting was adjourned.

BILL ALLEN
Chair of the Board

SHANNA MUNRO
President and CEO