Tourism Calgary – Calgary Convention & Visitors Bureau

Financial Statements
December 31, 2019

Independent auditor's report

To the Members of Tourism Calgary – Calgary Convention & Visitors Bureau

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Tourism Calgary – Calgary Convention & Visitors Bureau (the Organization) as at December 31, 2019 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.

What we have audited
The Organization's financial statements comprise:

- the statement of financial position as at December 31, 2019;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence
We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's 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 auditor's 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 Organization'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Organization 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
February 26, 2020

Tourism Calgary – Calgary Convention & Visitors Bureau

Statement of Financial Position

As at December 31, 2019

	2019 $	2018 $
Assets		
Current assets		
Cash	242,873	63,900
Accounts receivable	987,067	548,687
Prepaid expenses and deposits (note 5)	174,910	159,418
Government remittances receivable	14,063	17,995
	1,418,913	790,000
Restricted cash (note 4)	1,100,000	1,100,000
Deferred rent receivable	12,740	19,387
Long-term prepaid expenses and deposits (note 5)	8,682	18,153
Capital assets (note 6)	2,017,583	2,031,712
	4,557,918	3,959,252
Liabilities		
Current liabilities		
Bank indebtedness (note 7)	1,059,503	276,547
Accounts payable and accrued liabilities	1,312,533	1,332,635
Deferred contributions	3,430	259,000
Deferred revenue	166,182	167,386
	2,541,648	2,035,568
Net Assets		
Invested in capital assets	2,017,583	2,031,712
Unrestricted and internally restricted (note 8)	(1,313)	(108,028)
	2,016,270	1,923,684
	4,557,918	3,959,252

Commitments (note 11)

Approved by the Board of Directors

DocuSigned by:
Dan DeSantis
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_____________________ Director

DocuSigned by:
Tracey Zehl
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_____________________ Director

The accompanying notes are an integral part of these financial statements.

Tourism Calgary – Calgary Convention & Visitors Bureau

Statement of Operations

For the year ended December 31, 2019

	2019 $	2018 $
Revenue (notes 9 and 15)		
Destination marketing fees	6,882,862	5,248,812
City of Calgary operating grant	2,703,665	2,811,665
Travel Alberta Joint Marketing programs	921,343	912,601
City of Calgary Special Event Fund	466,000	-
Industry partnerships	441,826	397,324
Other program grants	393,511	616,963
Donations in kind	239,562	214,226
Memberships	225,929	218,898
Advertising and miscellaneous	55,966	76,436
	12,330,664	10,496,925
Expenses (note 15)		
Marketing, promotion and public relations	5,833,451	4,640,669
Salaries and benefits (note 10)	4,209,282	3,476,620
Consultants and agency fees	805,949	830,499
Information technology	494,790	267,756
Travel	313,499	394,310
Donations in kind	239,562	214,226
Professional development and membership	190,230	366,829
Office supplies and services	165,404	142,314
Amortization – non-building	96,497	62,194
General and administrative	66,941	64,606
Interest and bank charges (note 7)	18,852	17,368
	12,434,457	10,477,391
(Deficiency) excess of revenue over expenses before building operations	(103,793)	19,534
Building (note 14)		
Operations revenue	709,222	652,176
Operations expenses	(361,862)	(362,528)
Amortization	(150,981)	(147,649)
	196,379	141,999
Excess of revenue over expenses	92,586	161,533

The accompanying notes are an integral part of these financial statements.

Tourism Calgary – Calgary Convention & Visitors Bureau

Statement of Changes in Net Assets

For the year ended December 31, 2019

2019

	Invested in capital assets $	Unrestricted and internally restricted $	Total $
Net assets – Beginning of year	2,031,712	(108,028)	1,923,684
(Deficiency) excess of revenue over expenses	(247,478)	340,064	92,586
Capital assets acquired	233,349	(233,349)	-
Net assets – End of year	2,017,583	(1,313)	2,016,270

2018

	Invested in capital assets $	Unrestricted and internally restricted $	Total $
Net assets – Beginning of year	2,050,146	(287,995)	1,762,151
(Deficiency) excess of revenue over expenses	(209,843)	371,376	161,533
Capital assets acquired	191,409	(191,409)	-
Net assets – End of year	2,031,712	(108,028)	1,923,684

The accompanying notes are an integral part of these financial statements.

Tourism Calgary – Calgary Convention & Visitors Bureau

Statement of Cash Flows

For the year ended December 31, 2019

	2019 $	2018 $
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	92,586	161,533
Item not affecting cash		
Amortization	247,478	209,843
	340,064	371,376
Changes in non-cash working capital items		
Accounts receivable	(438,380)	(76,711)
Government remittances	3,932	(4,208)
Prepaid expenses and deposits	(6,021)	(63,241)
Deferred rent receivable	6,647	6,647
Accounts payable and accrued liabilities	(20,102)	396,915
Deferred revenue	(1,204)	(16,714)
	(115,064)	614,064
Investing activities		
Change in restricted cash	-	(212,664)
Purchase of capital assets	(233,349)	(191,410)
	(233,349)	(404,074)
Financing activities		
Increase (repayment) of bank indebtedness – net	782,956	(447,086)
Deferred contributions	(255,570)	259,000
	527,386	(188,086)
Increase in cash during the year	178,973	21,904
Cash – Beginning of year	63,900	41,996
Cash – End of year	242,873	63,900

The accompanying notes are an integral part of these financial statements.

1 Nature of operations

Tourism Calgary – Calgary Convention & Visitors Bureau (Tourism Calgary) increases the economic impact of tourism to Calgary through marketing and hosting initiatives, attracting visitors, meetings, sports, cultural and major events to Calgary. Tourism Calgary was incorporated under the Alberta Societies Act on May 5, 1958.

On January 2, 2019, Tourism Calgary signed an agreement with the Calgary Hotel Association to lead the development and implementation of a unified Meetings, Convention and Incentive Travel (MC&IT) tourism strategy for meetings and conventions in Calgary. The Calgary Hotel Association will provide core destination marketing funds, which are allocated specifically for activities related to MC&IT marketing and sales. The effective start date of this agreement commenced on August 1, 2019.

2 Change in accounting policies

Effective January 1, 2019, Tourism Calgary adopted the new standards in the Chartered Professional Accountants of Canada Handbook, Part III – Accounting for Not-for-Profit Organizations Sections 4433 (Tangible Capital Assets Held by Not-for-Profit Organizations).

The adoption of Section 4433 – Tangible Capital Assets Held by Not-for-Profit Organizations resulted in a change to Tourism Calgary's accounting policies with respect to componentization and amortization of tangible capital assets. The cost of tangible capital assets made up of significant separable component parts is now allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

In accordance with the transitional provisions in Section 4433, the cost and related accumulated amortization of those tangible capital assets identified as having significant separable components were not allocated to their component parts as of January 1, 2019. There is no material impact on adoption of this standard.

Also, in accordance with Section 4433, Tourism Calgary's accounting policies with respect to capital assets have been revised (note 3).

3 Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) using the following significant accounting policies:

Cash and restricted cash

Cash includes cash on hand and deposits with banks. Restricted cash consists of cash deposits with banks subject to restrictions that prevent its use for other than specific purposes.

Capital assets

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost for contributed capital assets is considered to be fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

Buildings	25 years
Building equipment and fixtures	12.5 years
Computer software and hardware	3 years
Office equipment and furniture	10 years
Signs and paving	10 years
Mobile visitor information centre	3 years

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to Tourism Calgary's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenses in the statement of operations. Writedowns are not subsequently reversed.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. All other financial instruments are recorded at cost or amortized cost, unless management has elected to record at fair value. Tourism Calgary has not elected to carry any such financial instruments at fair value.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the excess of revenue over expenses as interest income or expense.

With respect to financial assets measured at cost or amortized cost, Tourism Calgary recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period the reversal occurs.

Revenue recognition

Tourism Calgary follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred and if they relate to periods beyond one year, they are classified as deferred contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The City of Calgary (the City) operating grant, special event fund and Calgary Hotel Association (CHA) annual and MC&IT funding is recognized as revenue when received. Additional amounts received from either organization relating to services to be provided in future periods are deferred until the related expenses are incurred.

Travel Alberta Joint Marketing program revenues are recognized as earned in accordance with the terms of the contract, when such amounts are determinable and collection is reasonably assured.

Industry partnership revenues are earned from marketing programs that are supported by Tourism Calgary members. These marketing programs consist of the White Hat Awards, mini-maps, regional campaigns, US campaigns and national campaigns. If partners wish to partake in a specific campaign or event, a contract is negotiated as to how much a partner will pay for specific marketing benefits. Revenue is recognized as earned in accordance with the terms of the contract, when such amounts are determinable and collection is reasonably assured.

With respect to building operations, revenue recognition under a lease begins when the tenant takes possession of, or controls, the physical use of the property subject to the lease. Generally, this occurs on the lease commencement date or, where the tenant is required to make additions to the property in the form of tenant improvements, on substantial completion of those improvements. The total amount of contractual rent to be received from operating leases is recognized on a straight-line basis over the term of the lease; accordingly, a deferred rent receivable, as applicable, is recorded for the difference between the rental revenue recorded on a straight-line basis and the contractual amount received.

Donations in kind

Donations in kind are recognized in the financial statements when their fair value can be reasonably determined, they are used in the normal course of Tourism Calgary's operations and would otherwise have been purchased. Fair value is determined by comparison to market prices for similar goods and services. Donations in kind consist of airfare, hotel accommodation, meals, vehicle rentals and various other products and services.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas subject to estimation include the valuation of accounts receivable, useful lives and potential impairment of capital assets, accruals and potential contingencies. These estimates and assumptions are reviewed at least annually and as adjustments become necessary, they are reported in the statement of operations in the period in which they become known.

Comparative figures

Certain prior year figures have been reclassified to conform to the current year's financial statement presentation.

4 Restricted cash

The board of directors has internally restricted cash and net assets (note 8) to assist with future capital needs relating to its building and for other asset replacement and life cycle needs, as described below.

Building capital restricted cash

Building capital restricted cash is provided for replacement and life cycle needs of Tourism Calgary's building. The maximum balance can contain up to 10% of the estimated replacement cost of the building and the minimum balance is equal to the sum necessary to fund the next five years' requirements, as identified in the building life cycle and replacement plan.

Only cash received from rent, parking and naming, together with an amount equal to the amortization expense, are eligible to be placed into restricted cash. No cash received from the City may be deposited into this restricted cash. Cash to cover building operating costs will be withdrawn from the restricted account except for the proportion of Tourism Calgary's operating costs, which the City has approved for inclusion in the statement of operations at the discretion of the board of directors. Withdrawals in excess of 10% of the current year life cycle plan require approval from the board of directors. As at December 31, 2019, the amount restricted aggregated $950,000 (2018 – $950,000).

Non-building capital restricted cash

Tourism Calgary has non-building capital restricted cash to replace capital assets and other items that benefit more than one accounting cycle. The restricted cash may contain a maximum balance equal to the sum of the current five-year non-building life cycle and replacement cost plan and has no minimum balance. Any cumulative annual operating surplus, which may include City funding, may be placed into this restricted account. The board of directors' five-year non-building life cycle and replacement plan dictates both the timing and amount of future withdrawals. As at December 31, 2019, the amount restricted aggregated $150,000 (2018 – $150,000).

5 Prepaid expenses and deposits

	2019 $	2018 $
Current		
Prepaid expenses	174,910	159,418
Long-term		
Deferred costs relating to the MacLaren McCann lease	8,682	18,153
	183,592	177,571

Deferred costs relating to the MacLaren McCann lease are recognized as a reduction in rental revenue on a straight-line basis over the term of the tenant's lease.

6 Capital assets

			2019
	Cost $	**Accumulated amortization $**	**Net $**
Land	630,000	-	630,000
Buildings	2,438,898	1,562,953	875,945
Building equipment and fixtures	582,841	345,272	237,569
Computer software	157,352	72,485	84,867
Computer hardware	303,759	213,949	89,810
Office equipment and furniture	157,334	86,503	70,831
Signs and paving	98,406	73,721	24,685
Mobile visitor information centre	14,327	10,451	3,876
	4,382,917	2,365,334	2,017,583

			2018
	Cost $	**Accumulated amortization $**	**Net $**
Land	630,000	-	630,000
Buildings	2,395,206	1,461,951	933,255
Building equipment and fixtures	538,311	300,953	237,358
Computer software	136,623	23,417	113,206
Computer hardware	216,921	179,033	37,888
Office equipment and furniture	119,775	78,766	41,009
Signs and paving	98,406	68,062	30,344
Mobile visitor information centre	14,327	5,675	8,652
	4,149,569	2,117,857	2,031,712

7 Bank indebtedness

Tourism Calgary has a line of credit authorized to a maximum of $1,400,000 (2018 – $1,400,000) bearing interest at the Toronto-Dominion Bank's prime lending rate plus 0.5% per annum, requiring monthly interest-only payments. The Toronto-Dominion Bank's prime lending rate as at December 31, 2019 was 3.95% (2018 – 3.95%) per annum. Security for the loan is composed of a general security agreement covering all assets of Tourism Calgary and a first charge against the land and building, which have a combined net book value of $1,505,945 (2018 – $1,563,255).

Due to the nature of the loan agreement, interest expense on the loan is offset by interest earned on certain cash deposits for specified bank accounts. When prime rate exceeds 3.25%, these bank accounts earn interest at prime rate minus 3.25% per annum when the cash on deposit exceeds the line of credit balance. As a result, the net interest received on the line of credit as at December 31, 2019 was $6,672 (2018 – $9,454).

Under the terms of the agreement, Tourism Calgary must satisfy a certain restrictive covenant whereby the unrestricted and internally restricted net assets may not be greater than a $50,000 deficit. As at December 31, 2019, Tourism Calgary was in compliance with the covenant.

8 Unrestricted and internally restricted net assets

The maximum balance of the unrestricted and internally restricted net assets in the audited financial statements cannot exceed the lower of 10% of the City grant ($281,166) or 5% of Tourism Calgary's cash revenue ($514,135), excluding donated services for the preceding fiscal year (fiscal 2018). Amounts in excess of the thresholds must be refunded to the City, or may reduce subsequent grants. As at December 31, 2019, there were internally restricted net assets in the amount of $1,100,000 (2018 – $1,100,000) and an unrestricted net asset deficit of $1,101,313 (2018 deficit – $1,208,028). This balance is within the acceptable threshold as defined by the City and, accordingly, there is no refund due to the City, and no anticipated effect on the subsequent years' grants.

9 Economic dependence

Primary sources of Tourism Calgary's revenue are from the City and CHA. Funding from the City accounted for 26% (2018 – 27%) of revenue, excluding donated services, and funding from CHA accounted for 57% (2018 – 51%).

Tourism Calgary has signed a five-year contract extension with the City that secured funding until December 31, 2023. This funding must be approved annually by the City's Council, subject to the restrictions disclosed in note 8.

Tourism Calgary has signed a five-year amending agreement with the City that secured special event funding until December 31, 2023. The purpose of the special event fund is to support the bidding process to attract and host events with the potential to attract significant number of regional, national or international visitors to Calgary; to support collaboration between key stakeholders; amateur and professional events organized by non-profit organizations, for profit companies and ad hoc or local organizing committees; events that support public participation by being open to the public in some form, such as attending as spectators or as volunteers; events which offer platforms to promote and brand the City both nationally and internationally; events which align with the City of Calgary strategies including Calgary in the New Economy, Sport for Life policy and The City's Festival and Events policy. The funding includes an escalation provision as identified in The City of Calgary, One Calgary 2019 – 2022 budget. This funding must be approved annually by the City's Council, subject to the restrictions disclosed in note 8.

Tourism Calgary has signed a contract with CHA that provides $5,000,000 in annual funding. This contract has no termination date and does not require annual approval.

Tourism Calgary has signed a contract with CHA that provides $2,500,000 in annual funding for MC&IT. This contract has no termination date and does not require annual approval.

10 Employee future benefits

Tourism Calgary has a Canadian defined contribution pension plan under which both Tourism Calgary and employees make contributions. Tourism Calgary matches the employees' contributions up to 3% of an employee's income, starting in their second year of employment, increasing 1% per year to a maximum of 6% annually. Tourism Calgary contributions and corresponding expenses for the year totalled $161,278 (2018 – $133,219). These amounts are included in salaries and benefits expense.

11 Commitments

Tourism Calgary has entered into lease agreements for office equipment, which expire in September 2022. The estimated minimum payments in the next three years are as follows:

	$
2020	7,853
2021	7,853
2022	5,890
	21,596

12 Financial instruments

Tourism Calgary, as part of its operations, carries a number of financial instruments. These financial instruments include cash, accounts receivable, accounts payable and accrued liabilities and bank indebtedness. It is management's opinion that Tourism Calgary is not exposed to significant interest rate, foreign exchange or credit risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

Financial instruments that potentially subject Tourism Calgary to concentrations of credit risk consist primarily of trade accounts receivable. As at December 31, 2019, funding that was due from one entity accounted for 47% of accounts receivable (2018 – one entity, 42%). Management believes that there is minimal risk associated with the collection of these amounts.

Foreign currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Tourism Calgary does not engage in significant foreign currency denominated transactions and exposure to foreign currency risk is negligible.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. Tourism Calgary is exposed to interest rate risk primarily through its line of credit, as the required cash flows to service the debt will fluctuate with changes in market rates.

Liquidity risk

Tourism Calgary's objective is to have sufficient liquidity to meet its liabilities when due. Tourism Calgary monitors its cash balances and cash flows generated from operations to meet its requirements. Tourism Calgary does have access to a line of credit with the Toronto-Dominion Bank through a mirror accounting services agreement should it require short-term financing to meet its liabilities.

13 Income taxes

Tourism Calgary is registered as a not-for-profit organization under Section 149(1) of the Income Tax Act (the Act) and, as such, is exempt from income taxes. In order to maintain its status as a registered not-for-profit organization under the Act, Tourism Calgary must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

14 Building operations

	2019 $	2018 $
Operations revenue	709,222	652,176
Operations expenses		
Repairs and maintenance	87,710	90,271
Property taxes	108,075	113,439
Security and utilities	148,117	141,593
Fees	7,320	7,140
Insurance	10,640	10,085
	361,862	362,528
Amortization	150,981	147,649
	512,843	510,177
Income from building operations	196,379	141,999

15 Meetings, convention and incentive travel

Included in Tourism Calgary's statement of operations is the following MC&IT activities effective August 1, 2019.

	$
Revenue	
Destination marketing fees	1,672,862
Industry partnerships	24,484
Advertising and miscellaneous	3,528
	1,700,874
Expenses	
Marketing, promotion and public relations	816,829
Salaries and benefits (note 10)	431,949
Consultants and agency fees	89,435
Travel	69,521
Professional development and membership	32,150
Information technology	226,697
Office supplies and services	41,158
General and administrative	10,460
	1,718,199
Deficiency of revenue over expenses	(17,325)

16 Related party

Tourism Calgary conducted business with Pyramid Productions in which a member of its board of directors is an executive. The value of the transactions paid for in 2019 was $nil (2018 – $10,080) for video production services. Tourism Calgary conducted business with Brookline Public Relations, Inc. in which a member of its board of directors is an executive. The value of the transactions paid for in 2019 was $nil (2018 – $62,305) for public relations activities. These transactions were recorded at the exchange amount.