

ALBERTA HOTEL & LODGING ASSOCIATION

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OUR VISION IS TO BE AN  
**INDUSTRY  
LEADER**  
AND THE

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**TRUSTED  
ADVISOR**

FOR HOTELS & LODGING IN  
ALBERTA, HELPING TO BUILD  
CANADA'S TOURISM AND  
HOSPITALITY INDUSTRY

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ANNUAL REPORT

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**2018**

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## OUR MISSION ▶▶▶

IS TO SUPPORT OUR MEMBERS AND STRENGTHEN ALBERTA'S TOURISM AND HOSPITALITY INDUSTRY

*Through our programs, services, and advocacy efforts, we strive to enhance the economic prosperity*

*and social fabric of our industry. We achieve our mission by living by our 5 Key Values:*



## 2018-2019 BOARD OF DIRECTORS ▶▶▶

**Leanne Shaw, Chair**

Country Inn & Suites by Radisson, Calgary-Airport

**Chris Barr**

Banff Aspen Lodge

**Heather Hamilton**

Pomeroy Lodging

**Ken Mealey**

Lakeview Hotels

**Perry Batke, Past Chair**

Best Western Denham Inn & Suites, Leduc

**Amr Awad**

Holloway Lodging

**Mark Perry**

Staybridge Suites West Edmonton

**Tina Tobin**

Edmonton Inn & Conference Centre

**Michael Sieger**

Nova Hotels

**Brooke Christianson**

Canalta Hotels

**Sandra Kanegawa**

Heritage Inns



# 2018

## MEMBER SUMMARY

748 ||| AHLA  
MEMBERS

218 ||| ASSOCIATE  
MEMBERS

66861  
GUEST ROOMS

81% OF GUEST  
ROOMS IN  
ALBERTA

92.8% MEMBER  
RETENTION

THE AHLA IS A NOT-FOR-PROFIT WITH A STAFF OF:

14 PEOPLE

2018 AHLA ANNUAL REPORT

## 🏠 OCCUPANCY

CITY	2018 Occupancy	ADR Average Daily Rate	RevPAR Revenue Per Available Room
AIRDRIE	46.2%	\$98.94	\$45.70
BANFF	71.9%	\$257.28	\$184.99
BONNYVILLE	45.9%	\$93.54	\$42.98
CALGARY*	62.6%	\$146.28	\$91.61
CANMORE	62.3%	\$205.08	\$127.67
DRAYTON VALLEY	38.1%	\$107.25	\$40.83
DRUMHELLER	44.5%	\$138.40	\$61.57
EDMONTON*	58.6%	\$128.60	\$75.35
EDSON	54.8%	\$112.49	\$61.64
FORT MCMURRAY	49.1%	\$137.99	\$67.78
FORT SASK.	32.8%	\$96.72	\$31.76
GRANDE PRAIRIE	65.0%	\$131.07	\$85.25
HIGH LEVEL	46.5%	\$122.03	\$56.78
HINTON	56.5%	\$144.81	\$81.87
JASPER	69.5%	\$244.47	\$169.79
LEDUC	54.7%	\$95.88	\$52.43
LETHBRIDGE	53.5%	\$109.18	\$58.43
LLOYDMINSTER	46.9%	\$105.58	\$49.49
MEDICINE HAT	57.5%	\$110.16	\$63.29
NISKU	54.0%	\$95.78	\$51.74
RED DEER	43.9%	\$109.03	\$47.86
SHERWOOD PARK	42.9%	\$118.05	\$50.64
WHITCOURT	42.2%	\$104.66	\$44.13
<b>TOTAL ALBERTA</b>	<b>57.1%</b>	<b>\$154.23</b>	<b>\$88.05</b>

Source: STR Inc. Reproduction or other re-use of this data without the express written permission of STR is strictly prohibited.

\*Occupancy rates and average daily room rates are based on monthly averages of all reporting hotels, motels and motor hotels in each designated region. Source: CBRE Hotels Trends in the Hotel Industry National Market Report, with reproduction and use of information subject to CBRE Disclaimer and Restrictions as detailed at [www.cbre.ca](http://www.cbre.ca)

28316  
EMPLOYEES WORKING IN THE INDUSTRY

## WAGES PAID IN THE ALBERTA HOSPITALITY INDUSTRY

 **\$17.01** : LINE COOKS

 **\$15.85** : FRONT DESK AGENTS

 **\$15.56** : HOUSEKEEPING / ROOM ATTENDANTS

 **\$15.09** : FOOD AND BEVERAGE SERVERS

 **\$15.38** : DISHWASHER

\*Wages do not include gratuities

 **37%** OF MEMBERS HAVE LIQUOR LICENSES

 **20%** OF MEMBERS HAVE VLTS

### THE 5 BIGGEST ISSUES FOR AHLA MEMBERS ARE:

 CURRENT ECONOMIC CONDITIONS

 OCCUPANCY/ AVERAGE DAILY RATE

 LABOUR COSTS

 STAFF RECRUITMENT & RETENTION

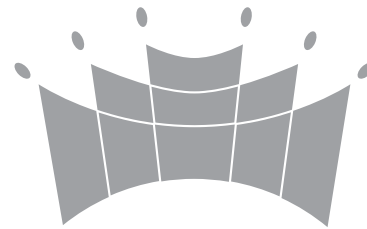
 MAINTENANCE AND STATE OF REPAIR

**119**  **RECIPIENTS**  
EMPLOYER OF CHOICE

**7125**



PEOPLE IN THE INDUSTRY WORK FOR AN EMPLOYER OF CHOICE



**106**  
**HOUSEKEEPING AWARD RECIPIENTS**

**ahla** || ALBERTA HOTEL & LODGING ASSOCIATION

# REPORT OF THE BOARD CHAIR AND PRESIDENT & CEO ▶▶

## AHLA DIRECTORS ATTENDANCE 2018 – 2019

	Board Retreat	Board of Directors Meetings	Committee Meetings
Leanne Shaw	2/2	4/4	6/6
Chris Barr	2/2	4/4	3/3
Heather Hamilton	2/2	4/4	2/2
Ken Mealey	2/2	4/4	2/2
Perry Batke	2/2	4/4	4/4
Amr Awad	0/2	4/4	1/2
Mark Perry	0/2	4/4	2/2
Tina Tobin	2/2	4/4	2/2
Michael Sieger	2/2	4/4	1/2
Brooke Christianson	2/2	4/4	1/2
Sandra Kanegawa	2/2	4/4	2/2

Directors Ken Hall and Corbett Fertig resigned in 2018.

## ONWARDS AND UPWARDS ▶▶▶

Alberta's hotel and lodging industry experienced stronger than projected growth in 2018. According to data compiled by CBRE Hotels, Revenue Per Available Room (RevPAR) increased 4.9% to \$73.20 versus forecast growth of 3.8% outside of the Alberta Resorts. With RevPAR growth of 10.5% to \$201.31, resort properties once again significantly outperformed the rest of the province.

While growth is positive news, industry performance outside of the resorts remains well below the pre-recessionary levels achieved in 2014. The lack of progress on market access for Alberta's energy sector is still the major headwind for the provincial economy. The energy sector and its economic spin-offs are key drivers of hotel room nights across the province. Industry bottom line performance was also negatively impacted by changes to provincial labour policy that significantly increased payroll costs for operators, including changes to Alberta's Employment Standards Code and an increase in the minimum wage to \$15 per hour.

The threat of regulation of the voluntary destination marketing fee (DMF) system through new City Charter legislation topped the AHLA's government relations agenda in 2018. In particular, the City of Calgary strongly advocated for this new taxing authority. AHLA members participating in voluntary DMFs have made it clear that they value the flexibility, autonomy, and the ability to measure return on marketing investments by room nights sold through the voluntary system. The AHLA's advocacy efforts on this file were extensive and proved to be successful when the NDP government announced in November that the administration of DMFs would not be included in Bill 32, the City Charters Fiscal Framework Act.

We continued to work collaboratively with the Hotel Association of Canada and local hotel associations in Calgary and Edmonton to address the issue of short term rentals. Some progress was achieved by year end with the City of Calgary's decision to move forward on a tiered licensing bylaw for hosts who list their properties on platforms like Airbnb. However, much work remains to be done as the proposed regulation does not address the critical issue of commercial operators who own multiple units and list their properties 365 days per year.

In anticipation of a spring 2019 provincial election, the AHLA initiated work on key policy positions for labour and tourism that impact our members. Given the political uncertainty, we are building relationships with stakeholders and members of all parties to educate them on the state of our industry and the potential of the tourism sector to be an economic driver that can diversify Alberta's economy.

The important governance renewal project initiated by the AHLA Board of Directors in 2017 was completed this past year. The goal of the project was to ensure the future relevance and sustainability of our association. Our work culminated in the creation of a new for-profit entity, *AHLA Services Corporation*, a wholly owned subsidiary of the AHLA that will focus on the development and delivery of commercial programs that benefit AHLA members. Changes to the AHLA's bylaws regarding board size and terms of office will improve our ability to attract strong leaders to serve on the Board. These changes to "future proof" our business model were thoroughly vetted and supported by the AHLA's legal counsel and accounting firm, and were approved by the members at a special meeting on December 4, 2018.

We are thankful for the progressive thinking and bold decision making of our Board of Directors in setting this exciting new direction for the AHLA. The timing coincides with the celebration of our Centennial anniversary in 2019 and ensures a strong foundation to build our future. We are thankful for our experienced and dedicated team who have embraced the challenge of this new direction and take great pride in serving our members.

Most importantly, we are thankful for the ongoing support and engagement of our members as the prerequisite to moving the AHLA onwards and upwards.

**We look forward to serving you!**



**Leanne Shaw**  
AHLA Board Chair



**Dave Kaiser, CHA**  
AHLA President & CEO

A man with glasses, wearing a dark suit, light-colored shirt, and striped tie, is speaking at a podium. He has an AHLA name tag that reads "Perry Rath". The background is a geometric pattern of light and dark green diamonds. The text is overlaid on the left side of the image.

# STRATEGIC OBJECTIVE 1

## TO BE A TRUSTED ADVISOR AND INDUSTRY LEADER ▶▶▶

“THE AHLA HAS DONE AN EXCELLENT  
JOB LEADING INDUSTRY RELATIONS ON  
VARIOUS CHALLENGING TOPICS IN THE  
LAST FEW YEARS INCLUDING SHORT  
TERM RENTALS AND DMFs. THESE  
EFFORTS ARE GREATLY APPRECIATED.”

- Grant Erickson, Sheraton Cavalier Calgary Hotel



## 2018 PROGRESS ▶▶▶

### **Demonstrating Industry Leadership**

The AHLA worked collaboratively with members, as well as Edmonton Destination Marketing Hotels, the Hotel Association of Greater Edmonton, and the Calgary Hotel Association on a united approach on the two greatest issues facing our industry in 2018: short-term rentals and the administration of Destination Marketing Fees (DMFs).

In October, AHLA President & CEO Dave Kaiser participated in the Hotel Association of Canada's Hill Day, engaging federal politicians in a dialogue about the need to tax and regulate commercial operators of short-term rentals.

The AHLA attended the Alberta Urban Municipalities Association's annual convention, raising the profile of our members and the association with municipal officials.

To ensure that decision makers had accurate information about the state of Alberta's accommodation industry, the

AHLA engaged with senior bureaucrats as well as MLAs from both the government and opposition.

### **City Charters & Administration of DMFs**

A major focus of the AHLA's advocacy efforts in 2018 was ensuring that Destination Marketing Fees (DMFs) remained under industry control, countering efforts by Alberta's big cities to secure the authority to administer the fee. Changing the system of voluntary participation to mandatory collection and remittance would have essentially empowered Calgary and Edmonton to create a new tax on hotels, opening the door to similar taxing powers for every other community in Alberta.

The provincial government's deliberate decision to exclude DMFs from city charter legislation was a tremendous victory for hotels – one that was achieved by working together and speaking with one voice.



## Short-Term Rentals

As governments of all levels grapple with the growing short-term rental industry and platforms like Airbnb, the AHLA continues to advocate for fair rules. In 2018, the AHLA participated in the Hotel Association of Canada's National Short-Term Rental Roundtable, ensuring that the strategy and execution in Alberta are aligned with other areas of the country. By working together, the industry has successfully influenced public opinion across the country, with most Canadians supporting fair rules and short-term rental regulations.

In 2018, Edmonton and Calgary started examining the impact of short-term rentals on their cities. The AHLA made presentations to council committees and municipal staff about the consequences of leaving commercial short-term rental activity unregulated and untaxed.

## SHORT-TERM RENTALS IN YOUR COMMUNITY CAN CAUSE:



LOSS OF HOUSING



A RISE IN RENTAL RATES



COMMERCIAL OPERATIONS



HEALTH AND SAFETY CONCERNS



THE NUISANCE FACTOR



DECEPTIVE CONVERSIONS



THE TAX GAP



PROPERTY DAMAGE

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“HOTELS ARE NO STRANGERS TO COMPETITION AND WE ARE PREPARED TO COMPETE, BUT THERE MUST BE A FAIR AND LEVEL PLAYING FIELD FOR ALL PLAYERS. THE SHORT-TERM RENTAL INDUSTRY SHOULD NOT BE EXEMPT FROM THE RULES AND REGULATIONS DESIGNED TO BUILD SUCCESSFUL COMMUNITIES AND KEEP TRAVELERS SAFE.”

– Leanne Shaw, AHLA Board Chair, to the City of Calgary Community & Protective Services Committee

## Cannabis

To assist members in navigating the uncertainty around the legalization of cannabis, the AHLA developed and distributed recommendations to help members prepare for this change at their properties.

## DESTINATION EMPLOYMENT



## Labour

Subsequent to the changes made to provincial labour regulations in 2017, the AHLA shifted its focus to monitoring the impacts of the new legislation and educating members about their responsibilities as employers.

In advance of changes to the Occupational Health and Safety Regulation and Code in June 2018, the provincial government sought input on workplace harassment and violence, Joint Work Site Health and Safety Committees,

and health and safety representatives. The AHLA brought together human resource leaders from our membership to discuss these new provisions and their practical application in hotels. The AHLA developed specific recommendations and encouraged a common sense approach to the implementation of regulations based on the insights shared by these hotel HR professionals.

The AHLA was invited by Tourism Human Resources Canada and the Hotel Association of Canada to be the delivery partner for the Destination Employment project in Alberta, helping to connect newcomers with meaningful employment in hotels. The program is currently being piloted in Calgary and Edmonton, with the intention of scaling it up around the province.

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**84%** I TRUST THE AHLA  
TO REPRESENT  
MY INTERESTS TO  
GOVERNMENT

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**83%** SATISFACTION  
WITH THE AHLA'S  
PROVINCIAL  
GOVERNMENT  
ADVOCACY EFFORTS

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**“THE AHLA REPRESENTS ITS MEMBERS FORCEFULLY - ADVOCACY ON THE CITY CHARTERS PRODUCED RESULTS. THANK YOU!”**

*- Ike Janacek, Chateau Lacombe Hotel*





## STRATEGIC OBJECTIVE 2 FULLY ENGAGED MEMBERSHIP ▶▶▶

“I BELIEVE THE AHLA HAS  
THE BEST INTERESTS OF  
THEIR INDUSTRY MEMBERS  
AT HEART, AND FOLLOWS  
THROUGH ON THE REQUESTS  
AND PROMISES MADE.”

*- Respondent, AHLA Member Survey*

## 2018 PROGRESS ▶▶▶

### Fully Engaged Membership

President & CEO Dave Kaiser, along with a number of AHLA Board and staff members, attended meetings to connect with 293 properties, including Atlific Hotels, InterContinental Hotels Group, Sandman Hotel Group, Best Western Hotels, and more. This focus on face to face meetings aims to increase engagement with members and help them understand the value they get in their membership. The AHLA plans to continue this strategy going forward to ensure members' biggest challenges are being heard, and will utilize these findings in focusing our advocacy efforts.

The AHLA worked to ensure that members were prepared for significant legislative changes that occurred in 2018:

**Changes to Employment Standards.** The AHLA educated members on the numerous and complex changes to Employment Standards through the *Innsider*, with that particular issue reaching an all-time high open rate of 53.7%, and on [www.ahla.ca](http://www.ahla.ca). Human Resource Development Coordinator Zainub Siddiqui received many inquiries from members seeking current and accurate information on the new laws.

**Legalization of Cannabis.** In the face of significant uncertainty about cannabis regulations and enforcement, the AHLA informed members of their rights and their obligations as cannabis was officially legalized.

### Top 5 Challenges for Members

- ▶ Current Economic Conditions
- ▶ Occupancy/ Average Daily Rate
- ▶ Labour Costs
- ▶ Staff Recruitment and Retention
- ▶ Maintenance and State of Repair

The AHLA's 98th Annual Convention & Trade Show took place at the Fairmont Jasper Park Lodge. Sessions covered a variety of topics, including employment law, cannabis law, crime prevention, and insight on Alberta's political landscape.

Preparation for the AHLA's 2019 Centennial began in 2018, and a committee of longtime AHLA members was brought together to plan the celebrations. A launch party kicked off the celebrations in December, with Best Western Hotels and Resorts and Shaw Communications being early Centennial partners.

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748

PROPERTIES  
66,861 GUEST ROOMS

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25

NEW MEMBERS  
2,189 GUEST ROOMS

---

81%

OF GUEST ROOMS  
IN ALBERTA

---

92.8%

MEMBER RETENTION  
96.7% GUEST ROOMS

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30,185  
VISITS TO AHLA.CA

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ANNUAL INNSIDER  
OPEN RATE

39%

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THE AHLA PROVIDES USEFUL  
& ACCURATE INFORMATION

84%

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I WOULD RECOMMEND AHLA  
MEMBERSHIP TO OTHER HOTELS

83%

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MEMBER HOTELS ATTENDING  
THE 2018 CONVENTION

33%

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SATISFACTION WITH  
THE 2018 CONVENTION

90%

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MEMBER SURVEY RESPONSE RATE  
17.1% OF MEMBERS | 22.5% OF GUEST ROOMS



## STRATEGIC OBJECTIVE 3 TO PROVIDE TARGETED & RELEVANT PROGRAMS & SERVICES FOR MEMBERS▶▶▶

“THE SERVICES AND PROGRAMS  
OFFERED BY THE AHLA, SUCH  
AS THE UTILITY CONTRACTS,  
PROVIDE GREAT VALUE TO  
OUR ORGANIZATION.”

*- Ian Durie, Century Casino*

## 2018 PROGRESS ▶▶▶

### Explorer Group Canada

Explorer Group Canada Ltd. approached the AHLA to partner on a program that would provide members with hardware and payment gateway solutions that enable guests to pay for their purchases through the Alipay/WeChat platform. Alipay and WeChat Pay are two of the main banking methods used by the Chinese, with over 520 million users. By allowing Chinese travellers to use a familiar and trusted payment method, hotels now have the opportunity to increase sales and add convenience for their guests.

### Electrical Energy

The AHLA's electrical energy program continues to deliver competitive pricing to members. A power buy for 40 properties was conducted to extend member contracts into 2021, securing the lowest rate since the inception of the program. Forward contracts for 2021-2022 were secured for 162 properties, the AHLA's largest single buy to date.

### Natural Gas

The AHLA's protected self-insurance program with Western Financial Group had a successful renewal, with over 90% of insured properties renewing at a premium rate lower than the industry standard.

# 2.77

PROGRAMS PER MEMBER

# 693

MEMBERS ON MORE THAN ONE PROGRAM

## PERFORMANCE MEASURES

	2018 Target	2018 Actual
EcoStay	15	15
Power Program	478	423
Natural Gas	205	173
Office Supplies	111	98
Foodbuy	50	45
Self-Insurance - Lodging	256	234
Self-Insurance - Beverage	45	28
Check In Canada	525	457
Employee RSP	9	9
Employee Benefits	118	110
Mat Services	55	46

A photograph of four team members (three women and one man) standing together and holding award plaques. The plaques are for the 'Employer of Choice' award from the AHLA (Association of Hotel & Lodging Administrators). The background is a solid yellow color.

# STRATEGIC OBJECTIVE 4

## EFFECTIVE SOLUTIONS TO HR CHALLENGES ▶▶▶

“WHEN OUR TEAM BELIEVES THAT WE SHOULD RECEIVE THE EMPLOYER OF CHOICE AWARD, IT SPEAKS VOLUMES OF HOW THEY BELIEVE IN OUR COMPANY, AND EACH OF OUR TEAM MEMBERS. THANK YOU!”

*-Shona Karas, Comfort Inn & Suites Airdrie*



## 2018 PROGRESS ▶▶▶

### Employer of Choice

The Employer of Choice (EOC) program was updated in 2018 to reflect changes made to Employment Standards and Occupational Health and Safety legislation. The 119 properties that achieved the designation represented 31% of hotel rooms in Alberta, employing 25% of hospitality employees in the province.

### Destination Employment

The AHLA was one of five provincial project partners selected by Tourism HR Canada (THRC) to coordinate and deliver project activities in Alberta. Tourism HR Canada and the Hotel Association of Canada are the lead partners at the national level. The project will be piloted in Edmonton and Calgary in the first phase, but is anticipated to expand to regions across Alberta in 2019 and 2020.

The project's purpose is to help newcomers to Canada to find careers in the tourism and hospitality sector, with the goal of employing 1,300 newcomers in sustainable, long term hotel positions.

### Training through Olds College

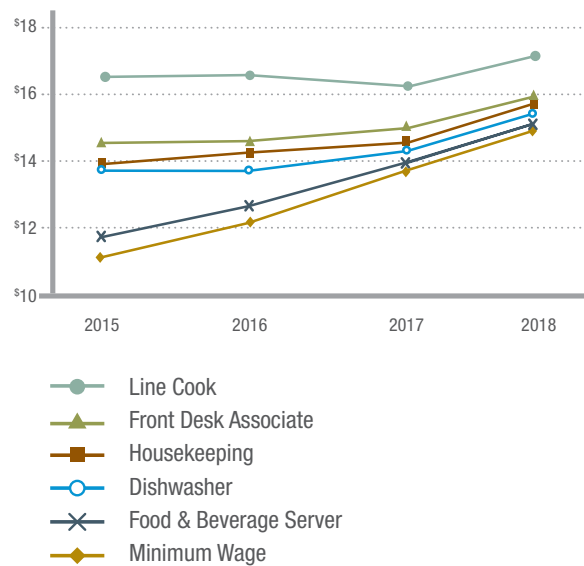
The AHLA, in partnership with Olds College, launched Hotel Operations and Supervisory & Management training videos. In 2018, to help raise the level of financial knowledge for front line, supervisory, and management staff, the AHLA and Olds College started work on a new series featuring over 100 videos with hotel financial coach David Lund, which will be ready for release in early 2019.

### Wage Survey

244 hotels, motels, and inns voluntarily provided data for the Wage Survey in 2018, representing 49% of all industry employees.

The AHLA also conducted wage surveys for Alberta campground operators and the Saskatchewan Hotel and Hospitality Association.

## 2018 AVERAGE INDUSTRY WAGES





## STRATEGIC OBJECTIVE 5 SOUND MANAGEMENT AND RESPONSIBLE FINANCIAL STEWARDSHIP ▶▶▶

“THE CREATION OF AHLA SERVICES CORPORATION WILL ENSURE THAT OUR PROGRAMS CAN COMPETE AGAINST OTHER SUPPLIERS, AND HELP ASSURE THE SUSTAINABILITY OF THIS ASSOCIATION FOR YEARS TO COME. THE AHLA’S BOARD OF DIRECTORS WILL NOW BE ABLE TO FOCUS ITS ATTENTION ON IMPORTANT ISSUES THAT IMPACT OUR MEMBERS, SUCH AS LABOUR, TAXATION, TOURISM POLICY, AND LIQUOR & GAMING. WE ARE EXCITED ABOUT THIS CHANGE, AND WHAT IT WILL MEAN FOR AHLA MEMBERS.”

– Leanne Shaw, AHLA Board Chair

## 2018 PROGRESS ▶▶▶

### Focusing on the Future

To improve the association's ability to deliver value to members, the AHLA's Board of Directors approved significant changes to the organization's structure in early 2018. With guidance from governance experts and advice from legal and financial counsel, the AHLA created a new, for-profit subsidiary – AHLA Services Corporation (ASC). Wholly owned by the AHLA, the corporation will report to the AHLA Board of Directors, ensuring that revenue generating programs deliver maximum benefit to the AHLA and its members. ASC is governed by a separate Board of Directors with the business expertise and experience needed for success. The following individuals were appointed to ASC Board of Directors:

- ▶ Peter Pellatt, Board Chair
- ▶ Angela Armstrong, President, Prime Capital Group
- ▶ Shawn Birch, Director of Finance & Projects, Banff Caribou Properties
- ▶ Larry Dykstra, Managing Partner, Gas Alberta Energy

With AHLA Services Corporation in place to deliver programs, the AHLA's Board of Directors is better able to focus its time and attention on membership and advocacy activities. At a Special Meeting of the members on December 4, the AHLA's bylaws were changed to reflect this tighter focus and update the association's governance.

### AHLA 2018 REVENUE STREAMS

- 40.2% Member Dues & Events
- 8.8% Accommodation Programs
- 34.9% Member Value Programs
- 8.6% Accounting & Administration Services
- 7.5% HR Products & Training Services

*\*Revenue stream classifications have been modified from the Statement of Revenue and Expenses for presentation purposes.*

# 86%

OF MEMBERS ARE SATISFIED WITH THE SERVICE PROVIDED BY THE AHLA.

# 81%

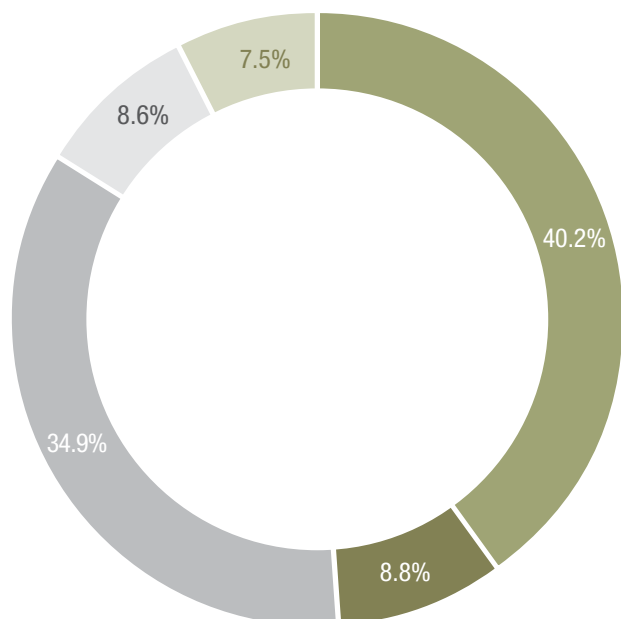
OF AHLA MEMBERS ARE SATISFIED WITH RESPONSIVENESS OF AHLA.

### Protecting Members' Assets

The AHLA's Board of Directors approved a change to membership dues to better reflect the resources dedicated to issues that impact all members and the industry at large, such as labour policy, taxation, and tourism policy in comparison to the association's traditional focus on liquor and gaming.

The AHLA paid off the \$611,080 balance on the mortgage of its office using its investments just nine years after construction. The current value assessed by the City of Edmonton on the AHLA's land and building is \$4,135,000.

MNP LLP has expressed an unqualified opinion that the AHLA's 2018 financial statements present fairly, in all material aspects, the association's financial position.



# FINANCIAL STATEMENTS ▶▶▶

**Management's Responsibility**

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To the Members of Alberta Hotel & Lodging Association:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Association. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Association's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

March 21, 2019

*signed "Dave Kaiser"*  
\_\_\_\_\_  
President & Chief Executive Officer

*signed "Darla Murphy"*  
\_\_\_\_\_  
Director of Finance and Operations

## Independent Auditor's Report

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To the Members of Alberta Hotel & Lodging Association:

### Opinion

We have audited the financial statements of Alberta Hotel & Lodging Association (the "Association"), which comprise the statement of financial position as at December 31, 2018, and the statements of revenue and expenses, changes in surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### Basis for Opinion

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

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, included in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the annual report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

#### Acheson

Nova Inn Acheson

#### Airdrie

Hampton Inn & Suites  
Best Western Airdrie Inn  
Comfort Inn & Suites  
Days Inn & Suites  
Holiday Inn Express Hotel & Suites  
Motel 6  
Ramada Airdrie Hotel & Suites  
Super 8  
Wingate by Wyndham

#### Alix

Alix Hotel

#### Andrew

Andrew Hotel and Liquor Box

#### Athabasca

Athabasca Hillside Motel  
Athabasca Lodge Motel  
Days Inn  
Super 8

#### Banff

Banff Aspen Lodge  
Banff Caribou Lodge & Spa  
Banff Inn  
Banff Park Lodge Resort  
Hotel & Conference Centre  
Banff Ptarmigan Inn  
Banff Rocky Mountain Resort  
Banff Voyager Inn  
Best Western PLUS Siding 29 Lodge  
Bow View Lodge  
Brewster's Mountain Lodge  
Brewster's Shadow Lake Lodge

Buffalo Mountain Lodge  
Canalta Lodge  
Castle Mountain Chalets  
Charltons  
Delta Banff Royal Canadian Lodge  
Douglas Fir Resort & Chalets  
Elk + Avenue Hotel  
Fairmont Banff Springs  
Hidden Ridge Resort  
High Country Inn  
Homestead Inn  
Inns of Banff  
Irwin's Mountain Inn  
Johnston Canyon Resort  
King Edward Hotel  
Red Carpet Inn  
Rundlestone Lodge  
The Banff Centre  
The Fox Hotel & Suites

The Juniper Hotel & Bistro  
The Rimrock Resort Hotel  
Tunnel Mountain Resort

#### Barrhead

Barrhead Neighbourhood Inn  
Red Baron Inn  
Sunset Cove Motel  
The Barrhead Inn & Suites

#### Bassano

R&R Inn

#### Beaverlodge

Beaverlodge Hotel

#### Beiseker

Motel 9 LTD

## Independent Auditor's Report

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### 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 Association'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 Association'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 Association 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.

Edmonton, Alberta

March 21, 2019

**MNP LLP**  
Chartered Professional Accountants

**Black Diamond**  
Black Diamond Hotel

**Blairmore**  
Highwood Motel  
The Kanata

**Bonnyville**  
Best Western Bonnyville Inn & Suites  
Bonnyville Neighbourhood Inn  
Centre Suite Inns  
Holiday Inn Express  
Microtel Inn & Suites by Wyndham  
Southview Motel

**Bow Island**  
Silver Sage Motel

**Boyle**  
Boyle Motor Inn

**Brooks**  
Brooks Hotel  
Canalta  
Days Inn & Suites  
Heritage Inn & Suites  
Heritage Inn Hotel &  
Convention Centre  
Newell Hotel  
Plains Motel  
Ramada  
Travelodge

**Busby**  
Busby Countryside Saloon

**Calgary**  
Acclaim Hotel Calgary Airport  
Aloft Calgary University  
Ambassador Motor Inn  
Best Western Airport Inn  
Best Western PLUS Calgary Centre Inn  
Best Western PLUS Port O'Call Hotel  
Best Western PLUS Suites Downtown  
Best Western Premier Freeport Inn & Suites  
Best Western Village Park Inn  
Calgary Marriott Downtown Hotel  
Calgary Plaza Hotel  
Candlewood Suites Calgary Airport North  
Carriage House Inn  
Centro Motel  
Clarion Hotel & Conference Centre  
Comfort Inn & Suites Calgary North  
Comfort Inn & Suites Calgary University

Country Inn & Suites by Radisson  
Calgary-Airport  
Courtyard by Marriott Calgary Airport  
Courtyard by Marriott Calgary South  
Days Inn Calgary Airport  
Days Inn Calgary South  
Deerfoot Inn & Casino  
Delta Calgary Airport  
Delta Calgary Downtown  
Delta Calgary South  
EconoLodge Inn & Suites University  
EconoLodge Motel Village  
EconoLodge South  
ExecSuite  
Executive Royal Hotel  
Fairfield Inn & Suites Calgary Downtown  
Fairmont Palliser  
Four Points by Sheraton Calgary Airport

# Alberta Hotel & Lodging Association

## Statement of Financial Position

As at December 31, 2018

	2018	2017
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 3)	17,487	60,318
Trading investments (Note 4)	23,014	553,978
Accounts receivable and prepaid expenses (Note 5)	367,703	343,874
Receivable from Alberta Hospitality Safety Association (Note 6)	7,035	2,476
	<b>415,239</b>	960,646
<b>Other assets (Note 7)</b>	<b>1,379</b>	2,250
<b>Capital assets (Note 8)</b>	<b>3,366,133</b>	3,453,488
<b>Intangible assets (Note 9)</b>	<b>354,850</b>	409,527
<b>AHLA Services Corporation loan receivable (Note 6)</b>	<b>19,397</b>	-
<b>CHLA loan receivable</b>	-	22,500
	<b>4,156,998</b>	4,848,411
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 12)	68,856	-
Accounts payable and accrued liabilities (Note 10)	248,818	176,017
Deferred revenue (Note 11)	443,137	457,994
Current portion of note payable	-	69,000
Current portion of long-term debt	-	144,456
	<b>760,811</b>	847,467
<b>Long-term debt</b>	-	466,624
	<b>760,811</b>	1,314,091
<b>Surplus</b>	<b>3,396,187</b>	3,534,320
	<b>4,156,998</b>	4,848,411

Approved on behalf of the Board

signed "Leanne Shaw"  
Director

signed "Chris Barr"  
Director

Four Points by Sheraton Calgary West  
Glenmore Inn & Convention Centre  
Hampton Inn & Suites Calgary Airport  
Hampton Inn & Suites Calgary University  
Hampton Inn by Hilton Calgary Airport North  
Hilton Garden Inn Calgary Airport  
Holiday Inn Calgary Airport  
Holiday Inn Calgary MacLeod Trail South  
Holiday Inn Express Calgary University  
Holiday Inn Express Hotel & Suites Airport  
Holiday Inn Express Hotel & Suites  
Calgary Downtown  
Holiday Inn Express Hotel & Suites  
Calgary South  
Homewood Suites by Hilton Calgary Airport

Hotel Arts  
Hotel Blackfoot  
Hotel Clique Calgary Airport  
Hotel Elan  
Hyatt Regency  
International Hotel Suites  
Kensington Riverside Inn  
Lakeview Signature Inn  
Nuvo Hotel Suites  
O Stays  
Olympia Lodge  
Radisson Hotel & Conference Centre  
Calgary Airport East  
Ramada Plaza Calgary Airport Hotel  
and Conference Centre

Ramada Plaza Downtown Calgary  
Regency Suites  
Residence Inn by Marriott Calgary Airport  
Residence Inn by Marriott Calgary South  
Roadking Inns  
Sandman Hotel & Suites Calgary South  
Sandman Hotel & Suites Calgary West  
Sandman Hotel Calgary Airport  
Sandman Hotel Calgary City Centre  
Sheraton Cavalier Calgary Hotel  
Sheraton Suites Calgary Eau Claire  
Super 8 Shawnessy  
The Airport Traveller's Inn  
The Westin  
Town & Country Motor Hotel

Traveller's Inn  
Travelodge Calgary South  
Travelodge Hotel Calgary International Airport  
Wingate by Wyndham Calgary Airport  
Wyndham Garden Calgary Airport  
  
**Camrose**  
Alice Hotel  
Camrose Le Chateau Hotel  
Camrose Motel  
Canalta  
Norsemen Inn  
R&R Inn & Suites  
Ramada



**Alberta Hotel & Lodging Association**  
**Statement of Revenue and Expenses**  
*For the year ended December 31, 2018*

	2018	2017
<b>Tourism Marketing</b> (Schedule 1)		
Revenue	226,562	553,926
Expenses	319,355	638,162
Deficiency of revenue over expenses	(92,793)	(84,236)
<b>Member Value Programs</b> (Schedule 1)		
Revenue	896,250	851,947
Expenses	206,244	151,019
Excess of revenue over expenses	690,006	700,928
<b>Human Resource Development</b> (Schedule 1)		
Revenue	191,913	181,111
Expenses	186,558	191,031
Excess (deficiency) of revenue over expenses	5,355	(9,920)
<b>Membership Communications</b> (Schedule 1)		
Revenue	1,033,703	1,032,988
Expenses	633,955	601,514
Excess of revenue over expenses	399,748	431,474
<b>Government and Industry Relations</b> (Schedule 1)		
Revenue	21,063	663
Expenses	152,903	112,211
Deficiency of revenue over expenses	(131,840)	(111,548)
<b>Scholarship</b> (Schedule 1)		
Expenses	5,000	105,082
Deficiency of revenue over expenses	(5,000)	(105,082)
<b>Other income</b> (Schedule 1), (Note 14)	467,562	477,798
<b>General expenses</b> (Schedule 1)	(1,462,107)	(1,335,587)
<b>Other expense</b>	(9,064)	-
<b>Deficiency of revenue over expenses for the year</b>	<b>(138,133)</b>	<b>(36,173)</b>
<b>Total revenue</b>	<b>2,369,491</b>	<b>2,620,635</b>
<b>Total expenses</b>	<b>(1,504,015)</b>	<b>(1,799,018)</b>
<b>Other income</b> (Note 14)	<b>467,562</b>	<b>477,798</b>
<b>General expenses</b> (Schedule 1)	<b>(1,462,107)</b>	<b>(1,335,587)</b>
<b>Other expense</b> (Schedule 1)	<b>(9,064)</b>	<b>-</b>
<b>Deficiency of revenue over expenses for the year</b>	<b>(138,133)</b>	<b>(36,173)</b>

**Canmore**  
Akai Motel  
Banff Gate Mountain Resort  
BaseCamp Resorts  
Best Western Pocaterra Inn  
Blackstone Mountain Lodge  
Canadian Rockies Chalets  
Canmore Inn & Suites  
Canmore Rocky Mountain Inn  
Coast Canmore Hotel &  
Conference Centre  
Creekside Villa  
Days Inn  
Falcon Crest Lodge  
Holiday Inn

Mystic Springs Chalets & Hot Pools  
Rocky Mountain Ski Lodge  
Rundle Mountain Lodge  
Silver Creek Lodge  
Solara Resort & Spa  
StoneRidge Mountain Resort  
The Drake Inn  
The Georgetown Inn  
The Lady Macdonald Country Inn  
The Lodges at Canmore  
Windtower Lodge & Suites

**Caroline**  
Caroline Hotel

**Chauvin**  
Chauvin Hotel

**Chestermere**  
Best Western Plus

**Clairmont**  
Ramada Inn & Suites  
Redwood Inn & Suites

**Claresholm**  
Best Seven Inn  
Bluebird Motel  
Claresholm Inn  
Lazy J Motel

**Clearwater County**  
Grandview Stage Resort

**Cochrane**  
Days Inn & Suites  
Ramada

**Cold Lake**  
Best Western Cold Lake Inn  
Dockside Inn  
El Lobo Motel  
Holiday Inn Express  
Lakeland Inn  
Ramada Cold Lake Inn & Suites

**Alberta Hotel & Lodging Association**  
**Statement of Changes in Surplus**  
*For the year ended December 31, 2018*

	2018	2017
<b>Surplus, beginning of year</b>	<b>3,534,320</b>	3,570,493
<b>Deficiency of revenue over expenses</b>	<b>(138,133)</b>	(36,173)
<b>Surplus, end of year (Note 13)</b>	<b>3,396,187</b>	3,534,320

**Coleman**  
BCMIInns

**Consort**  
Prairie Moon Inn & Suites  
Sunrise Motel

**Coronation**  
Coronation Motel

**Cremona**  
Cremona Hotel

**Dapp**  
Commercial Hotel

**Daysland**  
Dayslander Motel

**Dead Man's Flats**  
Copperstone Resort Hotel  
Kiska Inn

**Debolt**  
Debolt Hotel

**Delburne**  
Delburne Hotel

**Derwent**  
Derwent Hotel

**Devon**  
Devon Hotel  
Key West Inn

**Drayton Valley**  
Aspen Motor Inn  
BCMIInns  
Best Western Plus Drayton Valley  
All Suites  
Drayton Valley Hotel  
Holiday Inn Express & Suites  
Home Away Inn  
Lakeview Inns & Suites  
Matador Motel  
Ramada

Service Plus Encore  
Service Plus Inns & Suites  
Super 8  
Westwind Motor Inn

**Drumheller**  
Badlands Motel  
Canalta Jurassic Drumheller  
& Cretaceous Conference Center  
EconoLodge Inn & Suites  
Hoo-Doo Motel  
Ramada Drumheller Hotel & Suites  
Super 8  
Travelodge

## Alberta Hotel & Lodging Association Statement of Cash Flows

*For the year ended December 31, 2018*

	2018	2017
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Deficiency of revenue over expenses	(138,133)	(36,173)
Amortization of capital, intangible and other assets	353,839	328,496
Reinvested investment income, net	(2,332)	(23,427)
Change in note payable	(69,000)	(70,000)
Write-off of loan to CHLA	9,064	-
	<b>153,438</b>	198,896
Changes in working capital accounts		
Accounts receivable and prepaid expenses	(23,829)	41,851
Inventory	-	400
Accounts payable and accrued liabilities	72,802	(64,915)
Deferred revenue	(14,857)	57,270
Receivable from Alberta Hospitality Safety Association	(4,559)	2,203
	<b>182,995</b>	235,705
<b>Financing</b>		
Advances of bank indebtedness	68,856	-
Repayment of long-term debt	(611,080)	(133,344)
	<b>(542,224)</b>	(133,344)
<b>Investing</b>		
Redemption of trading investments	533,296	-
Purchase of capital assets	(20,323)	(3,884)
Purchase of intangible assets	(190,614)	(186,603)
CHLA loan collected	13,436	-
AHLA Services Corporation loan advanced	(19,397)	-
	<b>316,398</b>	(190,487)
<b>Decrease in cash resources</b>	<b>(42,831)</b>	<b>(88,126)</b>
<b>Cash resources, beginning of year</b>	<b>60,318</b>	<b>148,444</b>
<b>Cash resources, end of year</b>	<b>17,487</b>	<b>60,318</b>

### Edmonton

Algonquin Motor Lodge  
Argyll Plaza Hotel  
Aurora Motel  
Best Western Cedar Park Inn  
Best Western PLUS City Centre Inn  
Best Western PLUS South Edmonton  
Inn & Suites  
Campus Tower Suite Hotel  
Candlewood Suites West Edmonton  
Canterra Suites Hotel  
Century Casino & Hotel  
Chateau Lacombe Hotel  
Chateau Louis Hotel & Conference Centre  
Chateau Motel

Chateau Nova Kingsway  
Chateau Nova Yellowhead  
Coast Edmonton Plaza Hotel by APA  
Coast West Edmonton Hotel and  
Conference Centre  
Coliseum Inn  
Comfort Inn & Suites Downtown  
Comfort Inn West Edmonton  
Commercial Hotel / Blues on Whyte  
Continental Inn & Suites  
Courtyard by Marriott  
Courtyard by Marriott Edmonton West  
Crash Hotel  
Days Inn & Suites West Edmonton  
Days Inn Downtown Edmonton

Days Inn Edmonton South  
Delta by Marriott Edmonton South  
Conference Centre  
Delta Edmonton Centre Suite Hotel  
DoubleTree by Hilton West Edmonton  
Dover Hotel  
Drake Hotel  
Eastglen Inn  
Edmonton Inn & Conference Centre  
Element Edmonton West  
Executive Royal Inn West Edmonton  
Fairfield Inn and Suites Edmonton North  
Fantasyland Hotel at West Edmonton Mall  
Four Points by Sheraton Edmonton Gateway  
Four Points by Sheraton Edmonton South

Four Points by Sheraton West Edmonton  
Hampton Inn & Suites by Hilton  
Edmonton West  
Hampton Inn by Hilton Edmonton South  
Hilton Garden Inn West Edmonton  
Holiday Inn Conference Centre  
Edmonton South  
Holiday Inn Express & Suites West Edmonton  
Holiday Inn Express and Suites  
Edmonton North  
Holiday Inn Express Edmonton Downtown  
Holiday Inn Express Hotel & Suites  
Edmonton South  
Holiday Inn Hotel & Suites West Edmonton  
Home2 Suites by Hilton Edmonton South

**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

**1. Incorporation and nature of the association**

Alberta Hotel & Lodging Association (the "Association") is registered as a not-for-profit organization under the Societies Act of Alberta and is exempt from income taxes under Section 149 of the Income Tax Act. These financial statements include the statements of financial position, revenue and expenses, changes in surplus and cash flows for the Association's General Administration Fund.

The Association is a voluntary association, established in 1919, that serves Alberta's tourism and hospitality industry. With approximately 750 member properties across Alberta, the Association represents hotels, motels, inns, resorts, bed & breakfasts and lodges.

The Association has some common directors with the Alberta Hospitality Safety Association (AHSA). The AHSA is registered as a not-for-profit organization under the Societies' Act of Alberta and is exempt from income taxes under Section 149 of the Income Tax Act. The AHSA was established in 1999 to assist hotels in the implementation of health and safety programs. The purpose is to reduce injuries and claims by increasing awareness and responsibility of health and safety within the industry.

The Association has a common director with the Canadian Hotel and Lodging Association Inc. (CHLA). The CHLA is registered as a not-for-profit organization under the Canada Corporations' Act – Part II and is exempt from income taxes under Section 149 of the Income Tax Act. The CHLA was established in 2009, to fund, facilitate, promote and carry out activities and programs for the advancement of the hospitality industry in Canada.

**2. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Handbook.

**Revenue recognition**

The Association follows the deferral method of accounting, which results in the following:

Sales are recognized in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Rental revenue from leases is recognized on a straight-line basis over the lease term.

Revenue from guide and internet advertising is recognized when the information for publication is available for distribution.

Net investment and other income are recognized in the period in which it was earned.

Advances received for services to be rendered by the Association are deferred and recognized in the statement of revenue and expenses in the period in which the service is provided.

Government assistance received toward current expenses is recognized in revenue in the current period. Government assistance received relating to expenses of future accounting periods is deferred and amortized to income as related expenses are incurred.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks and short-term investments with maturities of three months or less.

**Other assets**

Other assets consist of lease inducements related to tenant improvements and direct costs associated with the lease agreement. These costs are amortized on a straight-line basis over five years, which is the term of the lease.

Home2 Suites by Hilton West Edmonton  
 Hotel Selkirk  
 Howard Johnson Hotel West Edmonton  
 Hyatt Place Edmonton West  
 Jasper Avenue Inn & Suites  
 Jasper Place Hotel  
 Jockey Motel  
 Knights Inn Edmonton  
 Lister Conference Centre  
 University of Alberta  
 Matrix Hotel  
 Metterra Hotel on Whyte  
 Quality Inn West Edmonton  
 Radisson Hotel and Convention Centre  
 Radisson Hotel Edmonton South

Ramada Edmonton South  
 Ramada West Edmonton  
 Ramada Yellowhead  
 Rosslyn Inn & Suites  
 Royal Lodge Motel  
 Royal Western Motel  
 Sandman Hotel West Edmonton  
 Sandman Signature Hotel & Suites  
 Edmonton South  
 Sawridge Inn Edmonton South  
 Staybridge Suites West Edmonton  
 Super 8 Edmonton South  
 Super 8 Hotel Edmonton West  
 The Fairmont Hotel Macdonald  
 The Sutton Place Hotel Edmonton

The Westin Edmonton  
 Thriftlodge West Edmonton  
 TownePlace Suites by Marriott  
 Edmonton South  
 Travelodge Edmonton East  
 Travelodge Edmonton South  
 Travelodge Edmonton West  
 Union Bank Inn  
 Varscona Hotel on Whyte  
 West Edmonton Mall Inn  
 Whitemud Inn Edmonton South  
 Windmill Suites  
 Wingate Inn Edmonton West

**Edson**  
 Aries Motel  
 Best Western High Road Inn  
 Black Gold Inn  
 Comfort Inn & Suites  
 Edson Hotel  
 Guest House Inn & Suites  
 Holiday Inn Express Hotel & Suites Edson  
 Howard Johnson North Ridge Inn  
 Lakeview Inns & Suites Edson  
 Nova Inn  
 Park "A" Motel  
 Ramada Inn  
 Sundowner Inn  
 Super 8

**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

2. **Significant accounting policies** (Continued from previous page)

**Capital assets**

Capital assets are recorded at cost.

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

	<b>Method</b>	<b>Rate</b>
Buildings	straight-line	40 years
Office furniture and fixtures	straight-line	10 years
Computer equipment	straight-line	3 years
Photocopiers	straight-line	5 years
Telephone system	straight-line	5 years
Other office equipment	straight-line	4 years

**Intangible assets**

All of the Association's intangible assets have limited useful lives and primarily include capitalized computer software.

Development costs that are directly associated with identifiable and unique software controlled by the Association are recorded as intangible assets if inflow of incremental economic benefits exceeding costs is probable. Capitalized costs include staff costs of the software development team, costs incurred on contracts with third party developers and an appropriate portion of relevant overheads. All other costs associated with computer software, e.g. its maintenance, are expensed when incurred. Intangible assets are amortized using the straight-line method over their useful lives.

Capitalized internal software development costs, software costs and website costs are amortized on a straight-line basis over three years. Capitalized program development costs are amortized on a straight-line basis over five years.

**Contributed materials**

Contributions of materials are recognized both as contributions and expenses in the statement of revenue and expenses when a fair value can be reasonably estimated and when the materials are used in the normal course of the Association's operations and would otherwise have been purchased. No contributed materials (2017 - \$nil) were recorded in the year.

**Allocation of expenses**

The Association records a number of its expenses by pillar, including tourism marketing, member value programs, human resource development, membership communications, government and industry relations, and scholarships. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing these services. Labour costs are allocated based on actual time spent as reported in approved timesheets.

The Association also incurs a number of general support expenses that are common to the administration of the Association and each of its pillars. General support expenses, which include Board of Directors, information technology, and office overhead costs, are included in general expenses.

**Elk Point**

Elk Point Motel and RV Park  
Hilltop Motor Inn

**Elkwater**

Elkwater Lake Lodge & Resort

**Enoch**

River Cree Resort & Casino

**Fairview**

Dunvegan Inn & Suites  
Hillview Inn  
New Grand Hotel

**Falher**

Falher Hotel

**Forestburg**

Many Horses Saloon/Forestburg Hotel

**Fort Macleod**

Century 2 Motel

**Fort Motel**

Red Coat Inn Motel  
Sunset Motel & Trailer Court

**Fort McMurray**

BCMInns  
BCMInns Rusty's  
Best Western PLUS Sawridge Suites  
Clearwater Residence Hotel Timberlea  
Clearwater Suite Hotel  
East Village First Suites  
Franklin Suite Hotel  
McMurray Inn  
Merit Hotel & Suites  
Microtel Inn & Suites by Wyndham  
Nomad Inn  
Platinum Hotels by Liam  
Quality Hotel & Conference Centre  
Radisson Hotel & Suites

**River Station Suite Hotel by LIAM**

The Bridgeport Inn  
Vantage Inn & Suites

**Fort Saskatchewan**

Comfort Inn & Suites  
Lakeview Inns & Suites  
Stars Inn & Suites  
Stars Inn & Suites  
Super 8  
The Kanata

**Fort Vermilion**

Sheridan Lawrence Inn

**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

**2. Significant accounting policies** (Continued from previous page)

**Financial instruments**

All financial instruments are initially recorded at their fair value, excluding certain financial assets and liabilities originated and issued in a related party transaction measured at their carrying or exchange amount in accordance with Section 3480 Related Party Transactions (refer to Note 6). At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market at fair value. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to financial instruments subsequently measured at fair value are immediately recognized in deficiency of revenues over expenses for the current period. Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

The Association assesses impairment of all of its financial assets measured at cost or amortized cost when there is an indication of impairment. Any impairment which is not considered temporary is included in current year deficiency of revenues over expenses.

**Fox Creek**

Best Western Plus  
 Comfort Inn & Suites  
 Devonian Hotel & Suites  
 Econo Lodge  
 Fox Creek Inn  
 Foxwood Inn & Suites  
 Grizzly Motor Hotel  
 Super 8  
 Timber Ridge Inn & Suites

**Grande Cache**

Acorn Motel  
 Grande Cache Hotel  
 Grande Cache Inn & Suites

Grande Mountain Lodge  
 Misty Mountain Inn & Suites

**Grande Prairie**

Best Western Grande Prairie Hotel & Suites  
 Canadian Motor Inn  
 CSI Inns Brookside  
 Days Inn  
 Four Points by Sheraton  
 Hampton Inn & Suites by Hilton  
 Holiday Inn & Suites Grande Prairie  
 Conference Centre  
 Holiday Inn Express  
 Igloo Inn  
 Motel 6

Paradise Inn & Conference Centre Grande  
 Prairie Airport  
 Pomeroy Hotel & Conference Centre  
 Quality Inn & Suites  
 Sandman Hotel  
 Service Plus Inns & Suites  
 Silver Crest Lodge  
 Stanford Hotels & Resort  
 Stonebridge Hotel  
 Super 8  
 The Lodge Motor Inn

**Granum**

Longbranch Inn

**Grassland**

Ramada Grassland

**Grimshaw**

Dee-Jay Motel

**Hanna**

Canada Grey Motor Inn  
 Canalta

**Hardisty**

R&R Inn and Suites

**Harvie Heights**

Banff Boundary Lodge

**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

**2. Significant accounting policies** (Continued from previous page)

**Measurement uncertainty (use of estimates)**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable and related party receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets and intangible assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

**3. Cash and cash equivalents**

	2018	2017
Cash on hand	300	300
Bank balances payable on demand - weighted average annual interest rate of 1.45% (2017 - 0.95%)	17,187	60,018
	17,487	60,318

**4. Trading investments**

	2018	2017
Corporate stock - Canadian companies	6,223	166,884
Corporate bonds - Canadian issuers	6,161	153,864
Canadian Provincial Government bonds	5,065	93,364
Canadian Federal Government bonds	2,911	77,715
Corporate stock - US companies	1,472	35,455
Convertible bonds	565	13,031
Corporate stock - Foreign companies	-	1,270
Cash	617	12,395
	23,014	553,978

	2018	2017
<b>Change in investments</b>		
Investments, beginning of year	553,978	530,551
Reinvested interest income	3,848	10,078
Reinvested net gain (loss)	(3,290)	9,563
Reinvested dividend income	1,774	3,786
Cash withdrawals from investments	(533,296)	-
	23,014	553,978

None of the trading instruments are pledged as collateral.

**High Level**  
 Best Western PLUS Mirage  
 Days Inn  
 EconoLodge Inn & Suites  
 Executive House Suites Hotel & Conference Centre  
 Quality Inn & Suites  
 Super 8

**High Prairie**  
 Days Inn  
 Family Inn Motel  
 Key Inn  
 Northern Lites Motor Inn  
 Peavine Inn & Suites

Raven Motor Inn  
 Royal Star Motor Inn

**High River**  
 Heritage Inn Hotel & Convention Centre  
 High River Motor Hotel  
 Ramada  
 Super 8

**Hinton**  
 Athabasca Valley Inn & Suites  
 BCMInns and RV Park  
 Crestwood Hotel  
 Days Inn  
 Holiday Inn Express Hotel & Suites

Holiday Inn  
 Lakeview Inn & Suites  
 Old Entrance Bed & Breakfast Cabins  
 Overlander Mountain Lodge  
 Quality Inn & Suites  
 Ramada  
 Super 8  
 Timberland Hotel  
 Twin Pine Inn & Suites

**Innisfail**  
 Bluebird Motel  
 Days Inn

**Jasper**  
 Alpine Village  
 Astoria Hotel  
 Athabasca Hotel  
 Bear Hill Lodge  
 Becker's Chalets  
 Chateau Jasper  
 Fairmont Jasper Park Lodge  
 Jasper House Bungalows  
 Jasper Inn and Suites  
 Lobstick Lodge  
 Maligne Lodge  
 Marmot Lodge  
 Miette Hot Springs Bungalows  
 Mount Robson Inn

**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

**5. Accounts receivable and prepaid expenses**

	<i>2018</i>	<i>2017</i>
Trade receivables	<b>321,959</b>	307,487
Prepaid expenses	<b>36,827</b>	21,774
GST receivable	<b>9,806</b>	15,502
Allowance for doubtful accounts	<b>(889)</b>	(889)
	<b>367,703</b>	343,874

**6. Related party transactions**

During the year, office rent of \$36,000 (2017 - \$36,000) and financial and administrative services of \$27,000 (2017 - \$27,000) were received from the Alberta Hospitality Safety Association. These transactions have been measured at the exchange amount, which is the amount of consideration agreed upon by the parties.

Amounts owing from Alberta Hospitality Safety Association and AHLA Services Corporation (Note 17) are non-interest bearing, unsecured and due on demand.

**7. Other assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2018 Net</i>	<i>2017 Net</i>
Tenant improvements	<b>54,354</b>	<b>52,975</b>	<b>1,379</b>	2,250

For the year ended December 31, 2018, amortization of \$871 (2017 - \$870) was expensed relating to other assets.

**8. Capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2018 Net book value</i>	<i>2017 Net book value</i>
Land	<b>927,021</b>	-	<b>927,021</b>	927,021
Buildings	<b>3,128,444</b>	<b>710,073</b>	<b>2,418,371</b>	2,494,933
Office furniture and fixtures	<b>220,652</b>	<b>213,953</b>	<b>6,699</b>	27,727
Computer equipment	<b>124,570</b>	<b>111,913</b>	<b>12,657</b>	3,482
Photocopiers	<b>40,045</b>	<b>40,045</b>	-	-
Telephone system	<b>29,662</b>	<b>29,662</b>	-	-
Other office equipment	<b>21,365</b>	<b>19,980</b>	<b>1,385</b>	325
	<b>4,491,759</b>	<b>1,125,626</b>	<b>3,366,133</b>	3,453,488

For the year ended December 31, 2018, amortization of \$107,678 (2017 - \$113,052) was expensed relating to capital assets.

Park Place Inn  
 Patricia Lake Bungalows  
 Pine Bungalows  
 Pocahontas Cabins  
 Pyramid Lake Resort  
 Sawridge Inn & Conference Centre  
 Sunwapta Falls Rocky Mountain Lodge  
 Tekarra Lodge  
 The Crimson  
 Tonquin Inn  
 Whistler's Inn

**Kananaskis**  
 Pomeroy Kananaskis Mountain Lodge

**Killam**  
 Killam Crossing Hotel  
 Wagon Wheel Motel

**La Crete**  
 La Crete Inn & Suites

**Lac La Biche**  
 Almac Motor Hotel  
 BCMInns  
 Canalta  
 Karen's Katering Ltd.  
 Parkland Motel I  
 Parkland Motel II  
 Ramada

**Lacombe**  
 Best Western PLUS Lacombe Inn & Suites  
 Green Way Inn  
 Lacombe Motor Inn

**Lake Louise**  
 Baker Creek Mountain Resort  
 Fairmont Chateau Lake Louise  
 Lake Louise Inn  
 Mountaineer Lodge  
 Paradise Lodge and Bungalows  
 Post Hotel  
 Simpson's Num-Ti-Jah Lodge  
 The Crossing

**Lamont**  
 Archie's Motel

**Leduc**  
 Airport Motel  
 Best Western Plus Edmonton Airport  
 Best Western Premier Denham Inn & Suites  
 Days Inn & Suites Edmonton Airport  
 Executive Royal Hotel Edmonton Airport  
 Paradise Inn & Suites Signature  
 Ramada Edmonton International Airport  
 Stars Inn & Suites  
 Super 8 Edmonton International Airport  
 Travelodge Edmonton International Airport  
 Wingate by Wyndham Edmonton Airport  
 Wyndham Garden Edmonton Airport



**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

**9. Intangible assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<b>2018</b>	<b>2017</b>
Websites	856,733	828,226	28,507	94,181
Program development costs	544,746	348,343	196,403	305,804
Software development costs	406,528	290,709	115,819	3,813
Software costs	74,303	60,182	14,121	5,729
	<b>1,882,310</b>	<b>1,527,460</b>	<b>354,850</b>	<b>409,527</b>

For the year ended December 31, 2018, amortization of \$245,291 (2017 - \$214,574) was expensed relating to intangible assets.

**10. Accounts payable and accrued liabilities**

Included in accounts payable and accrued liabilities are government remittances (such as payroll withholding taxes) of \$12,368 (2017 - \$12,876).

**11. Deferred revenue**

	<b>2018</b>	<b>2017</b>
Energy efficiency levy	306,468	308,369
AHLA tradeshow booth deposits	63,025	9,000
Campground grant	39,000	52,000
Tourism Works grant	17,333	67,167
Aker Solutions Canada Inc. lease deposit	8,506	8,506
SKF Canada lease deposit	6,635	12,952
Other	2,170	-
	<b>443,137</b>	<b>457,994</b>

Lease deposits relate to damage deposit and last month's rent held as security. Deferred revenue from energy efficiency levy relates to revenue collected during the 2006 - 2010 Utility Partnership program with EPCOR and is retained for specific use in providing environmental stewardship benefits to members. In the year, \$1,901 (2017 - \$6,625) was spent on eligible program costs resulting in recognition of the corresponding amount of revenue.

Deferred revenue from Tourism Works is the unamortized portion of funds spent on the development of the Tourism Works website. In 2018, \$nil (2017 - \$52,000) of grant funds were received and \$49,834 (2017 - \$49,834) was recognized as revenue.

Deferred revenue from campground grant is the unamortized portion of funds spent for the upload of Alberta campgrounds information into an existing database to facilitate user interface through the Check In Canada platform. In 2018, \$100,000 (2017 - \$65,000) of grant funds were received and \$113,000 (2017 - \$13,000) was recognized as revenue.

**Lethbridge**

Best Western Plus Service Inn & Suites  
 Coast Lethbridge Hotel & Conference Centre  
 Comfort Inn  
 Days Inn Lethbridge  
 EconoLodge Inn and Suites  
 Fairfield Inn & Suites by Marriott  
 Hampton Inn & Suites by Hilton  
 Holiday Inn Express Hotel & Suites  
 Holiday Inn  
 Knights Inn  
 Lethbridge Hotel  
 Motel 6  
 Premier Inn & Suites  
 Quality Inn & Suites  
 Ramada

**Sandman Hotel**

Sandman Signature Lethbridge Lodge  
 Super 8

**Lloydminster**

Best Western Plus Meridian Hotel  
 Days Hotel & Suites  
 EconoLodge  
 Hampton Inn by Hilton  
 Holiday Inn Hotel & Suites  
 Ivanhoe Motel  
 Ramada Inn  
 Royal Hotel

**Lodgepole**

Lodgepole Pine Inn

**Longview**

Blue Sky Motel

**Manning**

Manning Motor Inn  
 Nova Inn

**Marwayne**

Marwayne Hotel

**Medicine Hat**

Baymont Inn and Suites  
 Comfort Inn & Suites  
 Days Inn  
 Hampton Inn and Suites by Hilton  
 Hat Motel

**Holiday Inn Express & Suites**

Home Inn Express  
 Imperial Inn  
 Medicine Hat Lodge Casino Resort  
 Pals Motel  
 Quality Inn

**Milk River**

Sandstone Motel

**Millet**

Pipestone Motel Millet Campground

**Morley**

Stoney Nakoda Resort & Casino

**Alberta Hotel & Lodging Association**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2018*

**12. Bank indebtedness**

The Association's credit facility with the Bank of Nova Scotia ("Scotiabank") has a global credit limit of \$1,500,000 including an operating line of credit with the bearing interest at prime plus 0.25%, authorized to a maximum of \$250,000 and a corporate VISA facility with a limit of \$12,000. As at December 31, 2018, the Association had drawn \$41,799 (2017 - \$nil) with respect to its operating line of credit. \$27,057 (2017 - \$nil) of bank indebtedness is made up of outstanding cheques at year end.

The collective credit facility is secured by a general security agreement providing a charge over all present and future property of the Association; replacement cost fire insurance coverage; \$2,000,000 collateral mortgage with first charge over land and building; a real property report; and an assignment of all leases and rents.

The credit facility is subject to certain financial covenants with respect to debt service coverage. The credit facility is also subject to certain non-financial covenants requiring written permission from Scotiabank including: changes in ownership, mergers, acquisitions, investments or change in the line of business. As at December 31, 2018, the Association is in compliance with all such covenants.

**13. Restrictions on surplus**

The Association's total surplus is comprised of the following:

	2018	2017
<b><i>Surplus invested in capital and intangible assets:</i></b>		
Capital assets	3,366,133	3,453,488
Intangible assets	354,850	409,527
Long-term debt	-	(611,080)
Unamortized deferred capital contribution (Note 11)	(56,333)	(119,167)
	3,664,650	3,132,768
<b><i>Unrestricted surplus (deficiency)</i></b>	<b>(268,463)</b>	<b>401,552</b>
	<b>3,396,187</b>	<b>3,534,320</b>

**14. Other income**

	2018	2017
Rental income (Note 6)	223,561	223,919
Trustee fees (Note 15)	220,700	223,625
Job grant	16,000	-
Interest income	8,322	12,818
Dividends	1,774	3,787
Alberta Growth Initiative	495	4,086
Gain (loss) on trading investments	(3,290)	9,563
	<b>467,562</b>	<b>477,798</b>

**15. Trust accounts**

As provided for under the Trust and Governance Agreements the Association has with various destination marketing funds, the Association receives and disburses funds in trust. These trust funds are accounted for separately and, accordingly, are not reflected in these financial statements. As at December 31, 2018, the Association held trust funds on deposit in the amount of \$5,497,792 (2017 - \$8,831,807).

<p><b>Nampa</b> Big Country Inn</p>	<p>Holiday Inn Express Edmonton International Airport Nisku Inn &amp; Conference Centre Edmonton Airport</p>	<p><b>Olds</b> Pomeroy Inn &amp; Suites at Olds College Ramada</p>	<p>Nova Inn Sawridge Inn &amp; Conference Centre</p>
<p><b>Nanton</b> Auditorium Hotel Ranchland Inn</p>	<p>Nisku Place Motel at Airport Renaissance Edmonton Airport Hotel</p>	<p><b>Oyen</b> Canalta</p>	<p><b>Pincher Creek</b> Foothills Motel Heritage Inn Hotel &amp; Convention Centre King Edward Hotel Parkway Motel &amp; European Loges Ramada Super 8</p>
<p><b>Nisku</b> Airways Country Inn Comfort Inn &amp; Suites Edmonton International Airport Four Points by Sheraton Edmonton International Airport Holiday Inn &amp; Suites Edmonton Airport Conference Centre</p>	<p><b>Nordegg</b> Nordegg Lodge</p> <p><b>Okotoks</b> Lakeview Inns &amp; Suites Okotoks Country Inn</p>	<p><b>Patricia</b> Patricia Hotel</p> <p><b>Peace River</b> BCInns Best Western Plus Chateau Nova</p>	<p><b>Piampendon</b> Chez Nous Motel Pelican Hotel</p>

**16. Financial instruments**

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

**Interest rate risk**

The Association is exposed to interest rate risk arising from fluctuations in interest rates on its cash and trading investments, as described in Notes 3 and 4.

**Market risk**

The Association is exposed to market risk through its trading investments. The risk is minimized by the conservative composition of investments which is governed by the Association's investment policy.

**Credit risk**

The Association is exposed to credit risk through its cash, trading investments, accounts receivable, receivable from Alberta Hospitality Safety Association and receivable from AHLA Services Corporation. The maximum amount of credit risk exposure is limited to the carrying value of the balances as disclosed in these financial statements.

The Association manages its exposure to credit risk on cash and trading investments by placing these financial instruments with high-credit quality financial institutions. The investments are managed on the Association's behalf by an external investment manager. The Board of Directors with the assistance of the investment manager has established guidelines for the asset mix in accordance with the Association's investment policy.

The Association assesses, on a continuous basis, accounts receivable receivable from Alberta Hospitality Safety Association and receivable from AHLA Services Corporation and provides for any amounts that are not collectible in the allowance for doubtful accounts.

**17. Subsequent event**

Effective January 1, 2019, the Association's newly incorporated subsidiary, AHLA Services Corporation, acquired the business assets and related liabilities of the Association's existing member value programs.

**Ponoka**

Canalta  
 Leland Hotel  
 Ponoka Stampeder Inn  
 Riverside Motor Inn

**Priddis**

Azuridge Estate Hotel

**Provost**

Canalta  
 Deerhead Inn  
 Greenhead Motel  
 R&R Inn & Suites

**Rainbow Lake**

Noralta Motor Inn  
 Rainbow Inn

**Red Deer**

Baymont Inn & Suites & Conference Centre  
 Best Western PLUS Red Deer Inn & Suites  
 Black Knight Inn  
 Days Inn  
 Econo Lodge Inn & Suites  
 Holiday Inn Express  
 Holiday Inn Express Red Deer North  
 Motel 6  
 Quality Inn & Conference Centre Red Deer

**Radisson**

Ramada Red Deer Hotel & Suites  
 Sandman Hotel  
 Sheraton Red Deer Hotel  
 TownePlace Suites by Marriott  
 Travelodge  
 Red Deer County  
 Empire Inn & Suites  
 Holiday Inn & Suites Red Deer South  
 Howard Johnson Inn  
 Microtel Inn & Suites

**Redcliff**

Redcliff Hytton

**Redwater**

Paradise Inn and Suites

**Rimbey**

Best Western Rimstone Ridge Hotel  
 Canalta  
 Grand Hotel  
 Parkland Motel

**Rocky Mountain House**

Alpine Motel  
 Best Western Rocky Mountain House  
 Inn & Suites  
 Canalta  
 Chinook Inn

**Alberta Hotel & Lodging Association**  
**Schedule 1 - Schedule of Revenue and Expenses**  
*For the year ended December 31, 2018*

**Tourism Marketing**

	2018	2017
<b>Revenue</b>		
Check in Canada	(615)	392,171
Accommodation directory, campground program and other	227,177	161,755
	226,562	553,926
<b>Expenses</b>		
Check in Canada	57,038	477,055
Accommodation directory, campground program and other	262,317	161,107
	319,355	638,162
<b>Deficiency of revenue over expenses</b>	(92,793)	(84,236)

**Member Value Programs**

	2018	2017
<b>Revenue</b>		
Electrical energy and natural gas program	456,641	483,630
Self-insurance program	415,274	343,478
Partnership programs and other expenses	24,335	24,839
	896,250	851,947
<b>Expenses</b>		
Electrical energy and natural gas program	80,080	73,276
Self-insurance program	43,722	34,974
Partnership programs and other expenses	82,442	42,769
	206,244	151,019
<b>Excess of revenue over expenses</b>	690,006	700,928

Rocky Inn Express  
Tamarack Motor Inn  
Tay River Motel & RV  
The House Motel  
Walking Eagle Inn & Lodge

**Rycroft**  
Crossroads Motel

**Sexsmith**  
Sexsmith Hotel

**Sherwood Park**  
Best Western Plus  
Days Inn & Suites

Four Points by Sheraton  
Hampton Inn by Hilton  
Holiday Inn Express & Suites  
Park Centre & Hotel  
Ramada  
Super 8

**Slave Lake**  
Holiday Inn Express & Suites  
Lakeview Inns & Suites  
Slave Lake Inn & Conference Centre  
Super 8

**Spirit River**  
Spirit River Hotel

**Spruce Grove**  
Grove Motor Inn  
Holiday Inn Express & Suites  
Travelodge Inn & Suites

**Spruce View**  
Spruce View Motel

**St. Albert**  
Best Western Plus The Inn  
Sleep Inn Motel  
St. Albert Inn & Suites

**St. Paul**  
Hampton Inn by Hilton

Canalta  
The King's Motel

**Stettler**  
Canalta  
Heartland Lodge  
Ramada  
Super 8

**Stony Plain**  
Best Western Sunrise Inn & Suites  
Motel 6  
Ramada Inn & Suites  
Travelodge Hotel

**Alberta Hotel & Lodging Association**  
**Schedule 1 - Schedule of Revenue and Expenses**  
*For the year ended December 31, 2018*

**Human Resource Development**

	2018	2017
<b>Revenue</b>		
Certifications and training products	20,508	46,281
Employer of choice and Tourism Works	49,834	49,834
Destination employment	38,449	-
Health plan	83,122	84,996
	191,913	181,111
<b>Expenses</b>		
Certifications and training products	25,544	46,023
Consulting services and seminars	20,392	3,558
Employer of Choice and Tourism Works	112,055	123,576
Health plan	1,476	836
HR indirect expenditures	27,091	17,038
	186,558	191,031
<b>Excess (deficiency) of revenue over expenses</b>	5,355	(9,920)

**Membership Communications**

	2018	2017
<b>Revenue</b>		
Member events: annual convention & trade show and regional meetings	358,018	342,969
Membership publications	6,343	6,137
Membership services	669,342	683,882
	1,033,703	1,032,988
<b>Expenses</b>		
Member events: annual convention & trade show and regional meetings	388,626	372,388
Membership publications	46,835	53,449
Membership services	198,494	175,677
	633,955	601,514
<b>Excess of revenue over expenses</b>	399,748	431,474

**Strathmore**

Best Western Strathmore Inn  
Days Inn & Suites  
Leroy's Motor Inn  
Super 8  
Travelodge

**Sundre**

Mountain View Inn & Suites  
Sun Plaza Motel

**Swan Hills**

Derrick Motor Inn  
Hillcrest Motel  
Welcome Inn

**Sylvan Lake**

Best Western PLUS Chateau Inn  
Comfort Inn & Suites  
Days Inn

**Taber**

Heritage Inn Hotel & Convention Centre  
Palace Hotel

**Thorhild**

Corona Hotel

**Three Hills**

Best Western Diamond Inn  
Super 8

**Tilley**

Tilley Hotel

**Trochu**

Trochu Hotel

**Valleyview**

Hi Valley Motor Inn  
Western Valley Inn

**Vermilion**

Days Inn  
Pomeroy Inn & Suites  
Super 8

**Vulcan**

Wheatland Motel

**Wabamun**

Shoreside Inn & Suites  
Wabamun Hotel  
Riverside Inn  
Wabasca Inn

**Wainwright**

Best Western Wainwright Inn & Suites  
Bio-Vista Motel  
Day's Motel  
R&R Inn and Suites  
Ramada  
The Park Hotel

**Alberta Hotel & Lodging Association**  
**Schedule 1 - Schedule of Revenue and Expenses**  
*For the year ended December 31, 2018*

**Government and Industry Relations**

	2018	2017
<b>Revenue</b>		
Government relations: general	21,063	663
<b>Expenses</b>		
Gaming & liquor	7,949	10,274
Hotel Association of Canada (HAC)	31,106	36,441
Provincial government lobbying	3,419	4,239
Government relations - general	110,429	61,257
	152,903	112,211
<b>Deficiency of revenue over expenses</b>	(131,840)	(111,548)

**Scholarship**

	2018	2017
<b>Expenses</b>		
Scholarship awards	5,000	100,500
General	-	4,582
	5,000	105,082
<b>Deficiency of revenue over expenses</b>	(5,000)	(105,082)

**Other income**

	2018	2017
Other income	467,562	477,798

**General expenses**

	2018	2017
Total Board of Directors expenses	90,124	107,670
Total computer/IT and telecommunications expenses	72,591	68,969
Total facility and office expenses	222,114	228,167
Total overhead office payroll	673,778	584,924
Total marketing and professional fees	102,319	82,791
Total other expenses	301,181	263,066
	1,462,107	1,335,587

**Other expenses**

	2018	2017
Impairment of CHLA loan receivable	9,064	-

**Wandering River**

Wandering River Motel

**Waterton Park**

Aspen Village Inn  
 Bayshore Inn Resort & Spa  
 Bear Mountain Motel  
 Crandell Mountain Lodge  
 Prince of Wales Hotel  
 Waterton Glacier Suites  
 Waterton Lakes Resort

**Wayne**

Rosedeer Hotel / Last Chance Saloon

**Westerose**

Village Creek Country Inn

**Westlock**

Quality Inn & Suites  
 Ramada  
 Southview Motel  
 Westlock Inn & Conference Center

**Wetaskiwin**

Best Western Wayside Inn  
 Super 8

**Whitecourt**

Canadas Best Value Inn  
 Cloud 9  
 Days Inn & Suites  
 Green Gables Inn  
 Holiday Inn Express & Suites  
 Lakeview Inns & Suites  
 Microtel Inn & Suites by Wyndham  
 Royal Oak Inn  
 Super 8  
 The Kanata  
 The Ritz Cafe & Motor Inn

**Wildwood**

Wildwood Hotel

**Worsley**

Worsley Gateway Inn

**Yellowhead County**

Jasper Gates Resort

**Zama City**

Noralta Inn West





**ahla** ALBERTA HOTEL &  
LODGING ASSOCIATION

INSPIRING SERVICE, GROWING VALUE

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