

Events East Group

2024-25

Annual Report

Accountability &
Performance Analysis for
Halifax Convention Centre

Events East is a purpose-led organization known for attracting and hosting premier events in the region, and driving impact through the management and operation of Halifax Convention Centre and Scotiabank Centre.

We were created as part of a partnership between the Province of Nova Scotia and Halifax Regional Municipality, and we work in collaboration with them to manage our business in a transparent and responsible manner. Additionally, we have a Board of Directors that oversees our strategic direction and ensures we carry out our mandate effectively.

BACKGROUND

This analysis is presented for the management and operations of the Halifax Convention Centre, providing management's perspective on performance in key financial and operational outcomes as outlined in the annual business plan. It is intended to provide a greater understanding of the organization's business strategy and serves as the annual public accountability statement. As part of Events East Group, the financial performance of ticketing services is also included in the Audited Financial Statements.

Events East is mandated to attract and host events that create economic and community benefits for Nova Scotia. As such, our success is reflected in the mix of events and number of attendees we host, as well as the economic impact they generate.

This year we remained focused on leveraging Nova Scotia's rapid growth and innovation in the life sciences, ocean technology, naval defense, and clean technology sectors by successfully attracting and hosting national and international events that allow us to showcase our strengths as a province to the rest of the world.

We welcomed community members and local businesses into our facility through a wide variety of local and regional events that bring people together. Many of the local celebrations and industry conferences hosted this year created opportunities to showcase the fresh food, award-winning beverages and signature flavors that Nova Scotia is becoming widely known for.

We continued to integrate our commitment to equity, diversity, inclusion, and accessibility into our operations, and build our understanding of opportunities to continue to grow our social and environmental impact. We collaborated with industry partners, stakeholders and shareholders to assess our performance over the last five years, and develop the next five-year strategic plan for our organization.



PERFORMANCE ANALYSIS

ECONOMIC IMPACT

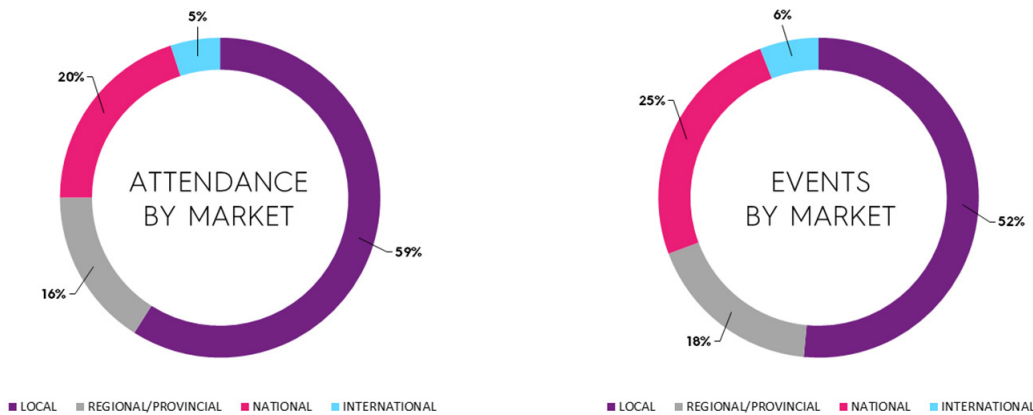
Economic impact measures the benefit of new money being spent in the Nova Scotia economy because of events hosted in the facilities we operate. The impact of this economic activity is measured annually by compiling attendee, exhibitor, and event planner spending, with average spending varying by event category and facility. The following definitions are used to classify events hosted at the Halifax Convention Centre and to determine their associated economic impact:

- **Local:** Majority of attendees originate from within the boundaries of HRM.
- **Regional/provincial:** Majority of attendees originate from within Nova Scotia (excluding HRM) as well as attendees originating from New Brunswick, Prince Edward Island, and Newfoundland & Labrador.
- **National:** Majority of attendees originate from Canadian provinces other than Atlantic Canada.
- **International:** Majority of attendees originate from any country outside of Canada.

Since 2018, Halifax Convention Centre and Scotiabank Centre have hosted a combined 1,500 events, 3.2 million guests and generated more than \$550 million in economic impact. Nearly 1,000 of these events were hosted at Halifax Convention Centre, generating \$325 million in local economic impact and welcoming half a million guests.

In 2024-25, the convention centre continued this trend by generating \$80 million in direct expenditures, against a target of \$67 million, and hosting a total of 166 events and 89,000 total attendees against targets of 165 and 85,000 respectively.

Convention centre sales activity is primarily focused on attracting national and international events, which contribute more economic impact than regional and local events. This year, 49 national and international hosted events accounted for 72 per cent of the total direct expenditures generated.



	24-25 Targets	24-25 Actuals
CORE MEASURES		
Total Events	165	166
Total Attendance	85,000	89,000
Total Direct Expenditures	\$67M	\$80M

	24-25 Actuals
ECONOMIC IMPACT	
Total Incremental Expenditures	\$80M
Estimated Person Years of Employment	917
Estimated Household Income	\$35.8M
Estimated Provincial Tax Revenue	\$4.6M

Notes:

1. Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee, exhibitor, and event planner spending. The calculation used to estimate direct expenditures was updated in March 2025 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the economic impact target and actuals for 2024-25.

2. Economic impact figures are calculated by the Nova Scotia Department of Finance and Treasury Board using the Input-Output Model.

SHAREHOLDER INVESTMENT

To fulfill Events East's mandate, including the generation of significant economic and community impacts through event hosting, annual investment is required by the two shareholders.

The total shareholder funding for 2024-25 including capital was \$3.8M. This generated \$80M in economic impact, as compared to a budget of \$4.3M and \$67M in economic impact, and prior year of \$3.4M and \$71M in impact. Included in this investment, and in accordance with the Memorandum of Understanding between HRM and the Province, is \$2.2M for property taxes paid to HRM (compared to a budget of \$2.4M and prior year of \$2.2M).

The total shareholder investment is shared equally between the Province and HRM. The Province funds capital purchases upfront and HRM funds capital purchases over the useful life of the asset purchased, via the funding of the depreciation expense. As each shareholder has different approaches for funding capital expenditures, the value of investment in any given year is not equal; however, over time each funding approach will result in shareholder investment being shared 50/50.

FINANCIAL PERFORMANCE

Our 2024-25 audited income from operations was \$2.6M compared to an operational budgeted income of \$2.3M and prior year income from operations of \$3.5M.

Total revenue for the year was \$18.7M, compared to a budget of \$16.8M and prior year of \$18.4M. Revenue sources include venue rental fees, food and beverage, commissions from third party services (audio-visual and trade show services), revenue related to equipment and labour services, and ticketing services revenue. The increase from budget is driven by higher spending on food and beverage.

Total operational expenses for the year were \$16.1M, compared to a budget of \$14.5M and prior year of \$14.9M. Of this, event expenses were \$10.4M, compared to a budget of \$8.3M and prior year of \$9.5M. Event expenses represent the direct expenses required to deliver events including wages, food and beverage costs, event cleaning and security, and related technology. These expenses are variable in nature and typically increase as event revenue increases. The remaining \$5.7M in expenses were general operational and administrative expenses, which were lower than the budget of \$6.2M and higher than prior year of \$5.4M. Expenses of this type includes salaries, office rent, insurance, administration, and sales and marketing.

Building operating costs of \$4.1M, as compared to a budget of \$3.9M and prior year of \$4.3M, reflect the expenses related to building operations for the Halifax Convention Centre, including lease operating costs, shared Nova Centre operating costs, equipment maintenance and repairs, cleaning, security, utilities, property insurance, and related property services salaries.



BUSINESS GROWTH

NATIONAL & INTERNATIONAL EVENTS

We continue to deliver against a long-term sales and marketing strategy focused on attracting international and national corporate events to Nova Scotia, and maintaining our strong foundation of national association events. This includes aligning with Nova Scotia's key sectors and industries and increasing global awareness of Halifax as an international conference destination.

In 2024-25, we hosted a total of 49 national and international events with 21,961 delegates. These events, including the ones listed below, showcased our strengths as a hosting destination and exposed new clients to all that Halifax has to offer.

SALES & MARKETING STRATEGY

The implementation of our multi-year strategy is fully underway. Consistent with the strategy, a new approach to collaborating with Discover Halifax on international convention attraction was formally established, and a brand positioning and advertising campaign to build brand awareness of Halifax in the international market launched in Q4. Post year-end the International Congress

and Convention Association announced Halifax is fourth in the country in the number of international conventions hosted in 2024 – more than double the number in 2023. This is a significant collective achievement resulting from the strategic and deliberate focused being invested in this aspect of the attraction strategy.

The sales team also participated in several national and international trade show and in-person networking opportunities, including IMEX Frankfurt, the largest international industry trade show that takes place annually.

Ongoing activity also took place throughout the year to maintain national association positioning and awareness along with the development of a corporate market sales approach, which was completed at year end. The strategy will be fully implemented in 2025-26 to support the attraction of national corporate market event bookings.

At year end, 89 national and international events with approximately 55,000 expected delegates were booked for 2025-26 and beyond (as compared with the target of 85 events with 50,000 delegates).

HIGHLIGHTS



LIFE SCIENCES SECTOR

- Canadian Women in Medicine Conference (1280 delegates)
- Canadian Orthopedic Association (500 delegates)
- Psychoneuroimmunology Research Society (150 delegates)
- Canadian Healthcare Engineering Society (700 delegates)
- International Conference on Physician Health (585 delegates)



NATURAL RESOURCES INCLUDING OCEANS

- The International Conference on Aquatic Invasive Species (300 delegates)
- H2O Exhibition & Conference (400 delegates)
- Green Marine's Green Tech Conference (350 delegates)
- Canadian Institute of Mining Metallurgy and Petroleum Conference (600 delegates)
- OCEANS 24 (1650 delegates)
- 18th International Congress on Circumpolar Health (330 delegates)



SECURITY & DEFENCE

- AltSecCon (1660 delegates)
- DEFSEC Atlantic (1550 delegates)



GUEST EXPERIENCE

EVENT DELIVERY

We successfully hosted 166 events that contributed to community vibrancy and economic impact, including 49 national and international conferences, 47 local galas and celebrations, and several other local and regional events and conventions. In addition, approximately 60 small meetings were hosted, bringing the total number across all event types above 225.

CUSTOMER FEEDBACK PROGRAM

Our Voice of the Customer feedback program was in its second year of implementation and a sustainable approach to client feedback collection, analysis and follow-up is well-established. Client satisfaction ratings were well above the original target of 80 per cent, with the year-end average reaching 96 per cent. After several consecutive quarters of above-target performance, we will be reassessing the benchmark for inclusion in the next five-year strategic plan, which is set to begin implementation in 2025-26.

SERVICE EXCELLENCE

To support an ongoing focus on a guest-focused culture, management developed and launched an internal service excellence program, *Striving to Wow!*, with input from managers and supervisors. The program refines and affirms what living up to the value of *Striving to Wow!* looks like in practice, and outlines commitments that represent the promises team members are making to customers and one another. The development and roll-out of the program reinforced the philosophy that delivering exceptional guest experiences requires both teamwork and individual dedication. The program will continue into 2025-26.

LOCAL FOOD & BEVERAGE SUPPLIERS

Our commitment to supporting local food and beverage suppliers continued this year and was a strong component of the guest experience. Several event menus featured fresh ingredients and products from our network of more than 100 Nova Scotian suppliers, farmers, and producers. Approximately 60 per cent of our food and beverage purchases are from local suppliers and we're committed to maintaining or growing that in the years ahead.



COMMUNITY CONNECTION

LOCAL PROGRAM

In addition to leading with local flavours in our menu offerings, our Local Program includes pop-up markets that bring a touch of Nova Scotia's unique creativity and craftsmanship to any event. In partnership with Taste of Nova Scotia and Craft Nova Scotia, pop-up markets feature a mix of local vendors and artisans. We hosted 14 markets this year, including a showcase market hosted in Rogers Square during OCEANS 2024 that expanded our collaboration to include the Discovery Centre and the Canadian Coalition for Ocean Literacy.

We began partnering with the Nova Scotia Loyal Program, a government initiative aimed at encouraging support for local businesses and celebrating our province's unique identity as an additional way of expressing our commitment to local and staying aligned with provincial priorities. However, we did not expand the program to incorporate cultural components in 2024-25, and this has been reinstated as a priority in 2025-26.

COMMUNITY RELATIONS STRATEGY

We supported 10 community or industry organizations through strategic event sponsorships this year: five with an equity focus, and five with an industry or economic development focus. This included a renewal of our long-standing partnerships with Halifax Chamber of Commerce, Halifax Partnership, and Savour Food & Wine Festival. The International Women's Forum Atlantic Chapter also returned for an International Women's Day breakfast, and the African Heritage Month Gala returned for its second year. The gala was a vibrant showcase of Black arts and culture and hosted 1,200 guests for a signature meal that blended traditional and local flavours.

This year's Welcome Weekend was presented in partnership with Nova Scotia Loyal. The family-friendly event was free and open to everyone, and brought together local businesses, artists, and community organizations to showcase the vibrant culture and talent of Nova Scotia.

INDUSTRY PARTICIPATION

Management attended and participated in several local, national and international industry events throughout the year, including: Convention Centres of Canada annual conference and inaugural sustainability conference, the Tourism Industry Association of Nova Scotia (TIANS) annual general meeting, International Association of Venue Managers' (IAVM) VenueConnect Annual Conference and Trade Show. Members of the management team actively participated in Discover Halifax's stakeholder engagement phase of the Integrated Tourism Master Plan. Specific to the sports and entertainment industry and ensuring we're staying attuned to industry trends, senior representatives attended the Sport Tourism Congress, the Association of Luxury Suite Directors Conference and Trade Show, the VenuesNow Conference, and two IAVM conferences.

In addition, members of the management team participated in several industry boards, including: Destination Canada, Sport Tourism Canada, the Restaurant Association of Nova, Hotel Association of Nova Scotia, and Meeting Professionals International. These appointments reflect our organization's credibility and reputation within our industry.

EQUITY, DIVERSITY & INCLUSION

To ensure ongoing fulfillment of the organization's Equity, Diversity, Inclusion and Accessibility Framework, there were 12 actions or initiatives identified for 2024-25. At year end, nine were completed, with two in progress and one deferred to 2025-26. Major efforts included completing a new guest [Code of Conduct](#) to ensure our organization's commitment to upholding the dignity and rights of every individual is consistently reflected within our environment. The Code explicitly states that we do not tolerate behaviour that compromises safety, disrupts events, or creates an unwelcoming atmosphere. It outlines the consequences of violating the code of conduct, as well as the reporting and support process.

RICK HANSEN FOUNDATION ACCESSIBILITY CERTIFICATION (RHFAC)

The RHFAC™ is a national rating system that measures and certifies the level of meaningful access to buildings and sites from a people-centric perspective of varying abilities. The Halifax Convention Centre achieved a silver rating certification this year, making it one of only twelve Rick Hansen Certified™ facilities in Nova Scotia. Alongside our Rainbow Registered and Age-Friendly Employer certifications, the RHFAC is another way to signify to our community, employees, and guests that we are welcoming, inclusive, and accessible to all visitors.

EXTERNAL RELATIONS STRATEGY

Aligned to the measurement framework in the External Relations Strategy, we conducted the second annual stakeholder survey to measure confidence in Events East and its venues. Consistent with the prior year's results, 95 per cent of respondents are confident in the role Events East plays in promoting economic and community vibrancy.

Implementation of this strategy has led to a cumulative total of 26 local, regional, and national award nominations for the organization. That includes 10 nominations this year, with five notable recognitions:

- President & CEO Carrie Cussons was recognized by the Women's Executive Network as one of Canada's Most Powerful CEOs at the 2024 WXN Top 100 Awards.
- Executive Vice-President Suzanne Fougere was recognized as the inaugural winner of the Sport Tourism Industry Champion Award at the 2025 Sport Tourism PRESTIGE Awards, which celebrates accomplishments in major sports event attraction and sport tourism.

- Events East was a Business of the Year Finalist for the 2025 Halifax Chamber of Commerce Business Awards.
- Scotiabank Centre was short-listed for Best Teamwork in a Small Arena by the Canadian Live Music Industry Awards.
- The 2024 JUNOS was nominated for Event of the Year at the 2025 East Coast Music Awards and MPI Atlantic Awards.

In addition, the Chartered Professional Accountants of Nova Scotia (CPANS) announced that our President & CEO Carrie Cussons received the profession's highest mark of distinction, the Fellow designation (FCPA). At the annual awards gala held by the Meeting Professionals International Atlantic Chapter, Genaya Cameron, Senior Director of Event Operations received the Barbara Broome Legacy Award for her outstanding achievements in the events industry.

The organization earned 26 positive media stories this year, and the tone across all media coverage was 44 per cent positive and 55 per cent neutral.



TALENT & CULTURE

EMPLOYEE ENGAGEMENT

Implementation of the employee engagement strategy (Employee Pulse Program) was ongoing across the priority areas of recognition and appreciation, employee feedback, corporate communication, staff events, and departmental communication. It included the launch of a new orientation program, which will ensure that all new employees will have access to a thorough orientation workshop within 30 days of their start date that helps to set them up for success. A new approach to celebrating employee work anniversaries was also launched, with successful and well-attended events being hosted to celebrate employees who have been with the organization for one, five, and 10+ years.

EMPLOYEE RESOURCING & RETENTION

A new Collective Bargaining Agreement for UNIFOR Local 4005, representing approximately 65 hourly culinary and catering employees at the Halifax Convention Centre, received final approval from Shareholders in late March. It has been executed for a three-year term effective November 2024.

EMPLOYEE EDUCATION & TRAINING

An annual training program was created in 2024 to provide hourly staff and management teams with regular training that is sustainable, accessible, and relevant. The scope of the training goes beyond the employee's primary job responsibilities and includes topics pertinent to leadership, inclusion, and providing exemplary guest service. The second annual training was hosted in Q4 of this year, in addition to corporate training that is ongoing throughout the year to support the health, safety, and cultural awareness of staff.

SAFETY CULTURE

With a continued focus on enhancing a safety culture across our operations, the Joint Occupational Health and Safety Committee operated consistently throughout the year and engagement remained strong. A new Safety Steering Committee was also established to work on the development of an overarching safety approach for the organization.

HUMAN RESOURCES INFORMATION SYSTEM

Procurement for a new tool or software to modernize the employee experience and associated payroll administration process was deferred to 2025-26, based on ongoing consultation and communication about scope and operational requirements.



ACCOUNTABILITY & SUSTAINED PERFORMANCE

MEASUREMENT FRAMEWORK

The 2024-25 Events East business plan included a commitment to creating a measurement framework to track and report on our progress in key community and social impact programs. A draft framework that includes social and environmental measures was completed in Q4. Pending approval, the framework will be included in the measurement of the new five-year strategic plan.

STRATEGIC PLAN

The development of the next five-year strategic plan for the organization was underway throughout the year. The project included:

- Extensive industry research, including interviews with leaders across Canada and independent market analysis that provided performance benchmarking for both venues;
- Facilitated working sessions among management and the Board of Directors to validate strengths, opportunities, and the organization's value proposition;
- Stakeholder and partner consultation, including thorough reviews of local economic and community development strategies;
- Shareholder consultation and validation of the organization's purpose, vision and strategic direction; and,
- Development of a measurement framework and long-term projections to inform strategic outcomes and targets.

At year end, the five-year strategic plan was in the final stages and on track to be presented to the Board for endorsement in Q1, followed by a formal submission and request for shareholder approval.

SUSTAINABILITY

Work with an external consultant to benchmark environmental standards and practices at Halifax Convention Centre was completed, and the final report identified areas of opportunity and consideration. The completion of a multi-year roadmap that confirms areas of focus was deferred to 2025-26. Meanwhile, further knowledge and context about best practices was acquired through industry participation throughout the year.

CAPITAL PLAN

A working committee between Events East, the Province and HRM was established and a draft report identifying long-term capital planning needs and recommendations was received from consultant in Q4. Work with the consultant to confirm next steps was ongoing at year-end, with the goal of determining a future, multi-year approach to capital investments.



OUTCOMES & PERFORMANCE MEASURES

Key performance and operational outcome areas against our 2024-25 Business Plan:

PRIORITY	MEASURE	2024-25 TARGET	2024-25 ACTUAL
Business Growth	Total direct spending and economic benefit	Through the conventions and events we host at the Halifax Convention Centre, generate annual direct spending of \$67M*.	Generated \$80M in direct expenditures* as a result of the events we hosted.
Business Growth	Number of events attracted and hosted at the Halifax Convention Centre	Host 165 events with 85,000 delegates, including a minimum of 35 national and international events. Secure a cumulative total of 85 national and international events with an estimated 50,000 delegates for 2025-26 and beyond.	Hosted 166 events with 89,000 delegates, including 49 national and international events. 89 national and international events with 55,000 expected delegates confirmed at year-end. An additional 70 events were in the pipeline at year-end.
Guest Experience	Customer satisfaction	Maintain average customer satisfaction score of at least 80%.	Average customer satisfaction of 96% achieved.
Community Connection	Perception of organization	Maintain stakeholder confidence score of 90%. Increase ratio of positive media coverage to 50% while maintaining a neutral tone for the balance of media coverage.	95% of stakeholders are confident in the role Events East plays in supporting economic development & community vibrancy. Media coverage for the year was 44% positive and 55% neutral.
Talent & Culture	Employee feedback	Monitor employee engagement and maintain average engagement score of at least 80%.	Employee engagement maintained. Collection of qualitative feedback suggests engagement is stable.
Accountability & Sustained Performance	Financial performance	Meet approved budget targets.	Exceeded budget targets with a shareholder investment of \$3.8M compared to a budgeted investment of \$4.25M.
Accountability & Sustained Performance	Strategic plan	Approved five-year strategic plan, including measurement framework, in place.	Plan on track for submission to shareholders in Q1 of 2025-26.

Notes:

**Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee, exhibitor, and event planner spending. The calculation used to estimate direct expenditures was updated in March 2025 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the economic impact target and performance analyses.*



COMBINED CORE ACCOUNTABILITY & STRATEGIC MEASURES

Halifax Convention Centre and Scotiabank Centre are managed and operated by Events East. Our strategic priorities guide our activities, and we monitor and measure our performance in the following core areas: economic impact, event attraction, and attendance. Below is the combined impact of our facilities on the Nova Scotia economy.

	HALIFAX CONVENTION CENTRE	SCOTIABANK CENTRE	TOTAL
CORE MEASURES			
TOTAL EVENTS	166	82	248
TOTAL ATTENDEES	89,043	432,313	521,356
TOTAL DIRECT EXPENDITURES	\$80M*	\$41M*	\$121M*
ECONOMIC IMPACT			
TOTAL INCREMENTAL EXPENDITURES	\$80M	\$11M	\$91M
ESTIMATED PERSON YEARS EMPLOYMENT	917	613	1,530
ESTIMATED HOUSEHOLD INCOME	\$35.8M	\$19.5M	\$55.3M
ESTIMATED PROVINCIAL GOVERNMENT TAX REVENUE	\$4.6M	\$2.5M	\$7.1M

Notes:

1. Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee, exhibitor, and event planner spending. The calculation used to estimate direct expenditures was updated in March 2025 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the economic impact target and performance analyses.
2. Economic impact figures are calculated by the Nova Scotia Department of Finance and Treasury Board using the Input-Output model.

Events East Group

2024-25

Annual Report

Financial Statements for
Events East Group
March 31, 2025

MANAGEMENT'S REPORT


The financial statements of Events East Group have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is responsible for all of the notes to the financial statements and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors [the "Board"] is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements frequently and external audited financial statements annually.

The external auditors, Deloitte LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to management of Events East Group and meet when required.

On behalf of **Events East Group**:



Evan MacLean, CPA, CA
Director of Finance & Corporate IT



Carrie Cussons, CPA, CA
President & CEO

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Events East Group

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Events East Group (the "Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, change in net debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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 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 GAAS 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 GAAS, 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.

Deloitte LLP

Chartered Professional Accountants
Halifax, Nova Scotia
June 27, 2025


STATEMENT OF FINANCIAL POSITION

As at March 31	2025 \$	2024 \$
FINANCIAL ASSETS		
Cash	7,994,607	6,583,201
Restricted cash	5,254,431	3,377,391
Accounts receivable	1,017,536	1,316,757
Due from Scotiabank Centre [note 8]	813,106	608,724
Due from Halifax Regional Municipality [note 7]	1,903,576	1,571,381
	16,983,256	13,457,454
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	1,298,981	2,616,466
Advance ticket sales	5,254,431	3,377,391
Due to Province of Nova Scotia, net [notes 7 and 8]	7,691,627	4,960,527
Event deposits	1,433,207	1,259,379
Deferred revenue	211,064	171,220
Retirement health benefits obligation [note 6]	1,900,700	1,842,700
	17,790,010	14,227,683
Net debt	(806,754)	(770,229)
NON-FINANCIAL ASSETS		
Tangible capital assets, net [note 3]	641,224	572,969
Prepaid expenses	294,486	288,494
Inventory held for resale	207,079	210,671
	1,142,789	1,072,134
Accumulated surplus	336,035	301,905

See accompanying notes

On behalf of the Board:

 Director

 President

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended March 31	2025 \$	2025 \$	2024 \$
	[budget]		
REVENUE			
Convention Centre	15,288,000	16,765,618	16,096,985
Ticketing Services	1,290,000	1,674,109	1,947,999
Investment and other income	225,000	287,513	343,938
	16,803,000	18,727,240	18,388,922
EXPENSES			
Event expenses [note 8]	8,320,000	10,373,577	9,543,975
Salaries and benefits [note 6 and 8]	4,337,000	4,023,760	3,663,592
Rent and insurance	227,000	251,648	223,938
Administration	850,000	786,726	808,914
Advertising and marketing	770,000	677,541	684,421
	14,504,000	16,113,252	14,924,840
Surplus before building costs and property taxes	2,299,000	2,613,988	3,464,082
Building costs	3,858,000	4,063,954	4,335,177
Property taxes	2,441,000	2,205,355	2,239,430
Total building costs and property taxes	6,299,000	6,269,309	6,574,607
Deficit before depreciation	(4,000,000)	(3,655,321)	(3,110,525)
Depreciation of tangible capital assets [note 3]	200,000	151,829	32,237
Annual deficit	(4,200,000)	(3,807,150)	(3,142,762)
Accumulated surplus, beginning of period	301,905	301,905	45,220
Shareholder funding [note 7]	4,250,000	3,841,280	3,399,447
Accumulated surplus, end of period	351,905	336,035	301,905

See accompanying notes

STATEMENT OF CHANGES IN NET DEBT

Year ended March 31	2025 \$	2024 \$
Annual deficit	(3,807,150)	(3,142,762)
Acquisition of tangible capital assets <i>[note 3]</i>	(220,084)	(545,609)
Depreciation of tangible capital assets <i>[note 3]</i>	151,829	32,237
(Increase) in prepaid expenses	(5,992)	(14,321)
Decrease (Increase) in Inventory held for resale	3,592	(28,018)
Shareholder funding <i>[note 7]</i>	3,841,280	3,399,447
Increase in net debt	(36,525)	(299,026)
 Net debt, beginning of period	 (770,229)	 (471,203)
Net debt, end of period	(806,754)	(770,229)

See accompanying notes

STATEMENT OF CASH FLOWS

Year ended March 31	2025 \$	2024 \$
OPERATING ACTIVITIES		
Annual deficit	(3,807,150)	(3,142,762)
Add items not affecting cash		
Depreciation of tangible capital assets	151,829	32,237
Net changes in working capital		
Accounts receivable	299,221	789,924
Inventory held for resale	3,592	(28,018)
Due from Scotiabank Centre	(204,382)	1,571,348
Due from Halifax Regional Municipality	1,571,381	905,964
Accounts payable and accrued liabilities	(1,317,485)	720,617
Event deposits	173,828	171,931
Deferred revenue	39,844	77,940
Due to Province of Nova Scotia	4,668,804	811,295
Advance ticket sales	1,877,040	(3,050,382)
Prepaid expenses	(5,992)	(14,321)
Retirement health benefits obligation	58,000	64,100
Cash provided by (used in) operating activities	3,508,530	(1,090,127)
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(220,084)	(545,609)
Cash used in capital activities	(220,084)	(545,609)
Net increase (decrease) in cash during the period	3,288,446	(1,635,736)
Cash, beginning of period	9,960,592	11,596,328
Cash, end of period	13,249,038	9,960,592
Cash is comprised of:		
Cash	7,994,607	6,583,201
Restricted cash	5,254,431	3,377,391
	13,249,038	9,960,592

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

The Halifax Convention Centre Corporation, doing business as Events East Group [the “Company” or “Events East”] is incorporated under the laws of the Province of Nova Scotia [the “Province” or “PNS”]. The Company operates the Halifax Convention Centre pursuant to the *Halifax Convention Centre Act* [the “Act”] dated May 2014, proclaimed by the Province on April 4, 2016, and amended October 11, 2018. The Act establishes Events East Group, enacts the corporation’s by-laws and defines the objective of the entity. The Company is an equal partnership of the Province of Nova Scotia and the Halifax Regional Municipality [“HRM”].

The Company’s mandate, pursuant to the Act, is to operate, maintain and manage the activities of the Halifax Convention Centre in a manner that will promote and develop economic development, tourism and industry in the province of Nova Scotia and in particular the Halifax Regional Municipality. In April 2017, the mandate was expanded to include the continued management and operations of Ticketing Services, a division of the Company and Scotiabank Centre, on behalf of HRM.

As an agency of the Province and HRM, the Company is not subject to income taxes pursuant to the *Income Tax Act* 149(1)(d). However, since the Company is a corporation, it is still required to file a corporate T2 income tax return annually.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by the Company’s management in accordance with the Chartered Professional Accountants of Canada [“CPA Canada”] Public Sector Accounting Standards [“PSAS”] for other government organizations as defined by the Canadian Public Sector Accounting Board, which sets out generally accepted accounting principles for government organizations.

BASIS OF PRESENTATION

The Company’s financial statements as at and for the year ended March 31, 2025 reflect the operations of the Halifax Convention Centre and Ticketing Services. The Company also manages the operations of Scotiabank Centre on behalf of HRM; Scotiabank Centre’s financials are separately reported and are not consolidated into the Company’s results.

CASH

Cash is comprised of cash on hand and balances held at financial institutions.

RESTRICTED CASH

Restricted cash represents cash received for advance ticket sales.

INVENTORY HELD FOR RESALE

Inventory held for resale consists of food and beverage supplies and is recorded at the lower of cost or net realizable value.

ADVANCE TICKET SALES

Advance ticket sales are recorded as a liability on the statement of financial position until the event is held and amounts are settled with third parties. Amounts received are segregated as restricted cash and are not available to fund the Company’s operations.

TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost and depreciated on a straight-line basis over their estimated useful lives using the following terms:

Computer hardware	3-5 years
Furniture and equipment	3-5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Company’s ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs are accounted for as expenses in the statement of operations and accumulated surplus. Transfers of tangible capital assets from related parties are recorded at carrying value.

PREPAID EXPENSES

Prepaid expenses include costs incurred prior to the period expected to benefit from them, including software maintenance agreements and insurance.

EVENT DEPOSITS

Event deposits are recorded as a liability until the event occurs and the revenue recognition criteria are met.

RETIREMENT HEALTH BENEFITS

Retirement health benefits are post-employment benefits for purposes of Section PS 3250 of the *CPA Canada Public Sector Accounting Handbook*. They represent the Company’s participation in the Public Service Retiree Health Benefits Plan, an obligation made to employees under the *Halifax Convention Centre Act*, section 36 (10).

REVENUE

Revenue is recognized when the item has an appropriate basis of measurement, a reasonable estimate can be made of the amount involved, and for an item that involves obtaining or giving up future economic benefits, it is expected that such benefits will be obtained or given up.

EXPENSES

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the period are expensed.

SHAREHOLDER FUNDING

Shareholder funding is recognized in the period the funding is approved and authorized.

USE OF ESTIMATES

The preparation of the Company’s financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts

of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Items requiring the use of significant estimates include the useful life of tangible capital assets, allowance for ticket refunds and allowance for doubtful accounts.

Estimates are based on the best information available at the time of the preparation of the financial statements and are reviewed periodically to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from those estimates.

3. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	2025		
	Computers \$	Furniture and equipment \$	Total \$
Cost, beginning of year	1,114,512	1,018,601	2,133,113
Additions	—	220,084	220,084
Cost, end of year	1,114,512	1,238,685	2,353,197
Accumulated depreciation, beginning of year	853,240	706,904	1,560,144
Depreciation expense	60,853	90,976	151,829
Accumulated depreciation, end of year	914,093	797,880	1,711,973
Net book value, end of year	200,419	440,805	641,224

	2024		
	Computers \$	Furniture and equipment \$	Total \$
Cost, beginning of year	875,391	712,113	1,587,504
Additions	239,121	306,488	545,609
Cost, end of year	1,114,512	1,018,601	2,133,113
Accumulated depreciation, beginning of year	836,225	691,682	1,527,907
Depreciation expense	17,015	15,222	32,237
Accumulated depreciation, end of year	853,240	706,904	1,560,144
Net book value, end of year	261,272	311,697	572,969

4. CONTRACTUAL OBLIGATIONS

The contractual obligations of the Company include the contract related to the delivery of a ticketing system and corporate head office lease obligations. In addition, lease operating costs relating to the lease of the Halifax Convention Centre are included in the contractual obligations. These costs are the Company's best estimate and are subject to change based on any required true-up as indicated in the lease and are paid by the Company on behalf of the Province and HRM. These contractual obligations will become a liability in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	\$
2025 - 2026	1,877,062
2026 - 2027	1,821,740
2027 - 2028	1,858,175
2028 - 2029	1,853,936
2029 - 2030	1,876,937
	<u>9,287,850</u>

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

MEASUREMENT OF FINANCIAL INSTRUMENTS

The Company's financial instruments are recorded at cost or amortized cost. Financial assets consist of assets that could be used to settle existing liabilities or fund future activities, and include cash, restricted cash, accounts receivable, due from Scotiabank Centre and due from Halifax Regional Municipality. Financial liabilities consist of the Company's accounts payable and accrued liabilities, due to the Province, deferred revenue, retirement health benefits obligation, event deposits, and advance ticket sales. The carrying value of the Company's financial instruments approximates their fair value. Transaction costs are expensed as incurred.

RISKS AND UNCERTAINTIES

The Company's management recognizes the importance of managing significant risks including policies, procedures and oversight designed to reduce the risks identified to an appropriate threshold. The Board of Directors is provided with timely and relevant reports on the management of significant risks. Significant risks currently managed by the Company include liquidity risk, credit risk, and capital risk.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its contractual obligations and financial liabilities. The Company manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its obligations and liabilities.

Credit risk

The Company is primarily exposed to credit risk, which is the risk that a debtor may be unable or unwilling to pay amounts owing, thus resulting in a loss. To mitigate this risk, the Company requires deposits for events where collectability is uncertain.

Capital risk

The Company receives contributions from its shareholders, the Province and HRM. The day-to-day operations are generally funded by the revenue generated by the Company and amounts due to the Province. Advances from shareholders on projected deficit are also available.

6. EMPLOYEE FUTURE BENEFITS

PENSION COSTS

Employees of the Company participate in the Public Service Superannuation Plan [the "PSSP"], a contributory defined benefit pension plan administrated by the Public Service Superannuation Plan Trustee Inc., which provides pension benefits based on length of service and earnings. Contributions to the PSSP are required by both the employees and the employer. Total employer contributions for the year ended March 31, 2025 amounted to \$467,655 [March 31, 2024 – \$414,037] and are recorded in salaries and benefits expense during the period. Total employee contributions for the year ended March 31, 2025, amounted to \$467,655 [March 31, 2024 – \$414,037]. The Company is not responsible for any underfunded liability, nor does the Company have any access to any surplus that may arise in the PSSP. No liability associated with this plan has been recognized in these financial statements as this resides with the Province of Nova Scotia.

RETIREMENT HEALTH BENEFITS OBLIGATION

Upon retirement, employees who are in receipt of pension from the PSSP are eligible to participate in the Retired Employee Health Plan [the "Plan"] provided through the Public Service Commission. The Plan provides coverage to participants for health benefits which include prescription drugs to age 65, vision, hospital and extended health care. The Company is liable for 65% of the premiums for employees retiring on or after April 1, 2018. The most recent full valuation of the Plan, contracted by the Province on behalf of participants, was performed as at December 31, 2023 and extrapolated to March 31, 2025 using a discount rate of 3.67% [2024 – 3.18%]. The following outlines the accrued benefit obligation:

	\$
Accrued benefit obligation, March 31, 2024	1,416,700
Add: Current service cost	57,400
Add: Interest on accrued benefit obligation	47,800
Less: Experience loss due to change in discount rate	(357,100)
Less: Premiums paid	(14,000)
Accrued benefit obligation, March 31, 2025	1,150,800
Net unamortized actuarial losses (gains), March 31, 2024	(426,000)
Current year losses (gains)	(357,100)
Amortization	33,200
Net unamortized actuarial losses (gains), March 31, 2025	(749,900)
Retirement health benefits obligation, March 31, 2025	1,900,700

	\$
Accrued benefit obligation, March 31, 2023	1,385,900
Add: Current service cost	62,900
Add: Interest on accrued benefit obligation	42,900
Less: Experience loss due to change in discount rate	(64,700)
Less: Premiums paid	(10,300)
Accrued benefit obligation, March 31, 2024	<u>1,416,700</u>
Net unamortized actuarial losses (gains), March 31, 2023	(392,700)
Current year losses (gains)	(64,700)
Amortization	31,400
Net unamortized actuarial losses (gains), March 31, 2024	<u>(426,000)</u>
Retirement health benefits obligation, March 31, 2024	<u>1,842,700</u>

7. SHAREHOLDER FUNDING

Shareholder funding consists of the following:

	2025 \$	2024 \$
Funding from Halifax Regional Municipality ^[1]	1,903,576	1,571,381
Funding from the Province of Nova Scotia ^[2]	1,937,704	1,828,066
	<u>3,841,280</u>	<u>3,399,447</u>

[1] Pursuant to the Memorandum of Understanding between HRM and PNS amended March 28, 2013, HRM funds one-half of the operating deficit of the Company.

[2] Pursuant to the Memorandum of Understanding between HRM and PNS amended March 28, 2013, PNS funds one-half of the operating deficit before depreciation of the Company and one-half of capital purchases.

8. RELATED PARTY TRANSACTIONS

In addition to the shareholder funding noted in note 7, the Company had the following transactions with the government and other government-controlled organizations:

	2025 \$	2024 \$
Payroll processing by the Province of Nova Scotia ^[1]	(14,413,453)	(13,149,257)
Payroll recoveries received from Scotiabank Centre ^[2]	4,315,386	4,029,115
Commissions paid to Scotiabank Centre ^[3]	(479,187)	(340,717)
Recoveries from Scotiabank Centre ^[4]	<u>308,313</u>	<u>373,380</u>

[1] PNS processes payroll on behalf of the Company and invoices the Company for these costs.

[2] Scotiabank Centre's sole shareholder is HRM. Payroll and related costs are paid by Events East on behalf of Scotiabank Centre.

[3] Commissions paid to Scotiabank Centre for ticket sales purchased through Ticketing Services, a division of Events East.

[4] The Company has a variety of transactions related to general expenses paid by the Company on behalf of Scotiabank Centre.

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties. Amounts due to/from related parties are without payment terms and are non-interest bearing.

9. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes as approved by the Board of Directors.

10. COMPENSATION DISCLOSURE

The *Public Sector Compensation Disclosure Act* requires the publication of the names of every person who receives the amount of compensation of \$100,000 or more in the fiscal year and the amount paid to each. The Company has issued a separate statement disclosing these values.

11. CONTINGENT ASSETS

In January 2022, a burst pipe in the Nova Centre complex resulted in flooding that impacted two levels of the convention centre. The Company has initiated a business interruption claim. Insurance proceeds currently cannot be reliably measured.