

# 2013/14

IT HAPPENED HERE









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## PHOTO CREDITS:

Page 1, 2, 6, 10, 18, 22, 24, 26, 41: Nicole Lapierre

Page 8, 12, 20: Mike Dembeck

Page 14: Royal Nova Scotia International Tattoo

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The Halifax Metro Centre has created a lasting legacy in our city over the course of its rich 35-year history. The world's top performers in sports and entertainment walked through our doors and performed for our community, creating countless exciting, memorable experiences.

As we celebrated this milestone year, I enjoyed hearing the many favourite memories that have been created at the Halifax Metro Centre. Whether it was the Mooseheads' President Cup win, IIHF World Hockey or one of the many other 5,000+ events hosted over the years, HRM citizens each have a special memory from the Halifax Metro Centre that they are eager to share.

These stories are a testament to the true impact of the Halifax Metro Centre. It brings people together, it creates an exciting atmosphere in our downtown and it generates a sense of community pride that is unique to our city.

As we look to the future, there are many more experiences and memories to be made. That's why we have identified the opportunity to engage a naming rights partner. This partnership will allow us to enhance the customer experience, update key areas of the facility and build on the 35+ year legacy of the Halifax Metro Centre in our community.

I encourage you to stay engaged over the next year as we unveil the many new opportunities and enhancements in store for the Halifax Metro Centre. I'm excited for what the future holds and look forward to another year of world-class sports and entertainment.

**MIKE SAVAGE**

MAYOR, HALIFAX REGIONAL MUNICIPALITY



# A MESSAGE FROM THE CEO



This year wrapped up the 35th anniversary celebrations of the Halifax Metro Centre.

It was an exciting year in which we asked our community to share memories of their favourite moments. Hundreds of people responded, telling us tales of camping out to get tickets to see Tina Turner... being stirred to tears by the Royal Nova Scotia International Tattoo...and of course that goal by Nathan MacKinnon that won the President Cup for our very own Halifax Mooseheads.

These stories and more have been captured on our new memory wall so we can share them with the whole community.

I had my own flood of memories while looking over the list of 5,000+ events that have been hosted at the Halifax Metro Centre since 1978. One of the things that struck me was how the building and the city have grown and evolved together. With each passing year we proved to promoters we could do bigger and better shows. Today Halifax has a reputation as an entertainment leader, and our downtown, as well as fans of music, sports, and events, have all benefited.

The support from our partners has continued to grow as well. It is in large part due to them that we've been able to keep evolving.

With 35 years behind us, it's time to look ahead. In the next year another major change is coming as we launch our naming rights program. We've been hearing from customers about what they'd like to see enhanced in this community building, and naming rights will give us the opportunity to continue to improve the customer experience the Halifax Metro Centre is known for delivering.

And of course, we'll be bringing in more of the high-calibre entertainment Atlantic Canada has come to expect of us.

I'd like to thank our team and staff for 35 years of dedication, skill, and a level of customer service that has earned its own stellar reputation. I'm looking forward to the 36th year and beyond.

(As for my favourite memory? Hands down it's seeing the Highwaymen play here in 1993. I'll confess at the time I wasn't a big country music fan, but when Johnny Cash stepped up to the mic, with Waylon Jennings, Willie Nelson and Kris Kristofferson right behind him, the hair stood up on the back of my neck.)

**SCOTT FERGUSON**  
PRESIDENT & CEO

# 34

## CONCERTS

ENTERTAINMENT & FAMILY EVENTS

6

DEAN BRODY | FEBRUARY 1, 2014

LISTEN TO OUR CONTEST  
WINNER'S FAVOURITE  
MEMORY NOW





# MY, HOW WE HAVE GROWN!

Over the past three-and-a-half decades, more than 15 million patrons have come through our doors to attend a concert, a game, or an entertainment spectacle. The list of events is 5,000 long. And it seems with each passing year those events just got bigger and better. Today the Halifax Metro Centre attracts the top names in sports and entertainment—not just from Canada, but from around the world.

Our growth is mirrored in Halifax itself. As the calibre and size of our events has evolved, so has the thriving downtown area. Today Halifax has a strong, sophisticated sports-and-entertainment culture—and that means we can all continue to grow.

But before we look to the future, let's take a look at the difference the Halifax Metro Centre has made to the people of our city, our province, and our region.

## SHARING THE CELEBRATION

Without the people who come to our events, there would be no Halifax Metro Centre. So we wanted to find a special way to thank our audiences for being such an integral part of our success.

We're a community building, so the first thing we did was invite everyone to join us for a season of free noon skating.

Our next step was to find a way to recognize and honour the impact special events can have on a person's life. A concert or event may be only an hour or two long, but the emotion it creates can affect someone forever. We knew that from our own experiences of seeing our idols or legends perform here. And that's when we came up with the Memory Wall Contest.

## ARE YOU ON THE MEMORY WALL?

The Chronicle Herald partnered with us to make the project happen. Together we engaged the community to share their stories, photos, and videos on our Facebook page. Thirty-four memories would win a night in a Skybox for a Halifax Mooseheads game, with one grand-prize winner getting tickets to 35 Halifax Metro Centre events.

The memories flooded in by the hundreds. People told us about seeing their child play in a Timbits Hockey game between periods at a Halifax Mooseheads game...about bringing their father to a Kris Kristofferson concert for a night that crossed generations...about getting dirty at a truck pull...about travelling to “the big city” to see their first show...and even about getting engaged here!

Mark Lever, president of The Chronicle Herald, says it was fun to do something retrospective. “The news business is always about today and now. It was fun for us to look back at our 35-year relationship with the Halifax Metro Centre both as a corporate partner, and as the paper of record that was reporting on the happenings there.” The headlines and photos the paper ran for many of those events are incorporated in the Memory Wall's design.

In the end the grand-prize winner was Ashley Knox, who remembered being 10-years old and watching her favourite singer, Garth Brooks, play her favourite song, “Mrs. Robinson.”



SEE THE WE DAY  
PHOTO GALLERY NOW!





# THE CENTRE OF OUR COMMUNITY

The Halifax Metro Centre's walls may be made of bricks and mortar, but our foundation is our relationships with our partners, sponsors, tenants, and the entire community. And what binds us all together is our common goal: to put a smile on people's faces and build pride.

Here's how we worked to do that in 2013:

## BUDWEISER GOOD SPORT PROGRAM

This year, in partnership with Labatt and the NSLC, we launched the Budweiser Good Sport program. This program rewards patrons who serve as designated drivers by giving them a free soft drink during the event, and entering their name in a monthly draw for a Good Sport gift package.

The Halifax Metro Centre is only the second venue in North America to have a Good Sport program without a major professional sports team or franchise. It's our way of ensuring our audience has a good time and gets home safely. We share the program's message: "When you're a Good Sport, everybody wins."

## WE DAY ATLANTIC CANADA

In November 2013, we were proud to host the first-ever We Day Atlantic Canada.

This educational event recognizes young people who are already making a difference by leading local and global change, and further motivates and empowers them to shift the world from "me to we."

Musical acts Classified, Hedley, and Shawn Desman; child rights activists Craig and Marc Kielburger; and many more were all part of the event—along with 8,000 youth from across Atlantic Canada.

A unique feature of this event is that the kids have to earn their way to it. The schools distribute tickets to those students who are already demonstrating that they are giving back and making a difference at a young age.

The We Day message is "one voice does make a difference." We're excited about the future of our community thanks to the amazing young people we saw that day!

## TORONTO RAPTORS

The Toronto Raptors returned to Halifax for the second year in a row for a portion of their training camp in 2013, and gave basketball fans a thrill by playing an intra-squad game at the Halifax Metro Centre.

In other cities, intra-squad games typically draw about 1,500, but thanks to the Halifax Metro Centre's success in hosting events and drawing out crowds, they enjoyed the largest attendance in their history both years here in Halifax: in excess of 7,000.

It was an opportunity to show the team how much Halifax loves basketball—and to create a legacy from the event by tying it to local charities.

Feed Nova Scotia, the education program with the Nova Scotia Sport Hall of Fame, Sport Nova Scotia's KidSport, and the YWCA's Supportive Housing for Young Mothers Program were chosen by the team and the Halifax Metro Centre to be the recipients.

Technically, admission to the game was free with a recommended donation of \$10. And we're proud to say the people of Halifax gave generously both years, giving \$14,000 the first and \$11,500 the second, to each charity.

It speaks volumes about Halifax as a community and how we value giving back.

The charities were happy to be associated with the event, and the Toronto Raptors took away a great impression of Halifax.








**521,352**  
**TOTAL EVENT ATTENDANCE**







This is  
Moose  
Country

## THE HALIFAX MOOSEHEADS

For the past 20 years, the Halifax Metro Centre has been home ice for the Halifax Mooseheads and the excitement around the team really hit a peak in 2013.

“The last three years have been three of the best teams we’ve ever had,” says Bobby Smith, majority owner. “To win the championship, and then the Memorial Cup, what really surprised me was the reaction of the fans. It was a Halifax victory. It’s something that the players and our fans will never forget.”

Smith says the team is proud to be in the downtown where they’re part of the fabric of the community. “You can feel the hustle and bustle,” he says. “The restaurants are full before and after. This is where a hockey arena should be located. You know when a game is on, you see the traffic, see the people in the streets. We’re thrilled to be a part of that.”

The Mooseheads deliver much more than exciting hockey to our community and a major boost for our city’s reputation—their success is an economic score for the city, and for the Halifax Metro Centre, too.

Downtown restaurants, parking, taxis, Metro Transit, everybody is impacted—including the wait staff. “I’m thrilled when I’m in a restaurant and the waitress says to me, ‘Hey Bobby, I had a great night tip-wise thanks to your fans,’” says Smith.



WATCH THE  
MOOSEHEADS'  
VIRAL ON-ICE  
PROJECTION

ROYAL NOVA SCOTIA  
INTERNATIONAL TATTOO





## ROYAL NOVA SCOTIA INTERNATIONAL TATTOO

Since 1979, the Halifax Metro Centre has hosted the Royal Nova Scotia International Tattoo—the only annual international event in Atlantic Canada and the world’s largest annual indoor show.

This week-long event brings in over 50,000 fans who come to see musicians, performers, military bands, and acrobats from across the globe.

“The Tattoo has a major reputation world-wide,” says CEO Ann Montague. “It’s recognized as the best in the world and has a waiting list of performers who want to come and perform here.”

The importance of the event extends far beyond entertainment. According to the Tattoo’s 2013 research, tourists and visitors coming to the show accounted for 37,000 hotel nights in Halifax, the cast meal voucher program for the performers contributes \$100,000 to local restaurants, and the show attracted almost 20,000 visitors to the province.

“Plus 95 per cent of our own budget—which last year was \$2.5 million—stays in Nova Scotia,” adds Montague.

Other cities in Canada recognize the value of this event as a reputation builder and economic booster; and have tried to lure it away. “It’s flattering,” says Colonel Ian Fraser, Tattoo founder and artistic director, “but we won’t go. The Halifax Metro Centre is our home. We have a tremendous relationship with them. We don’t consider ourselves to be their tenants—we see them as our partners.”

In 2014 the Tattoo celebrates its own 35th anniversary with yet another all-new show, jam-packed with excitement.



WATCH THE  
2013 TATTOO  
PROMOTIONAL  
VIDEO



SPALDING

GREAT TYPED... WAITING.

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HALIFAX RAINMIEN BASKETBALL | 2013-14 SEASON

EVER WONDER HOW WE  
CHANGE BETWEEN COURT,  
ICE AND CONCERT SETUPS?







**110**  
TOTAL EVENTS





# 2013–14 EVENT HIGHLIGHTS

Halifax Metro Centre enjoyed a diverse mix of sporting, entertainment and family shows this year, hosting more than 521,000 people at 110 events.

AUS BASKETBALL CHAMPIONSHIPS  
BEAUTY AND THE BEAST  
BLUE RODEO  
CELTIC THUNDER  
CHICAGO  
DANIEL O'DONNELL  
DEAN BRODY  
GREAT BIG SEA  
HALIFAX MOOSEHEADS HOCKEY  
HALIFAX RAINMEN BASKETBALL  
HEDLEY  
JEFF DUNHAM  
JOHNNY REID  
KISS  
LEONARD COHEN  
MATCHBOX TWENTY & GOO GOO DOLLS  
MAX AND RUBY IN THE NUTCRACKER SUITE  
MERLE HAGGARD  
REBA  
ROYAL NOVA SCOTIA INTERNATIONAL TATTOO  
RUSH  
STARS ON ICE  
TEGAN AND SARA  
TORONTO RAPTORS INTRA-SQUAD GAME  
VINCE GILL  
WE DAY ATLANTIC CANADA





# FROM KISS TO THE CUP

## FANS FIND THEIR PASSION AT THE HALIFAX METRO CENTRE

At first glance you might not believe it, but the gracious fans of Irish balladeer Daniel O'Donnell, face-painted members of the KISS Army, and hockey-happy folks in the Mooster Club have something in common: they all come to the Halifax Metro Centre to celebrate their passion.

For 35 years the Halifax Metro Centre has kept up a roster of concerts, games, spectacles, and events to satisfy every member of our community, and 2013 was no exception.

This was the year that saw country superstar Reba hit the stage with her songs and stories, comedian Jeff Dunham keep the audience in stitches, and Canadian rock legends Rush return to Halifax after a 25 year absence.

But topping it all had to be the Halifax Mooseheads' history-making year, winning the President Cup for the first time, then heading on to add the Memorial Cup to their legacy.

Lots of fans count that as their top memory of the Halifax Metro Centre, and one fan stands out as the most passionate of all: Keith Richard.

If you've ever been to a Mooseheads game in Halifax, you've seen Keith. From day one he's been cheering on his team, often drumming up the crowd by wearing one of his trademark costumes.

"I like to see people laugh and have fun at the rink," says Keith, who says it all started with a "silly white Santa wig and big green glasses" and went on from there to include his own special tribute to Don Cherry, the referees, and the Hanson Brothers.

"My wife always walks a few feet behind me (when I'm in costume)," he adds. "She likes to hear all the comments people make. I haven't got her in a costume yet."

Keith figures he's got about 27 sweaters, and four big containers full of garb at home. But he takes the playoff games seriously. "Those are nerve wracking," he says.

"I've been going to the Memorial Cup since 2003," says Keith. "I'm part of a group called the Junior Hockey Junkies. Everybody in the group has had their team at the cup. Last year was my turn. I knew going in we had the best team, but it's one game, not a series. Anything can happen. That's why we play the game. I was pretty excited when we won. Let's put it that way."

Keith says he admires the Mooseheads not just for the way they play, but also for the way they get involved in the community. "They make a connection with their fans," says Keith. "They're great role models for the young kids and really are part of the city."

While the President Cup win stands out as a top memory for Keith, he has a few others of the Halifax Metro Centre as well. "The first year of the World Juniors. The Nova Scotia Voyageurs and the Halifax Citadels. And the year Jody Shelley's jersey was hanging from the rafters."









**\$37.9**  
**MILLION**  
DIRECT EXPENDITURES

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TEGAN & SARA | AUGUST 23, 2013

A NEW ERA IS  
ABOUT TO BEGIN



# A NEW ERA. A NEW NAME.

The Halifax Metro Centre is well known for hosting some of the biggest names in sports and entertainment...and now the centre's name is set to make big news itself. This coming year will see our transition to a new name—the Scotiabank Centre. It's the perfect partnership.

Our customers have been sharing with us what they'd like to see changed, enhanced, or improved in this community building. And this partnership will provide the opportunity to deliver that experience so we can continue to meet those expectations as we move into the building's new era.

"It's another step forward," says Scott Ferguson, who explains that while the building has been successful thanks to sponsorships and corporate partners, a significant capital investment is needed to provide that enhanced customer experience.

The timing is right for this change adds Ferguson, because the number and calibre of events hosted at the Halifax Metro Centre continues to grow. On top of the regular schedule that includes the Mooseheads, Rainmen, and Royal Nova Scotia International Tattoo, the centre has also added the Ultimate Fighting Championship, 2015 and 2016 CIS University Cup, 2015 Ford World Men's Curling Championship, and the Canadian Country Music Awards to the roster for the upcoming year.

"This will be the largest corporate partnership ever undertaken by the Halifax Metro Centre," says Ferguson. And in recognition of the fact that this is a community building, customer and stakeholder engagement is part of the process. The Halifax Metro Centre has had a long life, and that's nowhere near over. Naming rights will be part of what keeps it here in the heart of our community, beating strong for many years to come.







# BUSINESS OVERVIEW

Year Ended March 31, 2014

HALIFAX METRO CENTRE FIVE YEAR HIGHLIGHTS	2013/14	2012/13	2011/12	2010/11	2009/10
Revenues	\$7,475,237	\$7,565,461	\$7,021,440	\$6,317,091	\$7,165,956
Excess of Revenues Over Expenditures	\$(4,969)	\$680,149	\$565,666	\$(267,168)	\$532,335
Attendance	521,352	585,620	429,126	392,901	494,593
Events <sup>(1)</sup>	127	121	128	126	121

HALIFAX METRO CENTRE ECONOMIC IMPACT FIVE YEAR HIGHLIGHTS	2013/14	2012/13	2011/12	2010/11	2009/10
Direct Visitor Expenditures	\$37.9	\$42.9	\$28.7	\$25.0	\$31.9
Incremental Visitor Expenditures	\$12.6	\$14.5	\$10.6	\$8.4	\$10.9
Employment (person years) <sup>(2)</sup>	903	1,011	583	512	746
Additions to Household Incomes <sup>(2)</sup>	\$23.7	\$27.7	\$20.3	\$17.7	\$20.7
Provincial Government Revenues (taxes) <sup>(2)</sup>	\$2.5	\$2.9	\$2.1	\$1.8	\$2.4

Note <sup>(1)</sup>: Includes all event bookings for Halifax Metro Centre, which is inclusive of all on-sale opportunities and combination events held in conjunction with the World Trade and Convention Centre. Does not include consumer/trade show attendance and non-paid admission events.

Note <sup>(2)</sup>: Of the total impacts listed, 27 percent of attendee impacts are considered incremental.



# MANAGEMENT DISCUSSION & ANALYSIS

Located in the heart of downtown, the Halifax Metro Centre is the largest multipurpose facility in Atlantic Canada, serving as the region's premier venue for major entertainment and sporting events and the hub of major event activity in Nova Scotia. Specifically designed for versatility and to accommodate some of the largest events, Halifax Metro Centre offers a diverse lineup of event experiences. It remains a critical piece of major event infrastructure and is essential to event success in Nova Scotia.

Halifax Metro Centre is owned by the Halifax Regional Municipality (HRM) and operated by TCL, a provincial Crown corporation. Its focus is on ensuring the professional and effective delivery of events that drive community and economic impact. All operating income or losses generated by Halifax Metro Centre accrue to HRM and all capital improvements are funded by the municipality.

This review of Halifax Metro Centre business activity for the period of April 1, 2013 to March 31, 2014 provides management's perspective of performance against the annual plan in key financial and non-financial outcome areas. It is intended to provide a greater understanding of the organization's business strategy.



## FINANCIAL PERFORMANCE

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TCL operates the Halifax Metro Centre on behalf of HRM, which owns the facility and accrues all operating income generated. As the operator of Halifax Metro Centre, TCL continues to focus on ensuring the professional and effective delivery of events that result in economic and community impact, with an emphasis on optimizing event mix, sustaining premium product and sponsorship revenue, and delivering on customer expectations while ensuring operational efficiency.

In 2013-14, the Halifax Metro Centre had an annual deficit before transfers to HRM of \$4,969 down from the budget of \$106,217 and the prior year's surplus of \$680,150. Revenues for the year were \$7.5 million, \$587,000 over budget and a slight decrease as compared to 2012-13 revenues of \$7.6 million. Event, concession and merchandise revenues were \$4.0 million, up \$445,000 over budget and decreased from the prior year by almost \$240,000. Sponsorship revenues and executive suite rentals delivered \$3.4 million, up just over \$140,000 from budget and last year.

Operating expenditures for the year were \$7.5 million, over budget of \$6.9 million by almost \$600,000 driven primarily by event expenses to support increased event revenues, and by increased salary and administrative costs coupled with higher-than-planned energy costs.

### *Economic Impact Performance*

Economic impact measures the benefit of spending in the economy as a result of events hosted at Halifax Metro Centre. Halifax Metro Centre measures economic impact on an annual basis, compiling attendee and event promoter spending.

In 2013-14, Halifax Metro Centre hosted a total of 110 events as compared to 117 events in 2012-13. Total event attendance was 521,352, a decrease of 64,268 when compared to 585,620 attendees last year. Total direct expenditures resulting from events hosted in 2013-14 were \$37.9 million, as compared to \$42.9 million the prior year.

These direct expenditures resulted in \$12.6 million in incremental expenditures, 903 person years of employment (695 direct, 208 spin off), \$2.5 million in provincial government tax revenues (\$1.4 million direct, \$1.1 million spin off) and \$23.7 million in additions to household income (\$13.9 million direct, \$9.8 million spin off). These results do not include the impact of direct spending by Halifax Metro Centre. Twenty-seven percent of the economic impacts listed are considered incremental.

Economic impacts are driven by the mix of events and those who attend the events. The decrease in economic impact for 2013-14 can be attributed to fewer overall events, and as a result, fewer attendees. Results are reflective of a strong year of event attraction and should not be considered predictive of a future trend.



## BUSINESS GROWTH

The Halifax Metro Centre continued its 35th anniversary celebration this year with a strong mix of event activity complete with a total of 34 concerts, entertainment, and family events. Long-term anchor tenants the Halifax Mooseheads, Halifax Rainmen and the Royal Nova Scotia International Tattoo also continued to drive event activity and customer interest.

Concert activity was strong this year with a mix of musical genres including two RUSH shows, Leonard Cohen, Reba, Chicago, Goo Goo Dolls, KISS and more. Sporting events included the return of the Toronto Raptors Intra-squad Game and Atlantic University Sport Basketball Championships along with the regular season and playoffs for the Halifax Mooseheads and Halifax Rainmen.

Interest in premium seating continued to grow this year leading to the highest occupancy rate to date. This can be attributed to the year's diverse lineup of events and the transition of premium product rental inventory to permanent leases.

Building on Halifax Metro Centre's legacy of successful hosting, a marquee event strategy was developed to ensure a strong event mix over the next five years. The strategy identifies key local, national and international partnerships to be developed and maintained in order to attract marquee sporting, music and community events. In 2013-14, secured marquee events included the 2015 Ford World Men's Curling Championship, 2015 and 2016 CIS University Cup, the 2015 Canadian Country Music Awards and UFC Fight Night.



## INFRASTRUCTURE

Proactive management of facility infrastructure renovations and upgrades is essential to ensure the facility meets both the customer and safety standards necessary for continued event attraction and hosting. Priority capital maintenance and upgrades continued this year, including the purchase of a new Zamboni and forklift as well as replacement of two hot water tanks and air handling units.

To enhance our digital display network, 77 LED screens were installed in high traffic areas throughout the facility including entrances and concessions to enhance the customer experience and support revenue generation through advertising.

A multi-year capital project plan to identify and plan future priorities that optimize use of the facility was also submitted for approval to HRM.





## PEOPLE

The second phase of the employee engagement survey program was completed in fall 2013. The primary objective of the employee engagement survey was to conduct a thorough assessment of current strengths and areas for improvement in the workplace environment. The focus of the survey was to understand how the organization can maintain and develop a positive work atmosphere, encourage employees to use their talents effectively and gauge employee satisfaction. An internal working group has been formed to address the findings of the survey and recommend opportunities for organizational change.

Halifax Metro Centre staff participated in a series of training sessions and workshops related to workplace safety, leadership and technical skills development to enhance operations and efficiency. Event management and guest services staff participated in a training program presented by Alcohol and Gaming to enhance understanding of the policies and procedures in place to ensure the responsible delivery of alcohol service.



## PARTNERSHIPS

### **Community Engagement**

Celebration of the Halifax Metro Centre's 35th anniversary this year included a series of promotional activities. A key component of this phase of the program was the social media fan engagement contest which encouraged customers to share their favourite memories at the Halifax Metro Centre over the past 35 years. The contest, which garnered over 400 entries, was supported by an advertising campaign that drove community awareness and engagement. The campaign culminated with the installation of a memory wall, which was developed in partnership with The Chronicle Herald to highlight contest memories, past events and news headlines over the course of the facility's 35-year history.

An online customer survey panel was launched to provide interested patrons with a platform to share feedback about their experience at the Halifax Metro Centre with active surveying ongoing throughout the year. A heavy focus on recruitment yielded 1,100 panelists by year-end and a high level of engagement and survey participation.

### **Corporate Sponsors and Partners**

Partnership activity remained strong this year with the renewal of multi-year agreements with Corby Distilleries and Avis/Budget group. New partnership agreements were formed with the NSLC and the newly opened HFX Sports Bar & Grill.

Halifax Metro Centre continued to foster a partnership with the Toronto Raptors and secured its second consecutive Intra-squad Game in fall 2013. Ticket proceeds in excess of \$46,000 were donated to four local charitable organizations: KidSport, YWCA Supportive Housing for Young Mothers, Feed Nova Scotia and the Education Program for Nova Scotia Sport Hall of Fame.

A partnership between Halifax Metro Centre, Labatt and NSLC was formed to launch the Budweiser Good Sport Program, a community program that encourages patrons to become designated drivers. Available at all Halifax Metro Centre events, program participants sign a pledge stating they will refrain from consuming alcohol at the event and will provide a safe ride home for their companions.

### Naming Rights

In March 2014, HRM issued a request for proposal (RFP) seeking a naming rights partner for the Halifax Metro Centre to fund capital reinvestment in the facility. While specific renovations and facility enhancements will be determined in collaboration with the successful proponent, the focus of the naming rights partnership is to ensure continued successful event delivery and a quality customer experience.

Post year-end, on June 24, 2014, the selection process completed with a recommendation approved by Halifax Regional Council to finalize a naming rights contract with Scotiabank.

Customer research was initiated through the Halifax Metro Centre customer survey panel to gain insight on facility enhancements that drive customer experience. The naming rights survey yielded a 71 percent response rate and will help define key facility upgrades. Interviews were also conducted with key partners and tenants to identify areas of focus for the naming rights partnership.



## GOVERNANCE

TCL and HRM staff reached an interim operating agreement this year, providing clearly defined accountabilities and responsibilities of both parties for effective management of the Halifax Metro Centre. In September 2013, Halifax Regional Council approved the final interim agreement.

Implementation of the new agreement includes the collaborative development of an annual business plan and budget in addition to routine monthly and quarterly reporting.

Compliance with this agreement and a commitment to ensuring Halifax Metro Centre operations demonstrate accountability to HRM and the community remains a continued focus moving forward.



# FINANCIAL STATEMENTS

March 31, 2014

## MANAGEMENT'S REPORT

The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards and the integrity and objectivity of these financial statements are management's responsibility. Management is also 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"] are 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 on a monthly basis and external audited financial statements yearly.

The external auditors, Ernst & Young LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Halifax Metro Centre and meet when required.

On behalf of Trade Centre Limited:



**CARRIE CUSSONS**

CHIEF FINANCIAL OFFICER



**SCOTT FERGUSON**

CHIEF EXECUTIVE OFFICER

June 25, 2014

## INDEPENDANT AUDITORS' REPORT

To the Board of Directors of  
**Halifax Metro Centre**

We have audited the financial statements of Halifax Metro Centre, which comprise the statement of financial position as at March 31, 2014 and the statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, 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.

### **Auditors' responsibility**

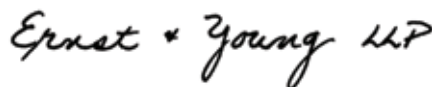
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Halifax Metro Centre as at March 31, 2014, and the results of its operations, changes in net debt and cash flows for the years then ended in accordance with Canadian Public Sector Accounting Standards.



Chartered Accountants

Halifax, Canada,  
June 25, 2014.



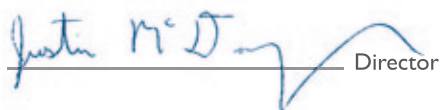
# STATEMENT OF FINANCIAL POSITION

As at March 31

	2014 \$	2013 \$
<b>FINANCIAL ASSETS</b>		
Cash	858,027	1,175,769
Due from Halifax Regional Municipality [note 4]	72,983	—
Due from Trade Centre Limited [note 4]	—	431,430
Accounts receivable	518,297	742,213
<b>Total financial assets</b>	<b>1,449,307</b>	<b>2,349,412</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	389,746	1,123,111
Due to Halifax Regional Municipality [note 4]	—	367,968
Due to Trade Centre Limited [note 4]	246,464	—
Unearned revenue	847,285	903,599
<b>Total financial liabilities</b>	<b>1,483,495</b>	<b>2,394,678</b>
<b>Net debt</b>	<b>(34,188)</b>	<b>(45,266)</b>
<b>NON-FINANCIAL ASSET</b>		
Prepaid expenses	34,188	45,266
<b>Accumulated surplus [note 5]</b>	<b>—</b>	<b>—</b>

See accompanying notes

On behalf of the Board:

 Director

 Director

# STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended March 31

	2014 \$	2014 \$	2013 \$
	[budget]		
<b>REVENUE</b> [note 4]	<b>6,888,349</b>	<b>7,475,237</b>	<b>7,565,461</b>
<b>EXPENSES</b> [note 4]			
Events	2,894,063	3,211,718	3,390,028
Salaries and administration	2,306,000	2,533,926	2,144,011
Maintenance	787,500	799,094	615,065
Energy	428,569	495,128	410,451
Operations	217,000	195,154	188,020
Advertising and marketing	149,000	245,186	137,737
	<b>6,782,132</b>	<b>7,480,206</b>	<b>6,885,312</b>
	<b>106,217</b>	<b>(4,969)</b>	<b>680,149</b>
Transfers (to) from Halifax Regional Municipality [note 4]	<b>(106,217)</b>	<b>4,969</b>	<b>(680,149)</b>
<b>Annual surplus</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Accumulated surplus, beginning of year</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Accumulated surplus, end of year</b>	<b>—</b>	<b>—</b>	<b>—</b>

See accompanying notes



## STATEMENT OF CHANGES IN NET DEBT

Year ended March 31

	2014 \$	2014 \$	2013 \$
	[budget]		
<b>Annual surplus</b>	—	—	—
Decrease in prepaid expenses	—	11,078	93,450
<b>Increase in net debt</b>	—	11,078	93,450
<b>Net debt, beginning of year</b>	(45,266)	(45,266)	(138,716)
<b>Net debt, end of year</b>	(45,266)	(34,188)	(45,266)

See accompanying notes

# STATEMENT OF CASH FLOWS

Year ended March 31

	2014 \$	2013 \$
<b>OPERATING ACTIVITIES</b>		
Net change in non-cash working capital balances:		
Accounts receivable	223,916	(19,898)
Accounts payable and accrued liabilities	(733,365)	310,470
Due to/from Trade Centre Limited	677,894	(1,029,880)
Due to Halifax Regional Municipality	(440,951)	485,096
Unearned revenue	(56,314)	(38,040)
Prepaid expenses	11,078	93,450
<b>Cash used in operating activities</b>	<b>(317,742)</b>	<b>(198,802)</b>
<b>Net change in cash during the year</b>	<b>(317,742)</b>	<b>(198,802)</b>
Cash, beginning of year	1,175,769	1,374,571
<b>Cash, end of year</b>	<b>858,027</b>	<b>1,175,769</b>

See accompanying notes

# NOTES TO FINANCIAL STATEMENTS

March 31, 2014

## 1. NATURE OF OPERATIONS

Halifax Metro Centre [the “Centre”] is a sports and entertainment complex managed and operated for the Halifax Regional Municipality [“HRM”] by Trade Centre Limited, a body corporate, incorporated under the laws of the Province of Nova Scotia. The Centre’s operations are financed by the HRM and all profits from the Centre accrue to the account of the HRM.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by the Centre’s management in accordance with the Chartered Professional Accountants of Canada [CPA Canada] Canadian Public Sector Handbook, which sets out the generally accepted accounting principles for government organizations.

### Cash

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

### Tangible capital assets

The land, building and equipment utilized and operated by the Centre are owned by the Halifax Regional Municipality and are not included in these financial statements. The cost of the debt and depreciation related to these assets are not recorded in these financial statements. HRM includes these assets in their financial statements and will capitalize betterments to the facility based on their own accounting policies. Any betterment made to the facility and paid for by the Centre that is not reimbursed by HRM is expensed as the Centre does not control any expected benefits as a result of such expenditures. Such items are included in ‘Maintenance’ on the statement of operations and accumulated surplus.

### Prepaid expenses

Prepaid expenses include costs incurred prior to major events and conferences and are charged to expense over the periods expected to benefit from it.

### Revenue

Revenue is recognized when the item has an appropriate basis of measurement, and 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. Funds received when these criteria have not been met are recorded as unearned revenue.

Transfers [revenue from non-exchange transactions] are recognized as revenue when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Transfers are recognized as unearned revenue when amounts have been received but not all eligibility criteria have been met.

### Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Grants and transfers are recorded as expenses when the transfer is authorized, eligibility criteria have been met by the recipient and a reasonable estimate of the amount can be made.

### Measurement uncertainty

The preparation of the Centre’s financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reporting 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 period.

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

## 3. EMPLOYEE FUTURE BENEFITS

### Pension plan

Employees of the Centre participate in the Public Service Superannuation Fund [the “Plan”], a contributory defined benefit pension plan administered by the Public Service Superannuation Plan Trustee Inc, which provides pension benefits based on length of service and earnings. Contributions to the Plan are required by both the employees and the employer. Total employer contributions for year ended March 31, 2014 were \$168,932 [2013 – \$150,243] and are recognized as an expense during the year. The Centre is not responsible for any under-funded liability, nor does the Centre have any access to any surplus that may arise in this Plan.



### Long-term service awards

Upon retirement, employees are eligible for a public service award equal to one week's salary per year of service to a maximum of six month's salary. The liability is recorded in the financial statements of Trade Centre Limited and a portion of the changes in the benefit is allocated to the Centre. During the year the Centre expensed \$34,302 [2013 – \$24,000] relating to long-term service awards, which is included in salaries and administration expense in the statement of operations and accumulated surplus.

## 4. RELATED PARTY TRANSACTIONS

The Centre had the following transactions with the government and other government controlled organizations:

	2014 \$	2013 \$
Energy recoveries received from Trade Centre Limited <sup>[1]</sup>	490,941	494,790
Payroll recoveries paid to Trade Centre Limited <sup>[2]</sup>	2,315,835	2,119,363
Commissions received from Trade Centre Limited <sup>[3]</sup>	85,485	108,740
Transfers to (from) Halifax Regional Municipality <sup>[4]</sup>	(65,567)	568,597
Interest revenue from Halifax Regional Municipality <sup>[5]</sup>	15,244	14,020

<sup>[1]</sup> Consists of electricity and fuel expense on the shared facility.

<sup>[2]</sup> Payroll of the Centre is paid by Trade Centre Limited and is then reimbursed by the Centre.

<sup>[3]</sup> Included in revenue are commissions paid to the Centre by Trade Centre Limited for commissions earned on ticket sales purchased through Ticket Atlantic, a division of Trade Centre Limited.

<sup>[4]</sup> The Centre does not maintain each year's surplus, as it is transferred to the Halifax Regional Municipality; in addition, transfers include payment for services rendered by HRM and payment for capital item owned by HRM for use by HMC.

<sup>[5]</sup> Consists of interest earned on cash deposits held on behalf of the Centre by the Halifax Regional Municipality as part of their banking pool arrangement with the bank.

Trade Centre Limited is related by virtue of common management and the Board of Directors. Halifax Regional Municipality is related as the Centre is operated on its behalf and for its benefit.

The amounts due to/from related parties are without payment terms and are non-interest bearing.

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.

## 5. FINANCIAL INSTRUMENTS

The Centre'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, due from Halifax Regional Municipality, and accounts receivable. Financial liabilities consist of the Centre's accounts payable and accrued liabilities, due to Halifax Regional Municipality, and due to Trade Centre Limited. The carrying value of the Centre's financial instruments approximates their fair value.

The Centre's management recognizes the importance of managing significant risks and this includes 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 Centre include liquidity risk, capital risk, and credit risk.

### **Liquidity risk**

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

### **Capital risk**

The main objective of the Centre is to promote, manage, develop, and administer the facility on behalf of the Halifax Regional Municipality. The Centre does not maintain any permanent capital as each year's surplus is transferred to the Halifax Regional Municipality.

### **Credit risk**

The Centre's assets are 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 Centre undertakes credit checks to ensure the credit worthiness of its customers prior to entering into any rental agreements or other contracts.

## 6. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Trade Centre Limited Board of Directors.





## HALIFAX METRO CENTRE

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