



2013/14 Annual Report

Trade Centre Limited

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A Message from the Minister

Conferences and events play an important role in shaping Nova Scotia's economy. With every event comes the opportunity to highlight our province's strengths and extend the benefits of hosting across the province.

The new Halifax Convention Centre will provide significant opportunities for economic, tourism and revenue growth for Nova Scotia as a whole. Through conferences and other major events, the Centre will bring new visitors, many of whom will come before their conference or stay after to explore communities across Nova Scotia.

Earlier this year, the Halifax Convention Centre Act was introduced to create a new public sector entity that will manage and operate the new convention centre. The provincial government and Halifax Regional Municipality (HRM) will jointly appoint a new board of directors who will set the strategic direction for the new corporation and Trade Centre Limited (TCL) staff and management will transfer to the new entity. This governance structure will ensure the Centre is managed in a way that will promote and foster economic development, tourism and industry in Nova Scotia.

With progress on the development well underway, the Province of Nova Scotia will continue to collaborate with TCL and HRM to ensure we make most of the opportunities the convention centre will bring. We look forward to welcoming thousands of new visitors when it opens in 2016 and showcasing all that Nova Scotia has to offer.



Michel P. Samson

Minister of Economic and Rural Development and Tourism



A Message from the CEO

This year was a turning point for us. Years of planning culminated with several significant achievements and our vision for a new convention centre became a reality.

With construction and design well underway, over 18 national and international conferences have already chosen the new Halifax Convention Centre to host their events in 2016 and beyond. Like us, these organizations recognize the unique qualities of our city, province and people. They want their delegates to share in that special experience and take a piece of Nova Scotia home with them.

We know they will leave a lasting impression on us as well.

Imagine 1,000 female barbershop singers arriving in our airport, eating in our restaurants and travelling throughout our province when they arrive for Harmony Inc.'s international conference in 2017.

Or when 2,300 representatives from communities across Canada meet in our facility for the Federation of Canadian Municipalities in 2018 to share ideas that will enhance the lives of their citizens. Think about the opportunity to highlight our local strengths and showcase our community to the rest of the world.

Picture our local research community in 2018 when thousands of leaders in science, technology, engineering and mathematics (STEM) join us for STEMfest. These visitors will connect with our students and researchers, learn from our experts and see first-hand the amazing work being done here in Nova Scotia.

And that's just the beginning.

Our partners are engaged and using their networks to help attract the best and brightest to our new Centre. We've

launched a fresh, engaging new brand that speaks to our clients and community and aligns with the future direction of our city and province. Our government partners announced the new Halifax Convention Centre Corporation and clearly stated TCL's mandate to manage and operate the new facility.

In the next two years, we'll open the doors to our new convention centre and welcome thousands of new visitors to our province. With the foundation built and the direction clear, we're now focused on getting ready to operate our new facility. We'll be growing our team and enhancing our processes to ensure we can continue to deliver the same world-class customer service on which we've built our reputation.

We know opportunities lie beyond the four walls of our new facility. Each time a conference comes to town, we're welcoming hundreds of new visitors to our city. They want to explore their surroundings, taste local food and wine, experience our breathtaking scenery, shop in our stores and breathe in our ocean air. They are waiting for us to present them with a true Nova Scotia experience; the opportunities are ours for the taking.

Two years isn't a lot of time; the countdown is on. Let's get ready to host the world in 2016.



Scott Ferguson

President & CEO



HALIFAX CONVENTION CENTRE

Management Team

Scott Ferguson

President & CEO

Dawn Baldwin

Director, Sales

Paula Brown

Corporate Secretary/Executive Assistant

Carrie Cussons

Chief Financial Officer & Corporate Services

Peggy Dooley

General Manager, Ticket Atlantic

Suzanne Fougere

Director, Marketing & Communications

Robert Kanchuk

Senior Manager, Property Services

Robert Logan

Director, Business Partnerships

Ralph Williams

Director, Operations

Excitement
isn't all we're
building ▶



Introducing the Halifax Convention Centre

Where it all comes together.

We have many reasons to celebrate the new convention centre this year. The building is well under construction, and the new convention centre is coming to life in more ways than one.

The Centre now officially has a name—the Halifax Convention Centre—which was chosen for its destination appeal, a theme heard consistently in consultation with event planners and our clients.

And it has a bright, colourful brand—a circle icon that visually depicts the connections, collaboration, and community unique to hosting an event in Nova Scotia.

It's bold, simple and fun. We designed it that way for a reason: it perfectly reflects how we feel about the work we do. The key to the event business is to not over-complicate it. Bring together the right people, build the connections, and results happen.

In January, together with our provincial and municipal partners, we revealed our new brand and the very exciting news that 16 organizations had already committed to bringing their national and international conferences to the new centre when it opens in 2016.

That translates into 12,000 new visitors and an estimated \$18.1 million in new money to the province. And the list of new business keeps growing.

We've known all along that Halifax has what it takes to be a world leader in the convention business. Clearly all three levels of government agree. And based on the list of new business, so does the rest of the world.

- Canadian Respiratory Conference, April 2016, 650 delegates
- Canada's Venture Capital & Private Equity Association, May 2016, 600 delegates
- Canadian Library Association, May 2016, 1,500 delegates
- Canadian Orthopaedic Association, June 2016, 600 delegates
- ARMA International, June 2016, 375 delegates
- Canadian Society for Chemistry, June 2016, 1,000 delegates
- International Training Conference, July 2016, 600 delegates
- Catholic Women's League of Canada, August 2016, 800 delegates
- Harmony Inc., November 2017, 1,000 delegates
- Federation of Canadian Municipalities, June 2018, 2,300 delegates
- STEMfest, 2018, four conferences, 1,450 delegates
- Canadian Urological Association, June 2018, 600 delegates
- Co-operative Housing Federation of Canada, May 2020, 850 delegates

STEMfest

One of those conventions is the 2018 International STEM Festival (STEMfest). This two-week “festival of conferences” is expected to attract the world’s experts in the STEM disciplines of science, technology, engineering, and mathematics from up to 20 countries.

“Nova Scotia is home to some of the world’s leading academic research in the areas of science, technology, engineering and mathematics,” says David Goncalves, executive director of STEM States Incorporated, the organization that manages STEMfest. The STEMfest 2018 program will bring an exciting range of world-class, science-themed events and will foster exchanges between academics, educators, students and the community, he adds.

Nova Scotia’s academic and research community is already excited. “This is a significant opportunity for our students, faculty and researchers,” says Martha Crago, vice-president of research at Dalhousie University. And Acadia University president Ray Ivany says events like STEMfest provide Nova Scotia the opportunity to demonstrate its leading-edge academic institutions and research facilities to the world.

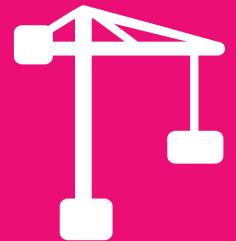
“We were incredibly pleased to hear that the Halifax Convention Centre secured STEMfest,” says Ulrike Bahr-Gedalia, president and CEO, Digital Nova Scotia. “Our province has the highest number of ICT graduates per capita in Canada and a growing \$2.5 billion digital economy. STEMfest 2018 provides a unique opportunity for Digital Nova Scotia and the industry we represent to showcase the immense amount of diverse talent here and our digital sector’s highly competitive landscape.”

“It will also provide Digital Nova Scotia with opportunities to promote our advocacy initiatives, including the attraction of youth to our sector and increasing diversity within it, to a global audience.” ●



David Goncalves, executive director, STEM States Incorporated

Learn more
about STEMfest ▶



Centre of Excellence

The Power of Partnerships

Finding, bidding on, and winning the conferences that attract investment to Nova Scotia is a task for a large team, and they don't all work here.

Our partners are broad, crossing many sectors. They include the researchers, innovators, and business people who are proud of what's being done in our province. We may know how to attract and host an event, but they are the experts who can ensure we generate the greatest opportunities possible for our province.

Two examples of those partnerships are the Halifax International Airport Authority, and the Biomedical Translational Imaging Centre:

Halifax International Airport Authority (HIAA)

HIAA is a natural partner for us because we have similar missions: to create prosperity for the region by connecting Atlantic Canada to the world.

"Every conference that comes to Halifax is a win for tourism and trade," says Joyce Carter, president and CEO, HIAA. And those impacts are measurable.

"Our latest economic report (from a study done in 2011) showed that those who come to Nova Scotia via air for a convention and tourism spend almost 50 percent more

than those who travel by other means," says Carter. She also adds that visitors who arrive as delegates often add days to their stay, or return another time as a tourist, enhancing that impact.

Another way HIAA partners with us is by showcasing the convention centre to their industry. "We are often out at various venues around the globe talking about Nova Scotia," says Carter. "We show them everything Nova Scotia has to offer in terms of business development, tourism and infrastructure."

She's excited about the new opportunities the Halifax Convention Centre will bring because Halifax will finally be able to host the large conventions we couldn't have handled in the past. "It's a big opportunity for the air service industry," says Carter, who says they are working to provide either non-stop or one-stop service to many regions that convention visitors come from.

But the other spinoff is trade. She points to a recent Financial Post article (<http://business.financialpost.com/2014/04/16/trade-tracks-air-travel/>) that states that a one percent increase in flights is associated with a 0.88 percent increase in trade.

"That's the real benefit of additional flights to the region," says Carter.

Biomag 2014

Approximately 500 delegates from 30 countries will join us in Halifax for the 19th International Conference on Biomagnetism (Biomag) in August 2014.

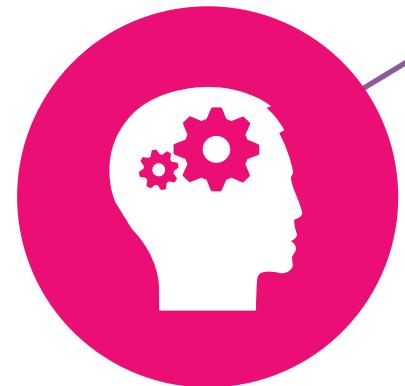
Our team worked closely with the local organizing committee to bid on and successfully attract Biomag 2014 to Halifax. Halifax is one of only four Canadian cities to have the advanced technology, called MEG, that maps the activity of the brain through magnetic fields. This information is being used to help victims of stroke, people with epilepsy, concussion, neurodegeneration and more.

“The thing that attracts these researchers to Halifax is that we are ultimately focused on translating research technologies into products that can be sold to hospitals. It’s very practical. It’s research that gets commercial partners,” says Dr. Steven Beyea of the Biomedical Translational Imaging Centre (BIOTIC), a shared resource of Capital Health and the IWK Health Centre.

“One of the platinum sponsors of the event is Elekta, the company that developed Halifax’s MEG instrument,” he continues. “We are doing research together to create new technologies that they can commercialize and take to market. This conference is an opportunity for the scientific community—and for economic impact.”



Halifax is one of four Canadian cities to have MEG technology.



Leveraging Our Academic Community

We have to thank the universities, research institutes, and business innovators we partner with in this province. In many ways, they make our work easy. They are already building national and international reputations—and that gives Nova Scotia a distinct advantage when it comes to attracting major events.

But hosting an exciting event is just the beginning as far as we're concerned. It's the connections made during these events that result in new opportunities, advances, and investment that make the conference a success.

Let's take a look at some of those partnerships and events that are creating new opportunities in Nova Scotia right now.

BioMarine 2013

In September 2013, the National Research Council of Canada hosted the 4th edition of the BioMarine Business Convention. Representatives from 200 companies and organizations from over 20 countries met in Halifax. This was the first time the event had been held in North America.

What makes BioMarine truly unique is its focus on economic development. Its purpose is to bring together finance, research, and industry to strengthen their existing partnerships and build new opportunities. Industries represented included marine ingredients, marine cosmetics, marine nutraceuticals, marine bio energy, clean tech companies, and more.

“Bringing national and international conferences to Nova Scotia provides the perfect platform to showcase our homegrown expertise, innovations, and products on the world stage,” said Denise LeBlanc, general manager for the National Research Council's Aquatic and Crop Resource Development Portfolio. “BioMarine 2013 allowed us and several others the opportunity to do just that.”

ArcticNet 2013

In December 2013, about 480 Arctic researchers and stakeholders from across Canada gathered in Halifax for the 9th Annual Scientific Meeting to share research on topics ranging from housing and education to permafrost and caribou.

Dr. Martin Fortier, executive director of ArcticNet, points out that considerable work is happening in Nova Scotia to advance scientific understanding of the Arctic. “There are exceptional researchers and organizations working in the ocean sciences and technology industry based here in Nova Scotia,” says Fortier. “They are valued partners and contributors in the study of the changing coastal Canadian Arctic.”

One of the goals of the conference was to connect delegates and the Arctic science community with local organizations, academic institutions, and industry. Our team worked with ArcticNet to accomplish this goal by organizing an information session for members of the Halifax business community. ●



Martin Vincent, scientific director, Centre d'Etudes Nordiques, speaks during ArcticNet 2013.



A closer look
at ArcticNet ▶



Community Vibrancy

The Ripple Effect

One of the things we love about the work we do is the way an event ripples out through our community and touches so many—whether they attended the event or not.

If you're downtown any night when there's a game or an event at the Halifax Metro Centre, you can feel the buzz through the city. People are sharing the excitement of the event—and the restaurants, bars, and businesses are sharing the benefits, too.

The ripples from a convention roll out even further. Tourism operators all across the province will tell you they know when a major event is happening in Halifax because when visitors come this far for work, they make sure they build in a little extra time for play. Nova Scotia's wineries, golf courses, and charming small towns are perfect for pre- or post-convention fun.

Those ripples can be directly measured in receipts, jobs, and sales.

But there are other effects that are a little more intangible, and every bit as important. Like the feeling of pride that's generated among Nova Scotians when they see how much the world loves coming to our province. Like the feeling of community that's created when strangers who share an interest or passion connect and become friends. (Some of them even become business partners.) Like that good feeling about Nova Scotia that gets spread around the globe when our visitors go home.

That's what event hosting means to us. Whether it's a Halifax Mooseheads game that gets us all into the downtown to cheer on our team, an international convention that connects our people to the world, or the Maritime Fall Fair that builds bridges between our urban and rural populations. All these connections and ripples make our communities more vibrant. ●



2013 Halifax Mooseheads FanFest, Grand Parade.

IMPACTING THE COMMUNITY THROUGH EVENTS

HALIFAX METRO CENTRE
MEMORY CONTEST
35 WINNERS



**2013 SALTSCAPES
EAST COAST EXPO**
420+ EXHIBITORS
APPROXIMATELY 43% FROM NOVA SCOTIA

UNITED WAY 
\$19K+ RAISED BY TCL STAFF



PANTS OFF
FOR PROSTATE CANCER
\$30K RAISED

TORONTO RAPTORS INTRA-SQUAD GAME
\$46K RAISED
FOR 4 LOCAL CHARITIES



WE DAY
ATLANTIC CANADA

8,000

ATTENDEES

600+

VOLUNTEERS

240

PARTICIPATING
SCHOOLS



Connecting People Through Events

World Trade and Convention Centre

In 2013-14, WTCC hosted 17 national and international events bringing together professionals from around the world to form new partnerships and explore new ideas.

Highlights included:

- Canadian Association of Chain Drug Stores (460 delegates)
- Canadian Federation of Music Teachers' Associations (300 delegates)
- Canadian Association of Critical Care Nurses (400 delegates)
- Building Owners and Managers Association of Canada (350 delegates)
- AFOA Canada (840 delegates)
- ArcticNet (480 delegates)
- 4th BioMarine Business Convention (295 delegates)

Exhibition Park

Exhibition Park hosted over 145,000 people at over 75 events in 2013-14.

The diverse lineup of events included:

- Nova Scotia Spring Ideal Home Show (April 2013)
- ApEx (April 2013)
- Saltscapes East Coast Expo (April 2013)
- 50+ EXPO 2013 (June 2013)
- Maritime Fall Fair (October 2013)
- Nova Scotia Ideal Fall Home Show & Ideal Pet Show (October 2013)
- Sport Nova Scotia - Milk Sports Fair (November 2013)
- Tots to Teens Expo (November 2013)
- Christmas Craft Village & The Guy Show 2013 (November 2013)
- Halifax RV Show 2014 (January 2014)
- Little Ray's Reptile Zoo Inc. (February 2014)
- Halifax International Boat Show (February 2014)
- Motorcycle & Powersport Atlantic (March 2014)
- Nova Scotia Spring Ideal Home Show (March 2014)
- Atlantic Outdoor Sports and RV Show (March 2014)



Motorcycle & Powersport Atlantic

Halifax Metro Centre

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 Championship
- 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



Toronto Raptors Intra-squad Game



Halifax Moosehead President Cup win

Watch We Day highlights ▶



Looking to the Future

There's something in the air in Nova Scotia these days. It's a renewed appreciation for the power of collaboration.

We certainly feel it from the community towards the new convention centre. Community groups and businesses are all seeing the possibilities of what can happen when we pull together for the betterment not just of our individual interests, but of the whole province itself.

Our success has always been built on collaborating with our partners to build the right event that will connect them and others in our province with the maximum opportunities.

Now that the Halifax Convention Centre is that much closer to becoming a reality, we're looking forward to being able to host more events—events that will bring tens of thousands of people from every corner of the world to Nova Scotia.

We're sure they'll be impressed with the new facilities and the amazing work being done here in Nova Scotia. And we know they're going to love the people they'll meet while strolling our downtown or visiting other parts of our province. There's a warmth and genuine spirit to Nova Scotians that can't be found anywhere else. Our delegates say so all the time.

Yes, many changes are coming in the days ahead, but one thing will never change: Our business has always been—and always will be—based on people. Whether it's an international conference, or a hockey game, or a concert, our work is about bringing people together and sparking connections. It's that simple. ●



Artist rendering of the new Halifax Convention Centre.

Business Overview

Year Ended March 31, 2014

Trade Centre Limited Five Year Highlights	2013/14	2012/13	2011/12 ⁽²⁾	2010/11 ⁽¹⁾	2009/10
Trade Centre Limited					
Revenues	\$12,729,077	\$13,731,000	\$14,481,398	\$19,035,673	\$13,611,543
Income (loss) Before Depreciation	\$(772,303)	\$120,060	\$290,237	\$4,508,872	\$(622,558)
Convention Centre & Exhibition Park					
Revenues	\$8,939,372	\$9,155,646	\$9,572,536	\$9,470,968	\$7,605,374
Attendance	248,510	250,863	209,724	230,997	228,421
Events	755	807	738	713	641
Office Tower					
Rental Revenues	\$2,524,682	\$2,690,118	\$2,679,213	\$2,702,839	\$2,628,211
Average Occupancy	90.0%	100.0%	100.0%	100.0%	100.0%
Ticket Atlantic					
Revenues	\$1,243,991	\$1,262,867	\$1,406,659	\$1,124,319	\$1,597,063
Number of On-Sale Events	497	562	472	492	401
Halifax Metro Centre ⁽³⁾					
Five Year Highlights					
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 ⁽⁴⁾	521,352	585,620	429,126	392,901	494,593
Events ⁽⁴⁾	127	121	128	126	121
Economic Impact					
Five Year Highlights					
Direct Visitor Expenditures	\$98.4	\$100.9	\$100.0	\$72.2	\$73.0
Incremental Visitor Expenditures	\$64.6	\$68.0	\$75.5	\$46.0	\$43.8
Employment (person years) ⁽⁵⁾	1,816	2,078	1,737	1,211	1,392
Additions to Household Incomes ⁽⁵⁾	\$55.8	\$68.8	\$59.2	\$41.3	\$41.6
Provincial Government Revenues (taxes) ⁽⁵⁾	\$5.9	\$7.3	\$6.1	\$4.2	\$4.9

Note (1): TCL's 2010-11 audited financial results reflect a one-time grant of \$4.8 million from Economic and Rural Development and Tourism to address accumulated operating losses dating to fiscal 2004-05. The normalized operating loss for TCL before depreciation was \$130,748.

Note (2): 2011/12 has been restated due to the receipt in that year of a grant of \$322,572 from Transportation and Infrastructure Renewal to address upgrades to high efficiency LED lighting.

Note (3): Audited financial statements for the Halifax Metro Centre are not reflected in this report. Halifax Metro Centre is a facility owned by HRM and operated by TCL under a management agreement. All operating income or losses generated accrue to the municipality, and all capital improvements are funded by the municipality. Audited financial statements can be viewed at <http://www.tradecentrelimited.com/en/home/abouttcl/corporatepolicies/auditedfinancialstatements.aspx>

Note (4): Does not include consumer/trade show attendance and non-paid admission events. 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.

Note (5): Of the total impacts listed, 27 percent of Halifax Metro Centre attendee impacts are considered incremental. For more details, visit <http://www.halifaxmetrocentre.com/en/home/abouthmc/Annual-Reports.aspx>.



Management Discussion & Analysis

This review of TCL's business activity for the period of April 1, 2013 to March 31, 2014 provides management's perspective of TCL's 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.

While the annual business plan gives direction on yearly priorities, TCL's corporate mandate provides a long-term strategic view that guides the organization. As a provincial Crown corporation reporting to the Minister of Economic and Rural Development and Tourism, TCL plays a vital role in supporting the goals and priorities of the Province of Nova Scotia by creating economic and community benefits by bringing people together in Halifax and Nova Scotia.

PLANNING AND OPERATING CONTEXT¹

TCL operates a diversified model that combines major event and convention bidding and hosting and associated opportunities that contribute to the economic and community development of Nova Scotia. TCL's vertically aligned business areas include: the World Trade and Convention Centre (WTCC); Ticket Atlantic; Exhibition Park; and the Halifax Metro Centre, which is owned by Halifax Regional Municipality (HRM) and operated by TCL. TCL retains the World Trade Centre Association licence and is an active member of the global network of World Trade Centres. Full reporting of Halifax Metro Centre's business performance against plan can be found here: <http://www.halifaxmetrocentre.com/en/home/abouthmc/Annual-Reports.aspx>

TCL is focused on attracting the meetings, conventions, entertainment, and sporting events that will create new opportunities for Nova Scotia. Our long-term vision is to position Halifax and Nova Scotia as Canada's East Coast event destination on the global stage.

Four strategic goals guide annual business planning for TCL. These include:

1. GROWTH:

Create greater economic impacts by growing current business and developing new markets.

2. COMMUNITY PARTNERSHIPS:

Build committed partnerships within the community, government and business.

¹ As of April 1, 2013 responsibility for Events Nova Scotia transferred from TCL to the Nova Scotia Tourism Agency. Trade activity through World Trade Centre Atlantic Canada (WTCAC) transferred to Nova Scotia Business Inc. TCL retains the World Trade Centre Association licence and continues its membership in the global network of 300 World Trade Centres in 85 countries to facilitate event hosting opportunities.

3. PEOPLE:

Through innovative management approaches, attract and engage a committed and motivated workforce to support future growth of the business.

4. INFRASTRUCTURE:

In partnership with government and other stakeholders, lead the planning and development of the infrastructure necessary to host major national and international events.

FINANCIAL PERFORMANCE/ GROWTH

TCL focuses on attracting events that generate the most significant economic return for Nova Scotia, primarily events that draw international and national audiences and visitors. TCL's event-driven business depends on the number of attendees and level of attendee spending, which drives revenues, expenses and economic return. TCL continues to make efforts to minimize operating losses, with a long-term goal to achieve a sustainable combined break-even operating position.

Economic Impact Performance

Economic impact measures the benefit of new money being spent in the Nova Scotia economy as a result of events hosted at the facilities operated by TCL. TCL measures economic impact on an annual basis, compiling delegate, attendee, exhibitor and event planner spending by event category and facility.

In 2013-14, TCL hosted a total of 865 events across its three facilities as compared to 924 events in 2012-13. Total event attendance was 769,862, a decrease of 66,621 when compared to 836,483 attendees last year. Total direct expenditures resulting



865
EVENTS



from events hosted in 2013-14 were \$98.4 million, as compared to \$100.9 million the prior year.

These direct expenditures resulted in \$64.6 million in incremental expenditures, 1,816 person years of employment (1,329 direct, 487 spinoff), \$5.9 million in provincial government tax revenues (\$3.4 million direct, \$2.5 million spinoff) and \$55.8 million in additions to household income (\$32.7 million direct, \$23.1 million spinoff). These results do not include the impact of direct spending by TCL. Of the economic impacts listed, 27 percent of the Halifax Metro Centre attendee portion is considered incremental.

Economic impacts are primarily driven by the mix of events hosted, the number of attendees and attendee origin. The slight decrease in economic impacts for 2013-14 is attributed to fewer total events hosted at WTCC and Halifax Metro Centre. As the mix of event business is variable from year to year, these results remain reflective of a strong year of event attraction and hosting. Without a sustained increase or decrease in events or attendance over time these results should not be considered predictive of a future trend.

TCL Financial Performance

2013-14 audited annual deficit before amortization of tangible capital assets for TCL was \$772,303 with an annual deficit after amortization of tangible capital assets of \$3.3 million. The 2013-14 annual deficit before amortization of tangible capital assets of \$772,303 as compared to the budgeted break-even is a result of higher salary, energy, and property taxes, combined with lower-than-budgeted WTCC and Office Tower revenues. The 2013-14 annual loss after amortization of tangible capital assets of \$3.3 million compares to the budgeted deficit of \$2.55 million while exceeding the annual deficit of \$2.36 million in 2012-13.

Operating revenues, not including government transfers for the year, were \$11.2 million, which was \$480,000 under target and down almost \$975,000 from last year's operating revenues. WTCC revenue accounted for \$5.8 million of total revenues, down \$275,000 compared to the prior year and below budget by \$338,000 due to a less active local and regional event roster than anticipated. The Office Tower and Exhibition Park delivered revenues of \$2.5 million and \$1.6 million respectively. Exhibition Park revenues were relatively consistent with budget and prior year. Office Tower revenue was down \$153,000 compared to budget due to unexpected provincial tenant vacancies. Ticket Atlantic revenue was \$1.2 million, which was on budget and consistent with last year. Effective April 1, 2013 the organization transitioned the operations of World Trade Centre Atlantic Canada and Events Nova Scotia (TCL Major Events) to other government agencies, having had combined revenue of \$600,000 in 2012-13.

Government transfers in the form of grants were received and recorded in revenue in 2013-14 totaling \$1,559,533 as follows: 1) annual contribution by HRM to the operating deficit of the existing WTCC of \$619,533; 2) investment of \$640,000 from HRM and \$300,000 from Economic and Rural Development and Tourism to support marketing and sales activities for the new Halifax Convention Centre. During the year, TCL began marketing and sales activities for the new facility under the direction of the Province of Nova Scotia and HRM. Expenditures of \$980,160 (budget \$300,000; 2012-13 \$487,000) for these activities were funded from the above-noted government grants and are included in the TCL expenses in its statement of operations.

Operating expenses for the year were \$13.5 million, over budget by \$977,000 and down \$110,000 from the previous year. Event expenses of \$5.4 million were consistent with budget and as a percentage of revenues were at 42.5

percent, down 0.7 percent from prior year and 0.8 percent from budget of 43.3 percent. Non-event expenses which include salaries, administration, sales and marketing, and building operating expenses of \$8.1 million (2012-13 \$7.7 million) were up almost \$1.0 million over budget. Most of the variance was due to marketing and sales activities associated with the new convention centre which were expanded from the original budget by \$640,000 to reflect HRM's funding contribution. Higher-than-expected salary and benefit costs, property tax, and energy costs resulted in the remaining variance.

Amortization of tangible capital assets for the year was \$2.5 million, below budget by \$28,000 and up \$39,000 over last year.

Halifax Metro Centre Financial Performance

TCL operates the Halifax Metro Centre on behalf of HRM, which owns the facility and accrues all operating income generated. 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.

\$98.4
MILLION
DIRECT EXPENDITURES



BUSINESS GROWTH

National and International Conference Attraction & Hosting

National association convention attraction and hosting in 2013-14 for the current WTCC was stable with previous years with a total of 12 national association events. Highlights include: Canadian Federation of Music Teachers' Association (300 delegates); Canadian Association of Chain Drug Stores (460 delegates); Canadian Association of Critical Care Nurses (400 delegates); AFOA Canada (840 delegates); Building Owners and Managers Association of Canada (350 delegates); and ArcticNet (480 delegates). In addition, four national corporate events were also hosted during the year.

International conference attraction and hosting was slightly down as compared to the previous year, with one major international event in 2013-14, the BioMarine Business Convention (295 delegates), as compared to three in the previous year.

New Convention Centre Sales & Marketing

A primary focus during the year for TCL was the sales and marketing efforts for the new convention centre. With final sales and marketing strategies in place, sales activity targeted new business in the national association, national corporate and international markets.

Consistent with plan, the new Halifax Convention Centre brand was launched locally and nationally. Following extensive client research and a best practices review in the previous year, the brand was reflective of client feedback about the destination and their impressions of Halifax and Nova Scotia as a conference destination.

At year end, a total of 18 national and international events and 13,125 delegates were secured as the result of sales efforts during the year against a target of 29 events and 15,200 delegates respectively. One-hundred percent of the international market event and delegate target was achieved; 85 percent of the event target and 135 percent of the delegate target was achieved for the national association market. National corporate clients deferred decisions during the year as the final announcement of a hotel partner was pending.

At year end, secured events for the new convention centre included:

- Canadian Respiratory Conference (650 delegates)
- Canada's Venture Capital and Private Equity Association (600 delegates)
- Canadian Library Association (1,500 delegates)
- Canadian Orthopaedic Association (600 delegates)
- ARMA International (375 delegates)
- Canadian Society for Chemistry (1,000 delegates)
- International Training Conference (600 delegates)
- Catholic Women's League of Canada (800 delegates)
- Harmony Inc. (1,000 delegates)
- Federation of Canadian Municipalities (2,300 delegates)
- STEMfest - STEMCon (500 delegates)
 - World Conference on Safety in Science, Industry and Education (400 delegates)
 - International Conference on Power Control and Optimisation (250 delegates)
 - Lean Engineering and Production Conference (300 delegates)
- Canadian Urological Association (600 delegates)
- Co-operative Housing Federation of Canada (850 delegates)
- Canadian Association of Fire Chiefs (300 delegates)
- Canadian Association of Medical Radiation Technologists (500 delegates)

Ticket Atlantic

With a continued focus on enhancing our core service offerings and improving customer access and experience, Ticket Atlantic focused activities on key partnerships and services.

Ticket Atlantic was the exclusive ticket provider for the 2013 Antigonish Highland Games and also renewed exclusive contracts with Casino Nova Scotia, St. FX University, Cunard Centre, Theatre Arts Guild, Scotia Speedworld and the Halifax ComedyFest. In addition, long-standing partnerships with the Halifax Mooseheads and the Royal Nova Scotia International Tattoo continued during the year, with five same-day sell outs of Mooseheads playoff games.

In addition to key partnerships, Ticket Atlantic also undertook technology enhancements to improve the online ticket purchase experience. This included the implementation of Pick Your Own Seat interactive maps for the Halifax Mooseheads and Royal Nova Scotia International Tattoo; the implementation of an online application for playoff and season ticket renewals; and the planning and development of an approach to implement full-service mobile ticketing.



13,125
SECURED
DELEGATES FOR
HALIFAX CONVENTION CENTRE



PARTNERSHIPS/ STAKEHOLDERS

Alignment with Industry, Community, & Government Partners

As the construction of the new Halifax Convention Centre progresses, our partnership strategy continues to focus on aligning activities with a diverse group of stakeholders that have a shared interest in the project's overall success and resulting benefits. Continuing with activities from the previous year, the partnership strategy focused on education, awareness, benefits optimization and event lead generation.

A key focus of the partnership program is lead generation in support of new business development for the national and international markets. Through our sector relationship program, we continue to work closely with university partners, research institutions and government agencies to identify international and national conference opportunities that align with our province's key economic sectors with a particular focus on ocean technology, life sciences and medical research. During the year, we met with over 150 academic leads at key academic institutions to better understand research priorities and alignment with conference attraction. Ten of the event bids prepared during the year aligned with the expertise and research focuses of local universities.

International sales efforts were also supported by key partnerships with the Canadian Tourism Commission, Love That Destination, the Global Research and Intelligence Network, Destination Halifax and the Aberdeen Exhibition and Conference Centre, which has agreed to an active international lead-trading relationship as a sister city.

Working with leading Nova Scotia organizations, TCL also moved to the next phase of the partnership strategy with one formalized agreement established with the Entrepreneurs' Organization and agreements in development with Digital Nova Scotia and the Halifax International Airport Authority. In addition, TCL initiated work with its tourism partners – the Nova Scotia Tourism Agency, Destination Halifax and the Tourism Industry Association of Nova Scotia—to develop an attendance enhancement and pre- and post-conference tourism strategy that maximizes the tourism benefits of the new convention centre. These partnership activities, and ongoing collaboration efforts, focus on generating overall economic growth for Halifax and Nova Scotia through joint initiatives and programs.

PEOPLE

Employee Engagement Survey

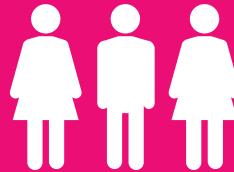
In 2013-14, activities focused on reinforcing our culture, which is rooted in customer service excellence. The primary activity in this area was the second phase of a comprehensive employee engagement survey program administered across the organization, completed in fall 2013. The primary objective of 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.

Full survey results were shared with all TCL staff, leading to the establishment of a cross-departmental employee engagement committee to review the survey results, identify key themes and develop an action plan that would address priority areas.

New Convention Centre People Readiness

A key part of preparing to operate the new convention centre is supporting staff through the organizational transition. TCL completed the development of its multi-year operational readiness program for submission to the project shareholders, Province of Nova Scotia and HRM, for input and discussion. With an emphasis on internal communications and change management, the program will help prepare staff and management for the pending organizational changes while ensuring the standard for customer service excellence is maintained.

WE MET WITH
150
LEADS AT KEY
ACADEMIC
INSTITUTIONS



INFRASTRUCTURE

New Convention Centre Design & Operations

With the progress on sub-grade construction activities, the new convention centre design actively moved forward during the year. TCL continued in its advisory role to the Province of Nova Scotia and HRM in planning for the new convention centre. TCL participated in the collaborative facility design planning process with the Department of Transportation and Infrastructure Renewal, HRM and Rank Inc., with a particular focus on functional and operational design fit and best practices.

In preparing to operate the new convention centre, TCL also completed the development of its multi-year operational readiness program, which focuses on operational preparedness in the areas of technology and process improvements that will ensure efficient operations and a superior standard of event management. A key focus of the program is to ensure continued operational excellence in a larger facility with more complex event programming requirements.

Halifax Metro Centre 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. 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 contract with Scotiabank.

GOVERNANCE

Improving Governance & Controls

Continuing with practices from prior years, TCL reviewed and implemented improvements to controls as well as corporate and operational processes where necessary.

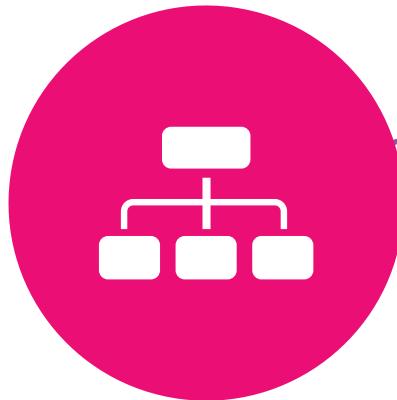
In October 2012, the Province of Nova Scotia Auditor General provided a series of recommendations to TCL aimed to improve controls of the organization. To date, 15 of the 19 recommendations have been addressed, with the remaining four long-term recommendations to be completed by fall of 2014. During the year, management and representatives of TCL's Board of Directors met with the Provincial Auditor General's office to provide an update on the overall status of the recommendations and key activities.

In September 2013, Halifax Regional Council approved the final interim service agreement for the delivery of management services by TCL for the Halifax Metro Centre. Under the agreement, active collaboration between senior HRM and TCL staff on key business priorities was ongoing throughout the year. TCL complied with routine monthly and quarterly reporting requirements to HRM, including annual accountability reporting and joint annual budget and business planning.

With the business emphasis on the new convention centre, the Province of Nova Scotia and HRM established a joint Marketing and Sales Steering Committee that meets regularly. TCL reports to this committee on all sales, marketing and communications activities, including budget updates, related to the project. This structure ensures oversight by the project shareholders into TCL activities and key business decisions related to the success of the new convention centre.

Organizational Structure & Transition

Discussions continued during the year between the Province of Nova Scotia and HRM on the best approach to the management and operations of the new convention centre. Following year end, on April 23, 2014, the Province introduced the Halifax Convention Centre Act, which requires the two levels of government to jointly appoint a board of directors and allows for the transition of TCL staff to the new entity. With the legislation pending proclamation, TCL is awaiting further direction on next steps in the organization's transition to the new operating structure.



Financial Statements

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 statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedule A, 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 auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to management of Trade Centre Limited 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
Trade Centre Limited

We have audited the accompanying financial statements of **Trade Centre Limited**, 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

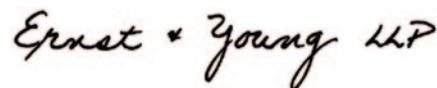
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable 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 **Trade Centre Limited** as at March 31, 2014, and the results of its operations, changes in net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Accountants

Halifax, Canada,
June 25, 2014.

STATEMENT OF FINANCIAL POSITION

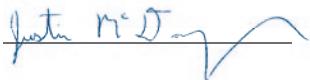
As at March 31

	2014 \$	2013 \$
FINANCIAL ASSETS		
Cash	958,800	1,844,013
Restricted cash	2,262,837	3,056,646
Accounts receivable	1,775,277	2,322,910
Due from Halifax Metro Centre	246,464	—
Inventory held for resale	93,678	104,456
Total financial assets	5,337,056	7,328,025
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	862,141	1,493,928
Deferred revenue	5,000	—
Due to Halifax Metro Centre	—	431,430
Events deposits	263,748	236,651
Due to Province of Nova Scotia	3,440,532	2,847,374
Advance ticket sales	2,390,333	3,056,646
Long-term service awards <i>[note 6]</i>	902,000	865,900
Other liabilities <i>[note 6]</i>	818,000	803,600
Total financial liabilities	8,681,754	9,735,529
Net debt	(3,344,698)	(2,407,504)
NON-FINANCIAL ASSETS		
Tangible capital assets, net <i>[note 3]</i>	5,869,498	8,315,950
Prepaid expenses	577,802	488,098
Total non-financial assets	6,447,300	8,804,048
Accumulated surplus <i>[note 7]</i>	3,102,602	6,396,544

Contractual obligations *[note 4]*Related Party Transactions *[note 5]*

See accompanying notes

On behalf of the Board:


 Director


 Director

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended March 31

	2014 \$	2014 \$	2013 \$
	[budget]		
REVENUE			
Convention Centre <i>[note 10]</i>	6,143,000	5,805,108	6,079,702
Office tower	2,678,000	2,524,682	2,690,118
Exhibition Park	1,518,000	1,574,731	1,489,168
Ticket Atlantic	1,255,000	1,243,991	1,262,867
Government transfers <i>[note 8]</i>	875,000	1,559,533	1,586,776
TCL Major Events	30,000	—	443,816
World Trade Centre Atlantic Canada	—	—	156,599
Investment income	25,000	21,032	21,954
Total revenue	12,524,000	12,729,077	13,731,000
EXPENSES			
Event expenses <i>[note 10]</i>	5,426,000	5,414,436	5,935,419
Salaries, wages and benefits <i>[note 6]</i>	2,816,000	3,230,767	3,219,307
Maintenance	1,271,900	1,190,943	1,170,090
Taxes and insurance	981,000	1,040,374	974,929
Energy	899,390	990,421	883,897
Administration	622,800	496,979	706,061
Business development and marketing <i>[note 8]</i>	506,910	1,137,460	721,237
Total expenses	12,524,000	13,501,380	13,610,940
	—	(772,303)	120,060
Amortization of tangible capital assets	2,550,000	2,521,639	2,483,190
Annual deficit	(2,550,000)	(3,293,942)	(2,363,130)
Accumulated surplus, beginning of year	6,396,544	6,396,544	8,759,674
Accumulated surplus, end of year	3,846,544	3,102,602	6,396,544

Related party transactions [note 5]

See accompanying notes

STATEMENT OF CHANGES IN NET DEBT

Year ended March 31

	2014 \$	2014 \$	2013 \$
			[budget]
Annual deficit	(2,550,000)	(3,293,942)	(2,363,130)
Acquisition of tangible capital assets	—	(75,186)	(572,734)
Amortization of tangible capital assets	2,550,000	2,521,639	2,483,190
Increase in prepaid expenses	—	(89,705)	(438,219)
Increase in net debt	—	(937,194)	(890,893)
Net debt, beginning of year	(2,407,504)	(2,407,504)	(1,516,611)
Net debt, end of year	(2,407,504)	(3,344,698)	(2,407,504)

See accompanying notes

STATEMENT OF CASH FLOWS

Year ended March 31

	2014 \$	2013 \$
OPERATING ACTIVITIES		
Annual deficit	(3,293,942)	(2,363,130)
Add item not affecting cash:		
Amortization of tangible capital assets	2,521,639	2,483,190
Net changes in working capital:		
Accounts receivable	547,633	86,078
Inventory held for resale	10,778	5,347
Due to/from Halifax Metro Centre	(677,894)	1,029,880
Accounts payable and accrued liabilities	(631,787)	(27,884)
Event deposits	27,097	(338,736)
Deferred revenue	5,000	—
Due to Province of Nova Scotia	593,158	279,845
Advance ticket sales	(666,313)	(2,047,458)
Long-term service awards	36,100	(11,500)
Other liabilities	14,400	(251,700)
Prepaid expenses	(89,704)	(438,219)
Cash used in operating activities	(1,603,835)	(1,594,287)
CAPITAL ACTIVITY		
Acquisition of tangible capital assets	(75,186)	(572,734)
Cash used in capital activity	(75,186)	(572,734)
Net change in cash during the year	(1,679,021)	(2,167,021)
Cash, beginning of year	4,900,659	7,067,680
Cash, end of year	3,221,638	4,900,659
Cash is comprised of:		
Cash	958,800	1,844,013
Restricted cash	2,262,837	3,056,646
	3,221,637	4,900,659

See accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2014

1. NATURE OF OPERATIONS

Trade Centre Limited [the “Company”] is incorporated under the laws of the Province of Nova Scotia and its principal business activities include the operation of a trade and convention centre, the provision of marketing and promotion services, leasing of office and commercial space and the operation of Exhibition Park. The Company is another government organization as defined by the Public Sector Accounting Board [the “PSAB”].

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.

Basis of presentation

The Company consists of four divisions: the Convention Centre, the Office Tower, Exhibition Park, and Ticket Atlantic. Operations of TCL Major Events and trade development activities of the World Trade Centre Atlantic Canada were transitioned to other provincial government agencies in March 2013 and are included herein for purposes of comparison.

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 are 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 settled with third parties. Amounts received are segregated and are not available to fund the Company’s operations.

Tangible capital assets

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

Building	10-30 years
Furniture and equipment	3-5 years
Leasehold improvements	Lease term

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 are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations and accumulated surplus.

Contributed capital assets are recorded into revenue at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

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, 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. Event deposits are recorded as a liability until the event occurs and the revenue recognition criteria are met. 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. Transfers are recognized as deferred 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 Company'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 reporting period. Items requiring the use of significant estimates include the useful life of tangible capital assets and employee future benefits.

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. TANGIBLE CAPITAL ASSETS

2014					
	Land \$	Building \$	Furniture and equipment \$	Leasehold improvements \$	Total \$
COST					
Balance, beginning of year	213,113	46,832,083	4,963,110	1,527,718	53,536,024
Additions	—	—	66,299	8,888	75,187
Balance, end of year	213,113	46,832,083	5,029,409	1,536,606	53,611,211
ACCUMULATED AMORTIZATION					
Balance, beginning of year	—	38,947,553	4,753,493	1,519,028	45,220,074
Amortization expense	—	2,362,943	156,053	2,643	2,521,639
Balance, end of year	—	41,310,496	4,909,546	1,521,671	47,741,713
Net book value, end of year	213,113	5,521,587	119,863	14,935	5,869,498

4. CONTRACTUAL OBLIGATIONS

The Company has entered into a number of multiple-year contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

2014	\$
	115,697
2015	142,364

5. RELATED PARTY TRANSACTIONS

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

	2014 \$	2013 \$
Energy recoveries paid to Halifax Metro Centre ^[1]	490,942	494,790
Payroll recoveries expensed in Halifax Metro Centre ^[2]	3,175,821	2,968,076
Commissions paid to Halifax Metro Centre ^[3]	85,485	108,740
Transfers from Halifax Regional Municipality ^[4]	619,533	583,657
Transfers from Halifax Regional Municipality ^[5]	640,000	—
Transfers to Halifax Regional Municipality ^[6]	940,472	876,027
Rent revenue received from the Province of Nova Scotia ^[7]	2,087,836	2,285,002
Transfers from Nova Scotia department of Economic and Rural Development and Tourism ^[8]	300,000	777,503
Transportation and Infrastructure Renewal ^[9]	—	516,119

^[1] Consists of electricity expense on the shared facility.

^[2] Payroll of the Halifax Metro Centre is paid by the Company and is then reimbursed by the Centre.

^[3] Included in expenses are commissions paid to the Halifax Metro Centre by the Company for commissions earned on ticket sales purchased through Ticket Atlantic, a division of the Company.

^[4] Pursuant to the Financing Agreement of May 14, 1982, the Halifax Regional Municipality makes an annual contribution to the operating deficit of the Convention Centre. This amount is receivable at year end.

^[5] HRM grant for sales and marketing of the new convention centre.

^[6] Property taxes paid to HRM.

^[7] The Company rents significant office tower space to departments and agencies of the Province of Nova Scotia. The amount represents rental revenue and tenant recoveries.

^[8] ERDT grant for sales and marketing of the new convention centre; LY grant was \$487,000 plus grant related to Events Nova Scotia/Major Events for \$290,503. \$111,077 of this amount is receivable at year end.

^[9] TIR grant for energy efficiency upgrades.

The Halifax Metro Centre is related by virtue of common management and the Board of Directors. The Province of Nova Scotia is related as the Company 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.

Accounts receivable from, and accounts payable and accrued liabilities due to Halifax Metro Centre are presented as due from Halifax Metro Centre and due to Halifax Metro Centre on the statement of financial position.

6. EMPLOYEE FUTURE BENEFITS

Pension costs

Employees of the Company 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 2014 were \$332,627 [2013 - \$350,566] and are recognized as an expense during the year. The Company is not responsible for any under-funded liability, nor does the Company 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 accrued benefit liability also represents employees of the Halifax Metro Centre and a portion of the changes in this benefit are allocated to the Centre.

The last full valuation of the arrangement was performed as at March 31, 2014. The following outlines details of the accrued benefit obligation:

	2014 \$	2013 \$
Accrued benefit obligation, opening balance	874,800	877,400
Actuarial loss due to discount rate change at beginning of year	12,000	26,500
Add: current period benefit cost	60,800	58,900
Less: benefit payouts	(61,900)	(108,200)
Add: interest on accrued benefit obligation	36,300	37,800
Actuarial loss (gain) due to other assumption changes and experience at the end of year	53,300	(17,600)
Accrued benefit obligation, closing balance	<u>975,300</u>	<u>874,800</u>
Unamortized net actuarial loss at end of year	<u>(73,300)</u>	<u>(8,900)</u>
Net liability at end of year	<u>902,000</u>	<u>865,900</u>

The significant actuarial assumptions adopted in measuring the Company’s accrued benefit obligation are as follows: discount rate - 4.1% [2013 - 4.3%]; rate of compensation increase - scale ranging from 4.75% [2013 - 4.75%] at age 25 to 2.25% [2013 - 2.25%] at age 50; rate of inflation - 2.25% [2013 - 2.25%].

Other liabilities

The Company has a supplemental pension arrangement with the former President and Chief Executive Officer to provide post-employment benefits. The cost of the post retirement pension obligation has been accrued over the estimated remaining service life of the individual who retired on April 1, 2009.

As the individual has retired, there is no benefit expense. The last full valuation of the arrangement was performed as at March 31, 2014. The following outlines details of the accrued benefit obligation:

	2014 \$	2013 \$
Accrued benefit obligation, opening balance	803,600	1,055,300
Actuarial loss due to assumption changes at beginning of year	16,000	49,500
Disposition of benefits at beginning of year		(241,600)
Add: interest on accrued benefit obligation	32,500	36,000
Deduct: Payments	(54,900)	(54,200)
Actuarial loss (gain) due to other assumption changes and experience at the end of year	20,800	(41,400)
Accrued benefit obligation, closing balance	818,000	803,600

The significant actuarial assumptions adopted in measuring the Company's accrued benefit obligation are as follows: discount rate - 4.1% [2013 - 4.3%]; rate of inflation - 2.25% [2013 - 2.25%].

During 2013, the Province of Nova Scotia made a decision to cover the costs of the PSSA SERP on behalf of Crown corporations. This change resulted in a one-time recovery of costs related to the pension arrangements with the former President and Chief Executive Officer of Trade Centre Limited. As a result the Company recovered \$76,710 in 2013 in accrued benefits previously expensed in the Company's financial statements.

7. ACCUMULATED SURPLUS

The accumulated surplus is made up as follows:

	2014 \$	2013 \$
Accumulated surplus	3,102,502	6,396,444
Share capital		
Authorized: 1,000,000 common shares without par value		
Issued and outstanding: 100 common shares	100	100
	3,102,602	6,396,544

8. GOVERNMENT TRANSFERS

Government transfers consist of the following:

	2014 \$	2013 \$
Transfers from Halifax Regional Municipality	1,259,533	583,657
Transfers from Nova Scotia department of Transportation and Infrastructure Renewal	—	516,119
Transfers from Nova Scotia department of Economic and Rural Development	300,000	777,503
	1,559,533	1,877,279

During 2014, the Company undertook marketing and business development activities for the Halifax Convention Centre on behalf of the shareholders (the Halifax Regional Municipality and the Province of Nova Scotia). Expenditures of \$980,160 [budget - \$300,000; 2013 \$487,000] for these activities were funded by the 2014 government grants and are included in the Company's statement of operations.

9. FINANCIAL INSTRUMENTS

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 and restricted cash, due from Halifax Regional Municipality, due from Halifax Metro Centre and accounts receivable. Financial liabilities consist of the Company's accounts payable and accrued liabilities, due to the Province of Nova Scotia, long-term service awards, and other liabilities. 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 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 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'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 Company undertakes credit checks to ensure the credit worthiness of its customers prior to entering into any rental agreements or other contracts.

Capital risk

The Company carries out its programs in conjunction with contributions from the three levels of government that has been provided to it over the years. In addition, it receives an operating subsidy from the Halifax Regional Municipality on a yearly basis. The day to day operations are funded by the revenue received and amounts due to the Province of Nova Scotia.

10. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Province of Nova Scotia. The budget as provided to the Province has been adjusted to reflect the presentation of gratuities on a gross basis (\$537,000). While this has no impact on the overall budget, it results in an increase to Convention Centre revenue and a corresponding increase to Event Expenses.

11. COMPENSATION DISCLOSURE

This Schedule of Payments [Schedule A] is published in compliance with the provisions of *The Public Sector Compensation Disclosure Act*.

The 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.

Compensation amount includes total base income before taxes for 2013-2014 as well as all overtime payments, retirement or severance payments, lump-sum payments and vacation payouts, payments made for exceptional benefits not provided to the majority of employees and the value of the benefit derived from vehicles or allowances with respect to vehicles.

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year financial statement presentation.

13. SUBSEQUENT EVENT

On May 1, 2014, the Halifax Convention Centre act received Royal Assent by the Province of Nova Scotia and is expected to be proclaimed in the next year. The act establishes the Halifax Convention Centre Corporation, enacts the corporation's by-laws and defines the objective of the new entity. The act defines the conditions by which Trade Centre Limited employees will become employees of the Halifax Convention Centre Corporation upon completion of the new Halifax Convention Centre. The impact of the act on the financial statements of Trade Centre Limited during the subsequent period is uncertain at this time.

SCHEDULE OF PAYMENTS - SCHEDULE A

Year ended March 31, 2014

[note 11]

Name	Compensation \$
	<i>[note 11]</i>
Crundwell, Kris	160,586
Cussons, Carrie	162,055
Ferguson, Scott	180,510
Kanchuk, Robert	100,693
Logan, Robert	115,685
Williams, Ralph	123,428

A Message from the Chair

We have a lot to celebrate and reflect on this past year.

We set out to reach a number of goals that were critical to the organization's future success. Among the top priorities was ensuring the success of the new convention centre.

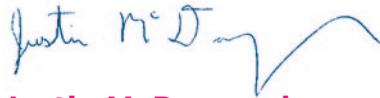
Work is well underway with several national and international conferences booked for the facility and many more prospects on the horizon. We also launched the new brand for the Halifax Convention Centre, one that speaks directly to our clients and helps bring the new centre to life.

We continued to work closely with our provincial and municipal government partners to address their recommendations and meet their expectations. With the development of many new policies and procedures, our governance structure is stronger and our direction clearer. The Board of Directors guided management through business planning that strengthened our focus and defined a path for our future.

In the coming year, we will focus on ensuring a seamless transition to the new convention centre. We will be implementing new policies, procedures, and technology to enhance how we do business and shape our organization for the better. We'll do this with a key priority in mind: to deliver superior customer service and a memorable experience for our clients. In collaboration with our shareholders, we'll prepare to operate the new facility efficiently and responsibly to maximize the benefits for Nova Scotia. And we'll keep

building momentum and interest in the new centre in the months leading up to the opening date in 2016.

The Board of Directors is confident in the management team and strategy in place to steer the organization through this exciting transition and look forward to the opportunities that lie ahead.



Justin McDonough
Chair, Board of Directors



Board of Directors

Justin McDonough

Partner, Matthews McDonough Financial Planning

Steve Craig

Councillor, Halifax Regional Municipality

Wayne Crawley

Chief Operating Officer, Unique Solutions

Simon d'Entremont

Deputy Minister, Nova Scotia Department of Economic and Rural Development and Tourism

Scott Ferguson

President & CEO, Trade Centre Limited

Jeff Forbes

*Managing Partner, Executive Search & Vice President
Knightsbridge Robertson Surette*

Gordon D. Gillis BA., LLB

Past Chair, TCL Board of Directors

Greg Keefe

*Director, Finance and Information, Communication
and Technology, Halifax Regional Municipality*

Mary Lee

President and CEO, Health Association, Nova Scotia

Kenzie MacDonald

*Director of Asset Management Commercial & Multi-
residential, GWL Realty Advisors Inc.*

Carole-Ann Miller

President & CEO, Maple Trade Finance Inc.

Lorelei Nicoll

Councillor, Halifax Regional Municipality

Mike Savage

Mayor, Halifax Regional Municipality



**TRADE CENTRE LIMITED (TCL) IS A PROVINCIAL
CROWN CORPORATION THAT OPERATES:**

Halifax World Trade & Convention Centre
Halifax Metro Centre
Ticket Atlantic
Exhibition Park