



Scotiabank
CENTRE

2023-24

ANNUAL REPORT

Accountability &
Performance Analysis

Events East Group is a special purpose government agency that manages and operates the Scotiabank Centre and Halifax Convention Centre. We are known for attracting and hosting the best events in the region through our commitment to event excellence. Our facilities allow us to attract new visitors and opportunities to Nova Scotia, connecting us to the world and creating the backdrop for important conversations and community celebrations.

We were created in 2014 through the *Halifax Convention Centre Act* as part of a partnership between the Province of Nova Scotia and the Halifax Regional Municipality (HRM), and we work in collaboration with them to manage our businesses in a responsible and transparent manner. Additionally, we have a [Board of Directors](#) that oversees our strategy direction and ensures we carry out our mandate effectively.

This analysis is presented for the management and operations of Scotiabank Centre, providing management's perspective on performance in key financial and operational outcome areas, as outlined in the annual business plan. It is intended to provide a greater understanding of the organization's business strategy and serves as the annual public accountability statement.

We are focused on attracting and hosting a strong mix of marquee sporting, entertainment, cultural, and tenant event activity that drives economic and community benefits for Nova Scotia. Scotiabank Centre is owned by HRM and is managed and operated on their behalf by Events East. All operating income or losses generated by Scotiabank Centre accrue to HRM and the municipality funds all significant capital improvements.

PLANNING & OPERATING CONTEXT

Scotiabank Centre promotes economic growth and community vibrancy by attracting and hosting events. As such, our business and success is reflected in the mix of events and number of attendees, as well as the economic impact they generate.

This year we successfully delivered on the [outcome measures](#) we set out to achieve, including the number of events and fans we hosted and the resulting economic impact. We ended the year on a high note by hosting the 2024 JUNO Awards, and welcoming artists, industry representatives and entertainment media from across the country, in late March.

While delivering a strong calendar of events and community activations, we began to work with HRM to shape a long-term vision for Scotiabank Centre. This collaborative, future-focused effort will allow us to proactively plan for investments in infrastructure, technology, and accessibility that will ensure our venue is aligned with key industry trends and can continue to meet the needs of partners, fans, and community for years to come.

PERFORMANCE ANALYSIS

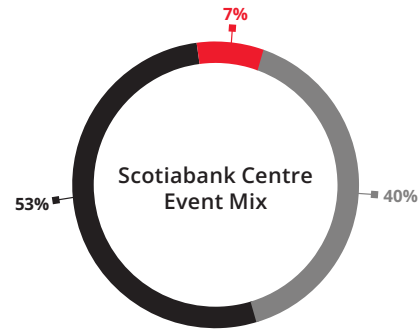
ECONOMIC IMPACT & EVENT MIX

Economic impact measures the amount of money being spent in the Nova Scotia economy because of events hosted at Scotiabank Centre. We measure economic impact on an annual basis, compiling attendee and event promoted spending.

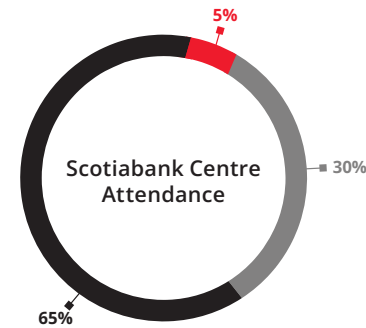
In 2023-24, we exceeded our goals by hosting 106 events and 573,647 attendees against targets of 100 and 500,000 respectively. Total direct expenditures, or economic impact, resulting from these events was \$53.4 million, against a target of \$40.0 million.

Scotiabank Centre was home to a diverse mix of sporting and entertainment events again this year. The Pittsburgh Penguins pre-season game, the North American Indigenous Games opening ceremony, an evening with Michelle Obama, the 2023 East Coast Music Awards live broadcast, and the 2024 JUNO Awards live broadcast were among the stand-out marquee events of the year.

A strong calendar of events was executed around these highlights, including the Halifax Mooseheads regular season, the Halifax Thunderbirds regular season (with franchise-record attendance), the AUS Basketball Championships (also with record-setting attendance), the Royal Nova Scotia International Tattoo, sell-out concerts including Shania Twain, Doobie Brothers, and City and Colour, and Broadway performances of *Book of Mormon* and *Come from Away*.



● CONCERTS & ENTERTAINMENT ● SPORTING EVENTS ● TENANT EVENTS



● CONCERTS & ENTERTAINMENT ● SPORTING EVENTS ● TENANT EVENTS

23-24 TARGET

23-24 ACTUAL

CORE MEASURES		
Total Events	100	106
Total Attendance	500,000	573,647
Total Direct Expenditures	\$40M	\$53.4M

23-24 ACTUAL

ECONOMIC IMPACT	
Total Incremental Expenditures	\$14.4M
Estimated Person Years of Employment	1,007
Estimated Household Income	\$34.1M
Estimated Provincial Tax Revenue	\$4.4M

Notes:

1. Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee and event organizer spending.

The calculation used to estimate direct expenditures was updated in January 2023 to reflect inflationary factors following an analysis conducted by HLT Advisory, which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the direct expenditure target and performance analyses for 2023-24 and beyond.

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

FINANCIAL PERFORMANCE

Event activity and attendance were both higher than budgeted due to a strong event calendar during the year, which had a substantial positive impact on the financial results for the year. As a result, Scotiabank Centre ended the 2023-24 year with a surplus of \$835,000 compared to a planned deficit of \$595,000.

Revenues for 2023-24 were \$12.1M, compared to budget of \$8.0M and prior year of \$10.5M. Of the total revenue, event revenue was \$7.2M compared to budget of \$4.0M and prior year of \$6.5M. The primary driver of the increase from budget relates to concessions revenue due to strong attendance and event activity. Premium product revenue, which includes Premium Seating and corporate partnerships, was \$4.7M compared to a budget of \$4.0M, and prior year of \$3.9M.

Operating expenses totaled \$8.9M compared to the budget of \$6.7M and prior year of \$7.6M, which includes event expenses of \$5.8M as compared with the budget of \$3.8M and prior year of \$5.1M. These expenses, which are variable in nature, increased with the increased volume of event revenues and attendance. Other operating expenses include salaries, administration and technology, marketing, insurance, and rent, which totaled \$3.0M compared to the budget of \$2.8M and prior year of \$2.5M.

Shared facilities and building costs of \$2.4M as compared with the budget of \$2.0M and prior year of \$2.1M reflect expenses related to building operations for Scotiabank Centre. Building costs include utilities, facility repair, maintenance, cleaning, and security.

BUSINESS GROWTH

EVENT ATTRACTION STRATEGY

Consistent with plan, we continued to implement our long-term event attraction strategy, focusing on maximizing our overall event mix, leveraging our reputation as a host venue and destination, and aligning our attraction efforts with strategies from other partner/stakeholder organizations. The strategy ensures we are proactively balancing a short-term and long-term view to establish an ideal and varied calendar of events each year.

Aligned with strategy implementation, major events including Skate Canada International (Oct 2024), and the Canadian Curling Trials (Nov 2025) were confirmed during the year, aligning with a strategy to support non-peak tourism season activity in the downtown core. Several prospective marquee and major events are in the pipeline for 2025 through 2030 and ongoing validation of the strategy was underway at year-end.

At year-end, Events East was actively working with Discover Halifax, HRM, and Events Nova Scotia to support the establishment of a regional event strategy for Halifax.

PARTNERSHIPS & PREMIUM SEATING

Through proactive sales efforts, and due to the event mix, Premium Seating inventory was fully leased during the year. Revenue generated by Premium Seating and partnerships exceeded budget targets due to high customer demand and interest.

A competitive process for an in-venue malt beverage partnership resulted in a new multi-year agreement with Labatt. Processes were also underway at year-end for the soft drink and telecommunications categories.

TENANT SATISFACTION

Scotiabank Centre is the home of both the Halifax Mooseheads and Halifax Thunderbirds, the venue's key sporting tenants. A core focus is ensuring ongoing alignment with these partners and maintaining satisfaction for them and their fans. The Mooseheads completed another strong season and our relationship with the new team ownership was successfully established. The Thunderbirds continue to be a model franchise in the National Lacrosse League, and set attendance records this season. At year-end, the Thunderbirds had confirmed the extension of their license agreement for Scotiabank Centre.

DIGITAL ADVERTISING

The implementation of a digital advertising strategy, including installation of new digital assets inside Scotiabank Centre to support revenue targets, was deferred by HRM until summer 2025, due to other priority capital commitments. Initial design was completed during the year and planning for implementation will resume in 2024-25.

INDUSTRY PARTICIPATION

As part of ongoing alignment with key partners and maintaining awareness of key industry trends, we attended two of the largest industry events of the year: 1. Pollstar Live is the largest gathering of entertainment professionals in North America and was an opportunity for us to spend time with key venue partners; 2. SponsorshipX brought sponsorship marketing professionals together in Halifax during JUNO Week to discuss the future of fan marketing and sports and entertainment sponsorship.

Members of the management team continued ongoing participation in Event Atlantic, an industry association focused on growing the event hosting industry across the region as well as Canadian Sport Tourism, an organization focused on increasing Canada's capacity to attract and host sport tourism events.

FAN EXPERIENCE

2024 JUNO AWARDS

As part of the long-term event attraction strategy and after two years of planning, the 2024 JUNO Awards took over Halifax from March 21-24, 2024, with multiple events across the city. Scotiabank Centre played host to the broadcast awards show (8,000 attendees), while the Halifax Convention Centre delivered the Gala Awards dinner (1,300 attendees) and red carpet VIP reception. The JUNO Host Committee was comprised of leaders from Music Nova Scotia, the African Nova Scotian Music Association, Events East, HRM, Events Nova Scotia, and Discover Halifax. Together, they extended the economic and community impact of the JUNOS through several pre-event activations and initiatives, including: a five-city tour to identify next generation talent across the region; a music mentorship program; a JUNO block party featuring three consecutive nights of free entertainment on the Halifax Waterfront; a series of community activations and a sustainable transportation plan.

Securing the 2024 JUNOS for Halifax was an early success of our long-term event attraction strategy for Scotiabank Centre, which emphasizes the long planning cycle that accompanies major national and international events, and strategically positions Halifax as a destination of choice for events booking 1-5 years in advance.

FAN FEEDBACK PROGRAM

By year-end a strategic approach had been validated by a market research firm, and the initial fan feedback program was designed. The purpose of the program is to generate insights that will improve our understanding of what fans value, and what influences their enjoyment of experiences the most. These insights will allow us to refine our internal operations focus, align our efforts with fan expectations, and track our success and improvement over time. Full implementation will take place in 2024-25 and will include survey development and readiness to launch by September 2024 with the start of the season.

SERVICE DELIVERY

Key guest service delivery standards were redesigned this year, which included successful roll-out of a new code of conduct and entry approach. Work also took place early in the year to improve the flow of concourse services, with an emphasis on tenant events.

Additionally, designated gender-neutral washrooms were introduced and staff took part in pronoun training to align with the newly obtained Rainbow Registry accreditation for Scotiabank Centre. Front-line staff were supported to meet service standards throughout the year through extensive training and coaching, as well as reviews of policies and procedures, such as emergency response drills.

TICKETING SYSTEM

Following a full procurement process, we successfully completed the planned transition to a new ticketing provider, Ticketmaster, including a full cycle of ticket sales for our tenants the Halifax Mooseheads and Halifax Thunderbirds. The primary focus of this transition year was client onboarding, business process design, and staff training. We will continue to optimize the service in 2024-25 and make use of key features, including marketing automation to enhance fan communication and engagement.

COMMUNITY CONNECTION

COMMUNITY RELATIONS

A key focus of community relations efforts was creating awareness and excitement for the 2024 JUNO Awards, including activations and contests on Argyle Street, during AUS Basketball Championship weekend, at the Halifax International Airport, and during Welcome Weekend at the Halifax Convention Centre. This full engagement strategy focused on generating community pride for the event and ensuring various opportunities for participation.

Aligned with the existing charitable ticketing program, community ticketing partnerships are actively in place with six charitable organizations that received a combined total of 2,100 event tickets during the year: Kids Up Front Atlantic, Big Brothers Big Sisters of Greater Halifax, Immigrant Services Association of Nova Scotia, Prescott Group, Laing House, and Special Olympics of Nova Scotia. This represents an expanded and more diverse base of partners for the program. An additional 126 event tickets were donated to nonprofit organizations, by request through the standard donation process.

Implementation of broader community relations efforts was deferred to 2024-25, which will emphasize new activations with our partners and further align to diversity and inclusivity goals.

WILDFIRE RECOVERY CONCERT

Within days of the most devastating wildfires on record, we worked closely with Sonic Concerts and Brookes Diamond Productions to book, plan, promote, staff, and deliver a Wildfire Benefit Concert. With the generous support and participation of corporate sponsors and partners, and generous offers from bands and musicians, the Wildfire Recovery Concert was announced and executed within a week. Service providers, staff, and artists offered their time and skills, and the concert raised over \$330,000 for the United Way Recovery Appeal.

The event went on to receive an Event of the Year award at the Event Atlantic Excellence Awards, and the Community Care Award, from United Way Halifax.

COMMUNITY PRIDE & FAN ENGAGEMENT

Throughout the year, we continued ongoing promotion of event activity to drive ticket sales and awareness through advertising, social media, and community activations. This included engaging with our downtown neighbouring businesses, industry partners, digital advertising, and more than 20 unique contests and activations with sponsors and partners including Rogers, MOXY Halifax Downtown, LiveNation, Sonic Concerts, and more.

In July we hosted the Opening Ceremony of the 2023 North American Indigenous Games, the largest sporting event in Nova Scotia's history. Athletes from more than 756 nations paraded from the Halifax Convention Centre through downtown Halifax to Scotiabank Centre to open and celebrate the games. A few months later, Scotiabank Centre ceremoniously installed the Grand Council of the Mi'kmaq flag in the building's rafters during a Mooseheads game, which was again recognized during a Thunderbirds game later in the season.

AWARDS & RECOGNITION

Our events and management team were nominated for seven local, regional, and national awards this year. This included the prestigious honour of Champion of the Year at the Event Atlantic Excellence Awards for Suzanne Fougere, our Executive Vice-President, for her leadership in attracting events including the IIHF World Junior Hockey Championships and the JUNO Awards.

TALENT & CULTURE

RESOURCING STRATEGY

A significant investment in resource stability and employee success was made this year, which included performance management support, processes and procedures, monthly training for front-line teams, a new onboarding program, and ongoing coaching.

A new training program for core hourly employees and supervisors was also implemented as planned. The topics in this year's training included accessibility, anti-racism, and gender identity and awareness. The program topics will evolve annually to align with workforce needs, trends in workforce development, and emerging best practices in creating an inclusive workplace culture.

EMPLOYEE ENGAGEMENT & SATISFACTION

An employee engagement survey led to a baseline employee engagement index of 80 (out of 100), and a multi-year employee engagement framework was developed to respond to feedback and survey insights. Under the direction of an Internal Engagement Steering Committee, the strategy includes a focus on recognition and appreciation, employee events, employee feedback, and internal communications. Implementation began in Q2 and is ongoing as part of an organizational commitment to continue to nurture an engaged workforce across all areas of the business.

ACCOUNTABILITY & SUSTAINED PERFORMANCE

KEY THIRD-PARTY SERVICE PARTNERSHIPS

During the year, management completed an internal assessment of key third-party services providers that support ancillary services. As a result, a procurement process for cleaning services was completed and a multi-year contract was awarded to Bee Clean. Subsequent to year end, a procurement process was initiated for security services.

LONG-TERM VISION & CAPITAL PROGRAM

In collaboration with HRM and our tenant partners, we began the development of a future vision for the venue, including infrastructure, services, and the experiences we aspire to create for our community to ensure Scotiabank Centre continues to play a key role in driving vibrancy in Halifax and Nova Scotia.

Capital planning throughout the year focused on replacement of key venue systems and infrastructure that have reached end-of-life. This includes the replacement of the public address system and the ice plant and cooling infrastructure, which are both scheduled for completion in 2024-25.

The next phase of capital planning includes aligning needs and opportunities with long-term vision project noted above.

ACCESSIBILITY PLAN

A comprehensive accessibility audit was completed by an external expert, as the first phase of developing a multi-year accessibility plan for Scotiabank Centre. The internal review and prioritization of the recommendations is underway, and priorities will be considered and phased in the context of visioning work and capital planning noted above.

OUTCOMES & PERFORMANCE MEASURES

Key performance and operational outcome areas against our 2023-24 Business Plan:

Strategic Priority	Measure	2023-24 Target	2023-24 Actual
Business Growth	Economic impact	Generate approximately \$40M* in direct expenditures through the events we host.	Exceeded target, generating \$53.4M in direct expenditures* through the events we hosted.
Fan Experience	Number of events hosted at Scotiabank Centre	Successfully host 100 events with 500,000 total attendees.	Exceeded target, hosted 106 events with 573,647 total attendees.
Fan Experience	Ticketing strategy	Long-term ticketing services partnership in place.	Successfully completed transition to a new ticketing services provider.
Fan Experience	Fan feedback	Feedback program designed and in place.	Initial program designed. Full implementation will take place in 2024-25.
Talent & Culture	Employee feedback	Complete employee engagement survey and maintain an average employee engagement score of approximately 80% for core employees.	Employee engagement survey completed and baseline employee engagement index of 80 achieved.
Accountability & Sustained Performance	Multi-year capital plan	Develop long-term vision for venue in collaboration with HRM.	Began development of a future vision including infrastructure, services, and fan experience, in collaboration with HRM.
Accountability & Sustained Performance	Financial performance	Meet approved budget targets.	Exceeded budget targets with a surplus of \$835,000.
Accountability & Sustained Performance	Accessibility audit	Priorities identified for future years.	Comprehensive accessibility audit completed as phase one. Priorities will be phased in the context of visioning work noted above.

Notes:

*Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee and event organizer spending. 27 per cent of Scotiabank Centre direct expenditures are incremental. Incremental expenditures are those that would not have taken place in the absence of Events East facilities and activities.

The calculation used to estimate direct expenditures was updated in January 2023 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the direct expenditure target and performance analyses for 2023-24.

COMBINED CORE ACCOUNTABILITY & STRATEGIC MEASURES

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

	Scotiabank Centre	Halifax Convention Centre	Total
CORE MEASURES			
Total Events	106	155	261
Total Attendees	573,647	95,195	668,842
Total Direct Expenditures	\$53.4M*	\$70.9M*	\$124.3M*
ECONOMIC IMPACT			
Total Incremental Expenditures	\$14.4M	\$70.9M	\$85.3M
Estimated Person Years Employment	1,007	833	1,840
Estimated Household Income	\$34.1M	\$32.0M	\$66.1M
Estimated Provincial Government Tax Revenue	\$4.4M	\$4.1M	\$8.5M

Notes:

- Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee and event organizer spending.

The calculation used to estimate direct expenditures was updated in January 2023 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to this analysis.
- Economic impact figures are calculated by the Nova Scotia Department of Finance and Treasury Board using the Input-Output Model.



Scotiabank
CENTRE

2023-24

ANNUAL REPORT

Financial Statements

March 31, 2024

MANAGEMENT'S REPORT

The financial statements of Scotiabank Centre have been prepared by management of Events East Group based on the financial reporting provisions prescribed in the Management Agreement [the "Agreement"], between Halifax Regional Municipality and Events East Group dated February 5, 2020. Management has applied the principles of Canadian public sector accounting standards, and the integrity and objectivity of these financial statements are management's responsibility. Management is responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

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

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

On behalf of **Events East Group**:



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



Carrie Cussons, CPA, CA
President & CEO

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Scotiabank Centre

Opinion

We have audited the financial statements of Scotiabank Centre (the "Company"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, change in net debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements of the Company for the year ended March 31, 2024 are prepared, in all material respects, in accordance with the financial reporting provisions described in note 2 to meet the requirements of the Management Agreement dated February 5, 2020 [the "Agreement"] between Halifax Regional Municipality and Events East Group.

Basis of Opinion

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Company in complying with the financial reporting provisions as described in note 2 to meet the requirements of the Agreement. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions as described in Note 2 to meet the requirements of the Agreement, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
June 28, 2024

STATEMENT OF FINANCIAL POSITION


As at March 31

	2024 \$	2023 \$
FINANCIAL ASSETS		
Cash	2,584,432	3,333,124
Accounts receivable	1,919,410	2,146,872
Total financial assets	4,503,842	5,479,996
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	2,305,514	1,768,843
Due to Events East Group <i>[note 4]</i>	608,724	2,180,072
Due to Halifax Regional Municipality, net <i>[note 4]</i>	833,992	835,454
Unearned revenue	825,852	758,707
Total financial liabilities	4,574,082	5,543,076
Net debt	(70,240)	(63,080)
NON-FINANCIAL ASSET		
Prepaid expenses	70,240	63,080
Accumulated surplus	—	—

See accompanying notes

On behalf of the Board:

 Director

 President

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended March 31

	2024 \$	2024 \$	2023 \$
	<i>[budget]</i>		
REVENUE [NOTE 4]	8,046,000	12,067,498	10,454,610
EXPENSES			
Events	3,809,000	5,834,571	5,100,391
Salaries <i>[notes 3 and 4]</i>	2,097,000	2,033,786	1,780,634
Administration and technology	214,000	239,554	247,698
Marketing and promotions	200,000	211,401	62,127
Operations	225,000	436,874	314,835
Insurance and rent	108,000	112,058	100,481
	6,653,000	8,868,244	7,606,166
Annual surplus before shared facilities and building costs	1,393,000	3,199,254	2,848,444
Shared facilities and building costs, net <i>[note 1]</i>	1,988,000	2,364,200	2,131,911
Annual surplus (deficit)	(595,000)	835,054	716,533
Transfer (to)/from Halifax Regional Municipality <i>[note 4]</i>	595,000	(835,054)	(716,533)
Annual surplus after transfers from Halifax Regional Municipality	—	—	—
Accumulated surplus, beginning of year	—	—	—
Accumulated surplus, end of year	—	—	—

See accompanying notes

STATEMENT OF CHANGES IN DEBT

Year ended March 31

	2024 \$	2023 \$
Annual surplus after transfers to Halifax Regional Municipality	—	—
Increase in prepaid expenses	(7,160)	(3,382)
Increase in net debt	(7,160)	(3,382)
Net debt, beginning of year	(63,080)	(59,698)
Net debt, end of year	(70,240)	(63,080)

See accompanying notes

STATEMENT OF CASH FLOWS

Year ended March 31

	2024 \$	2023 \$
OPERATING ACTIVITIES		
Annual surplus after transfers from Halifax Regional Municipality	—	—
Net change in non-cash working capital balances		
Accounts receivable	227,462	(668,849)
Accounts payable and accrued liabilities	536,671	1,138,849
Decrease/(increase) in due to (from) Halifax Regional Municipality	(1,462)	3,224,714
(Decrease) in due to Events East Group	(1,571,348)	(1,416,974)
Increase/(Decrease) in unearned revenue	67,145	(17,409)
(Increase) in prepaid expenses	(7,160)	(3,382)
Cash used in operating activities	(748,692)	2,256,949
Net (decrease)/increase in cash during the year	(748,692)	2,256,949
Cash, beginning of year	3,333,124	1,076,175
Cash, end of year	2,584,432	3,333,124

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Scotiabank Centre [the "Centre"] is a sports and entertainment complex owned by the Halifax Regional Municipality ["HRM"]. The Centre is an asset of HRM and is not a separate legal entity. All operating surpluses or deficits generated by the Centre accrue to HRM and the municipality funds all significant capital improvements.

The Centre is operated by Events East Group ["Events East"] on behalf of HRM under a Management Agreement [the "Agreement"] dated February 5, 2020 which outlines Events East's management of the Centre. The Agreement is for a term of five years and may be renewed upon mutual agreement of Events East and HRM for two additional five-year terms.

Effective April 9, 2018, a Shared Services and Facilities Agreement ["SSFA"] was signed between HRM and an external third party. The agreement directs the shared operation of the former World Trade and Convention Centre ["WTCC"] building, including the Office Tower, and the Scotiabank Centre building, which share common spaces and facilities that are integral to the operation of both the former WTCC building and the Centre. Events East, as manager of the Centre, is assigned by HRM as operator of the SSFA on HRM's behalf. As such, all shared facilities operations, expenses and recoveries from the third party are recognized in the Centre's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Centre's management has prepared these financial statements by applying the principles of the Chartered Professional Accountants of Canada Public Sector Accounting Standards for other government organizations as defined by the Canadian Public Sector Accounting Board, which sets out generally accepted accounting principles for government organizations.

These financial statements were prepared in accordance with the significant accounting policies described below to comply with the financial reporting provisions prescribed in the Agreement dated February 5, 2020 between HRM and Events East.

Accordingly, these financial statements include only the operating results of the Centre as managed by Events East as an agent for HRM. The basis of accounting used in these financial statements materially differs from Public Sector Accounting Standards for other government organizations as defined by the Canadian Public Sector Accounting Board because the financial statements include only the operating net assets of the Centre.

These financial statements do not include the assets [including the original cost of the property] and liabilities related to the property that are controlled by HRM, the property owner. The assets of the Centre are available for the satisfaction of debts, contingent liabilities and commitments of HRM and not just those liabilities presented in the accompanying statement of financial position.

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 HRM 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 its financial statements and will capitalize betterments to the facility based on its own accounting policies. Any betterment made to the facility and paid for by the Centre that is not reimbursed by HRM is expensed in the period they are incurred.

Prepaid expenses

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

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. Funds received when these criteria have not been met are recorded as unearned revenue.

Expenses

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

3. EMPLOYEE FUTURE BENEFITS

Pension plan

Employees of the Centre participate in the Public Service Superannuation Plan ["PSSP"], 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 2024 were \$205,485 [2023 - \$179,812] and were recorded in salaries during the year. Total employee contributions for 2024 amounted to \$205,485 [2023 - \$179,812]. The Centre is not responsible for any underfunded liability, nor does the Centre have access to any surplus that may arise in this Plan and, accordingly, no liability associated with this Plan has been recognized in the financial statements as this resides with the Province of Nova Scotia.

4. RELATED PARTY TRANSACTIONS

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

	2024 \$	2023 \$
Payroll recoveries paid to Events East ^[1]	(4,029,115)	(3,558,148)
Commissions received from Events East ^[2]	340,717	121,430
Net transfers from Halifax Regional Municipality ^[3]	(1,017,251)	(747,046)
Interest revenue from Halifax Regional Municipality ^[4]	207,503	69,690
Reimbursements paid to Events East ^[5]	(373,380)	(194,917)

- [1] Payroll and related costs of the Centre were paid by Events East on behalf of the Centre.
 [2] Commissions earned on ticket sales purchased through Ticketing Services, a division of Events East.
 [3] Transfers throughout the year include deficit funding net of payment for policing services rendered by HRM.
 [4] Interest earned on cash deposits held on behalf of the Centre by HRM as part of their pooling arrangement with the bank.
 [5] Events East and the Centre had a variety of intercompany transactions throughout the year related to allocation of general expenses, paid by Events East on behalf of the Centre.

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

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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, accounts receivable and due from Halifax Regional Municipality. Financial liabilities consist of the Centre's accounts payable and accrued liabilities, and due to Events East Group. The carrying value of the Centre's financial instruments approximates their fair value. Transaction costs are expensed when incurred.

Risks and uncertainties

The Centre's management recognizes the importance of managing significant risks including policies, procedures and oversight designed to reduce the risks identified to an appropriate threshold. The Board of Directors is provided with timely and relevant reports on the management of significant risks. Significant risks currently managed by the 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 HRM. The Centre does not maintain any permanent capital as each year's surplus or deficit is transferred to HRM.

Credit risk

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

6. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes as approved by Events East's Board of Directors.