

DISCOVER HALIFAX

2021

ANNUAL  
REPORT



DISCOVER  
HALIFAX





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## MESSAGE FROM THE CHAIR

This past year has been challenging. Not unlike last year.

And yet, in the face of the disruption, opportunity has emerged and with it a palpable excitement and positive momentum in Halifax. The effects of COVID-19 continued to have a profound global impact, and no industry has been hit harder than tourism, but as public health restrictions lifted, the tourism industry saw signs of recovery. The resilience of this industry continues to be remarkable. And it is modelled from the large businesses like the Halifax Airport demonstrating extraordinary leadership in uncharted territory to the myriad small businesses that have dug so deep in impossible circumstances and demonstrated a breathtaking commitment to this place and to all of us. This is the stuff that makes Halifax irresistible. And I believe we will emerge from this stronger than before and better than ever.

The past two years have provided an opportunity to reimagine the tourism sector and our place within it. As destination leaders, we are thinking not only about how to grow tourism, but of the need to rethink tourism and destination leadership as a means to help our communities thrive. Since the beginning of the pandemic, Discover Halifax has been working to support a broad approach to harm reduction in our region arising from COVID-19. Taking a community-first approach, it is the well-being of community that has been the north star that has provided direction as we've navigated the past two years. In September 2021, the Discover Halifax Board of Directors passed an updated organizational mission that reflects this evolution to maximize the social benefits of the tourism industry. You can read the new mission on page 4.

From a financial perspective, Discover Halifax faced another year of financial losses due to the pandemic. With 90% of our revenues being self-generated and dependent on the collection of a hotel levy, we experienced a loss in revenue. We would like to recognize the support provided by our many partners, especially the Atlantic Canada Opportunities Agency (ACOA) and the Halifax Regional Municipality for their belief in us.

As chair of the board, I would also like to recognize the extraordinary efforts and commitment of the team of Discover Halifax during this past year, and leadership of Ross Jefferson, President and CEO, and across the organization. As a team, we have never been more confident in our competitive position as one of Canada's leading destinations and our vision of being recognized broadly by visitors, and our own citizens alike, as the favourite city in Canada.

**Jennifer Angel**  
**President & CEO** | Develop Nova Scotia



## MESSAGE FROM THE PRESIDENT & CEO

First, let me say that in 2021, as we faced the impacts of COVID-19 for the second consecutive year, the resiliency, collaboration, and the quest to keep moving forward that is happening within the tourism industry stands out for me. Halifax is an enviable city for many reasons, including the deep passion and desire from multiple stakeholders to work together to better our region. There is a collective understanding that when we come together, good things can happen. This has been especially true over the last two years, and I believe that we are charting the course forward stronger than before.

While the industry has faced setbacks since 2020, tourism is expected to continue being one of the fastest-growing industries globally, and it is bringing prosperity and opportunities to the communities that are prepared. This is a position that many destination marketing organizations have taken on in the last decade. Tourism leaders have broadened their scope beyond marketing and sales to include managing the challenges and opportunities of tourism. And this is a path that we, too, are on. Discover Halifax is evolving into a destination management organization to help ensure the best for our region.

Destination Management expands beyond the traditional areas of demand generation and seeks to shape and manage issues related to the supply side of tourism. This may include ensuring proper policies, decisions, and investments are made in the industry and that we have compelling experiences, quality infrastructure and incredible services that impact visitors and residents alike. In 2021, we continued to work towards expanding our capabilities to this end.

Doing so will enable us to fulfill our mission of maximizing the economic and social benefits derived from tourism for the benefit of the people who live, visit, and invest in our region.

Discover Halifax's ability to evolve would not be possible without the ongoing support of our funding partners, the Halifax Regional Municipality and the Hotel Association of Nova Scotia. This funding greatly enhances our ability to grow and expand the services that will help us define and support the greatest areas of opportunity.

In closing, I would like to recognize the fantastic Discover Halifax team and express my gratitude to the Board of Directors and the many people who support our industry. I especially want to thank our members and industry partners who have faced extreme difficulties over the past two years and have done their part to keep our community safe. My resolve for a positive future is strong; we have a great destination with great experiences delivered by some of the world's best businesses, leaders, and people.

**Ross Jefferson**  
President & CEO | Discover Halifax

# OUR VISION

Globally recognized as the favourite city in Canada.

# OUR MISSION

We seek to maximize economic and social benefits derived from the tourism industry for the benefit of the people who live, visit, and invest in our region.

We do this by showcasing the best of our region to the world, and through collective impact, we seek to shape the future of our industry through good planning, investment, and design.

*In September 2021, the Discover Halifax Board of Directors accepted a motion to pass Discover Halifax's expanded mission to recognize the organization's mandate to maximize the social benefits of tourism.*



# BOARD OF DIRECTORS

## **JENNIFER ANGEL – CHAIR**

President & CEO, Develop Nova Scotia

## **DOUG TOWNSEND – VICE-CHAIR**

Co-Owner, The Canteen on Portland

## **PAUL BRIGLEY – TREASURER**

VP, Finance & CFO, Halifax International Airport Authority

## **DAVID CLARK – SECRETARY**

General Manager, Atlantica Hotel Halifax

## **ROSS JEFFERSON (EX OFFICIO)**

President & CEO, Discover Halifax

## **KEN BAGNELL**

CEO, Canadian Sports Centre Atlantic

## **PATTY CUTTELL**

Councillor, Halifax Regional Municipality

## **MEGAN DELANEY**

General Manager, Cambridge Suites Hotel Halifax

## **TAREQ HADHAD**

CEO, Peace by Chocolate

## **EMILY HAYNES**

Executive Director, Taste of Nova Scotia

## **TALHA KHAN**

General Manager, Delta Hotels by Marriott Dartmouth

## **DARLENE MACDONALD**

Executive Director, Tourism Nova Scotia

## **RYAN MURPHY**

President/Owner, Murphy's Camping on the Ocean

## **CHIRAG PATEL**

Director of Operations, Comfort Inn Halifax

## **MAYOR MIKE SAVAGE**

Halifax Regional Municipality

## **DENISE SCHOFIELD**

Director, Parks & Recreation Halifax

# DISCOVER HALIFAX TEAM

## **ROSS JEFFERSON**

President & CEO

## **CHRISTIAN ALLAIN**

Manager, Marketing and Business Development

## **PAUL BAILEY**

Sales & Marketing Director, Group Sales

## **LYNDSAY BELAIR**

Senior Graphic Designer

## **MICHELE BOURGEOIS**

Travel Trade & Meeting Services Specialist

## **ANNIE CAMERON**

Senior Marketing Content Manager

## **HOLLY CHESSMAN**

Director, Marketing and Member Services

## **KATIE CONKLIN**

Senior Marketing Project Manager

## **MAGGIE DUFFY**

Marketing Coordinator

## **SARA ERICSSON**

Group Sales Marketing Manager

## **ZHENNI (JENNY) GE**

Office Administrator

## **LISA GOGUEN**

Business Development Specialist

## **CHRIS GOSSE**

Events Manager, Sports and Culture

## **TAMI LEBLANC**

Sales Director, Canadian Association & Corporate Markets

## **AMY MYATT**

Sales Support Manager

## **JEFF NEARING**

Vice President, Sales

## **ANGELA PETRY**

Executive Administrator

## **CLARE TIDBY**

Vice President, Marketing & Visitor Experience

## **JEFF TURNER**

Sales Director, International

# BALANCED SCORECARD





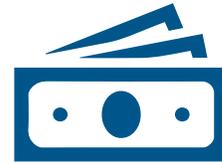
# BALANCED SCORECARD

## FOCUS AREAS



### CUSTOMER

- Grow Leisure Visitation
- Grow Conventions & Events
- Grow Visitor Spend with Members



### FINANCIAL

- Leverage Funding
- Improve ROI
- Grow Investment



### INNOVATION

- Align Strategy with Partners
- Invest in Technology & Best Practices
- Improve Processes



### PEOPLE

- Right People in Right Roles
- Support Training & Skills
- Manage & Reward

# GROW LEISURE VISITATION

## GOAL 1

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
Total Impressions from Campaigns <sup>*See note 1</sup>	16,339,770	464,804,551	2745%
# of Major Campaigns <sup>*See note 2</sup>	3	8	167%
Total Website Visits	871,950	1,161,089	33%
Website - Organic Traffic	448,332	427,967	-5%
Social Media Followers	194,248	211,603	9%
Travel Media Ad Value	\$ 3,827,528	\$ 1,299,547	-66%

### Notes:

1. In 2021, Discover Halifax remained in market heavily, as appropriate, to encourage visitation to Halifax when restrictions lifted in July. This included a major impressions-focused campaign (Reconnections) in Ontario and Alberta, which reflects a major increase in impressions. The campaign generated 3 million+ impressions.
2. In 2020, limited marketing campaigns were undertaken due to travel restrictions. The majority of marketing campaigns in 2020 were regionally focused.

# GROW MEETINGS & CONVENTIONS

## GOAL 2

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
# of Bid Proposals Submitted <sup>*See note 1</sup>	99	104	5%
Bid Proposals Submitted (economic impact)	\$49,398,009	\$65,192,174	32%
Successful Bids (# of conferences) <sup>*See note 2</sup>	85	60	-29%
Successful Bids (economic impact) <sup>*See note 2</sup>	\$36,711,939	\$24,875,682	-32%
Definite Ratio (percentage of bids won vs. loss)	51%	51%	-
# of Client Site Inspections	14	17	21%

**Notes:**

1. In 2020, 30 of the event bid proposals were rebids. In 2021, 23 of the event proposals were rebids. The original events were rescheduled due to COVID.
2. In 2020, 48 of the successful bids were events rebooked due to COVID. In 2021, 41 of the successful bids were events rebooked due to COVID. Overall, in 2021, the decrease in new bookings reflects a hesitancy by planners to book new business given the multiple rounds of rebooking in 2020 and 2021 due to COVID.

# GROW EVENTS

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
# of Bid Proposals Submitted <sup>*See note 1</sup>	18	19	6%
Bid Proposals Submitted (economic impact)	\$9,543,335	\$37,908,365	75%
# of Successful Bids (# of events) <sup>*See note 2</sup>	9	12	33%
Successful Bids (economic impact) <sup>*See note 2</sup>	\$15,287,187	\$32,077,196	110%
Client Site Inspections Held	1	3	200%
Definite Ratio (percentage of bids won vs. loss)	43%	54%	26%

**Notes:**

1. In 2020, 4 of the bid proposals were rebids. In 2021, 5 of the bid proposals were rebids, including the North American Indigenous Games in 2023. The original events were rescheduled due to COVID.
2. In 2020, 9 of the successful bids were events rebooked due to COVID, including the IIHF Women’s World Hockey Championship. In 2021, 6 of the successful bids were events rebooked due to COVID, including the North American Indigenous Games in 2023.

## FOCUS AREA — CUSTOMER

# GROW VISITOR SPEND WITH MEMBERS

## GOAL 3

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
Membership Count	489	583	19%
Service Leads Issued to Partners <sup>*See note 1</sup>	232	82	-65%
Member Page Views and Referrals <sup>*See note 2</sup>	15,894	35,677	124%
Leisure Website — Average Time Spent on Site (mins)	01:18	01:12	-8%
Visitor Guide and Maps Distribution <sup>*See note 3</sup>	7,131	101,858	1328%
Kiosk and Wi-Fi Channel Sessions <sup>*See note 4</sup>	176,365	163,600	-7%

### Notes:

1. Overall, in 2021, the decrease in new bookings reflects a hesitancy by planners to book new business given the multiple rounds of rebooking in 2020 and 2021 due to COVID.
2. In 2021, the increase in member page views and referrals reflect an increase in website traffic as travel restrictions were lifted.
3. Includes both print and digital distribution. In 2020, visitor guides were digital only. The demand for guides significantly increased when travel restrictions were lifted in July 2021.
4. Wi-Fi numbers only as Kiosks were offline throughout 2020 and 2021.

# IMPROVE FINANCIAL HEALTH

## GOAL 4

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
Revenue from Members (all sources) <sup>*See note 1</sup>	\$213,286	\$64,030	-70%
Revenue from Marketing Partnerships <sup>*See note 2</sup>	\$100,000	\$169,254	69%
Revenue from Sales Partnerships <sup>*See note 3</sup>	\$21,766	\$2,000	-91%
Total Leveraged Revenue <sup>*See note 4</sup>	\$1,765,511	\$2,274,527	29%
Investments in Tourism Sector (per-room benchmark - quartile)	Bottom 10%	Bottom 10%	-

### Notes:

1. Discover Halifax transitioned to a free membership in 2021. The decrease in revenue reflects this new model.
2. Reflects Tourism Nova Scotia Digital Content Marketing Program funds, which were matched by Discover Halifax.
3. In 2020, Discover Halifax participated in a national tradeshow in which partners pay to participate. The tradeshow was held virtually in 2021 due to COVID.
4. Represents all revenue sources apart from the hotel levy and HRM grant.

## FOCUS AREA — INNOVATION

# INNOVATION, PROCESS IMPROVEMENTS & ALIGN STRATEGY WITH PARTNERSHIPS

## GOAL 5

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
Process Improvement, Innovation, or Six-Sigma Projects Completed <sup>*See note 1</sup>	7	3	-57%

### Notes:

- Projects completed:
  - Implementation of Video Conferencing System
  - Change of Benefits service provider and implementation of company-wide cost sharing model
  - Ability to buy media internally with new Visitor Experience position

## FOCUS AREA— PEOPLE

# RIGHT PEOPLE IN THE RIGHT PLACE, SUPPORT, TRAINING, MANAGE AND REWARD

## GOAL 6

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
Employee Absenteeism	2.4	2.1	-13%
Employee Training and Development (training days/employee)	0.95	2.6	174%

## KEY INDICATORS

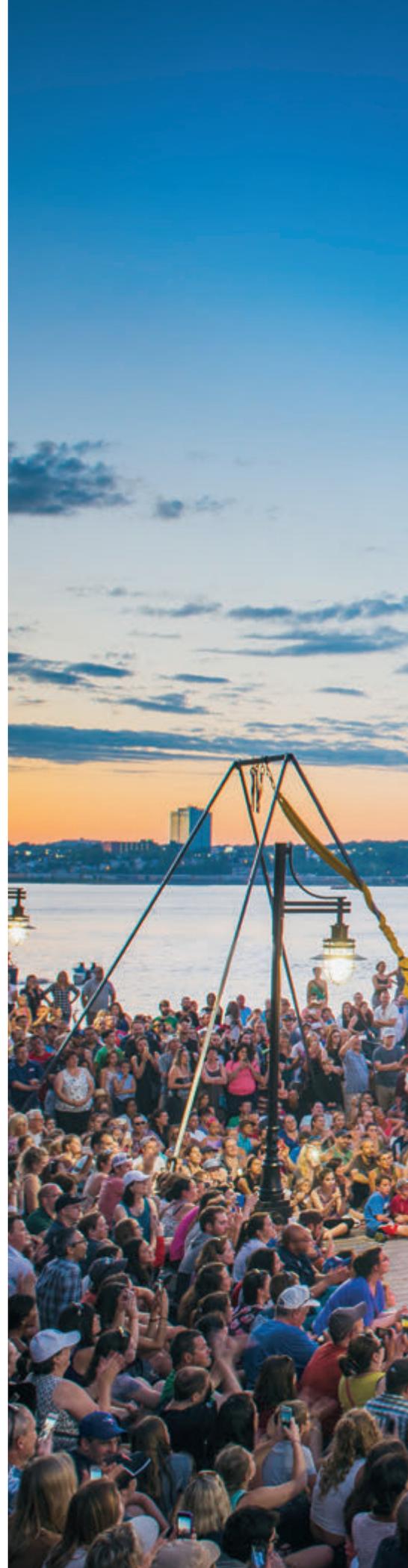
# INDUSTRY KEY PERFORMANCE INDICATORS

	Previous Year End (2020)	2021 Actual	% Change from Prior Year
Room Nights Sold (traditional hotels) <sup>*See note 1</sup>	636,408	907,182	43%
Room Nights Sold (short-term rentals)	272,582	235,107	-14%
Combined Overnight Room Sold	908,990	1,142,289	26%
Hotel Room Supply <sup>*See note 2</sup>	6,149	6,336	3%
Cruise Passenger Count	-	-	-
Airport Enplaned/Deplaned Passengers	995,426	1,076,899	8%

### Notes:

1. The third and fourth quarters demonstrated strong rebounds from a low of 80 percent decline in previous quarters. Hotel stays were comparable to pre-pandemic numbers during certain weeks in Q3 and Q4.
2. In 2020, the Sutton Place opened with 262 rooms, and in 2021, the MUIR opened with 109 rooms.

# MARKETING & VISITOR EXPERIENCE OVERVIEW







**The tourism industry was the first hit and hardest hit by the pandemic. But, as we approached 2021, we knew, if anything, change would be constant.**

It should be noted that I joined Discover Halifax in late April 2021, after a period of transition on the team in which several members moved on to new opportunities, including my predecessor, Erica. My hat goes off to the efforts and work of those team members who have invested in building this brand, including several core members who continue to be an integral part of the team. We have changed and grown over the past 12 months, and I can honestly say that the team we have in place as I write this report is among the strongest I have ever had the pleasure of working with, and much of that strength comes from the existing foundations.

**Our approach to the uncertainty has been straightforward: We know that no situation will last forever. For better or worse, we must always be prepared for change. To do this, we:**

- do what we can and what is appropriate at any given moment to support our community, industry, and members
- prepare for when the situation improves
- work closely with partners to leverage success

These three considerations streamed through the year and led to significant successes in uncertain times.

## Industry Support – Supporting Local Edition

The year was a tale of adaptation and doing the utmost possible to balance the needs of our members and our community health. We undertook several programs that drove appropriate visitation to members at important times.

Activity on our owned social accounts (Twitter, Facebook, and Instagram) remained consistent, and we were able to grow our engaged following in 2021 by 9 per cent to 211,600 followers across our channels.

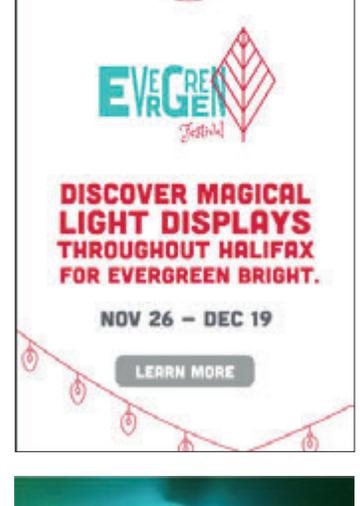
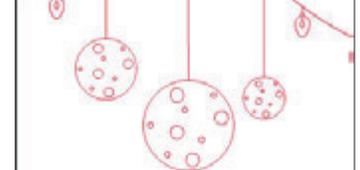
**Dine Around**, for example, was in its 18th year in 2021—a staple for the restaurant community and a driver of activity in a low season. Over 125 businesses (114 restaurants and 13 hotels) participated and offered takeaway alternatives. By leveraging funds from Tourism Nova Scotia’s Digital Content Marketing Program (DCMP), \$38,000 was invested across digital channels, which garnered 21 million impressions and 114,000 clicks to the *Dine Around* page.

**Take a Holiday** was a new initiative created in partnership with the Hotel Association of Nova Scotia with an intent to drive hotel room sales as soon as travel was possible. The \$40,000 investment included new creative, a new landing page, and paid media in the Maritimes. Launched in phases as the “bubble” opened throughout June and July, over 15,000 website visitors viewed the site over the five weeks of the campaign, checking out on average 3.3 hotel packages.

**Patio Lanterns** was created in partnership with Develop Nova Scotia to help animate communities across the province while supporting operators and musicians through a difficult period. The marketing team at Discover Halifax executed the province-wide *Patio Lanterns* creative campaign. The team created the website and, with a \$50,000 investment between July 15th and October 3rd, drove 56,000 pageviews.

Finally, the **Evergreen Festival**, again a partnership with Develop Nova Scotia, was created to animate the Halifax waterfront and drive visitors to the downtown core in an otherwise quiet period. The promotion was extended through the Maritimes, offering seasonal, safe, outdoor activities. From early November to December 19th, the campaign received over 27 million impressions and a highly engaged audience.

**The above campaigns were successful initiatives, but they were not the “big show” for the year. Two major campaigns were created that took most of our investment and attention.**



## Never Have I Ever Campaign – The Little Campaign That Could

“What will we do when things do open?” was the question we discussed as a team during the spring lockdown.

We knew it would happen and that we would need to be ready. Created entirely in-house from concept to execution, the **Never Have I Ever** campaign was born of the insight that locals were looking for new activities to experience and needed inspiration. We also knew that Atlantic Canadians consider themselves locals when they visit Halifax, and we wanted to help them experience something different and safe.

Because we were prepared to launch the campaign once the Atlantic bubble opened, we were positioned to leverage funding from partnerships with the Halifax Chamber of Commerce, the Halifax Partnership, the Halifax Regional Municipality, Tourism Nova Scotia, and various Business Improvement Districts.

Through these partnerships, we could triple Discover Halifax’s investment while also avoiding duplication of efforts and confusion for the consumer.

The campaign included mass advertising, which saw Discover Halifax’s first forays into TikTok and digital audio (with all spending doubled thanks to DCMP funding), a highly engaging and adaptable landing page, social media, and extensive contesting in which more than \$15,000 was invested in member businesses.

The “little campaign that could” ran from June through to December, growing and shrinking as restrictions allowed. The campaign was eminently adaptable from a “go outside” message (when travel bubbles remained in place) to an “attend this event” message (when it became appropriate).

The campaign saw an astonishing 260,000 pageviews, the average time on site being an extraordinary 4+ minutes. We ran different campaign creative for locals than for people outside of the region, which resulted in out-of-market audiences spending longer on the site than locals. In addition, we supported major events and some businesses with direct callouts, driving tens of thousands of new eyes to their activities.



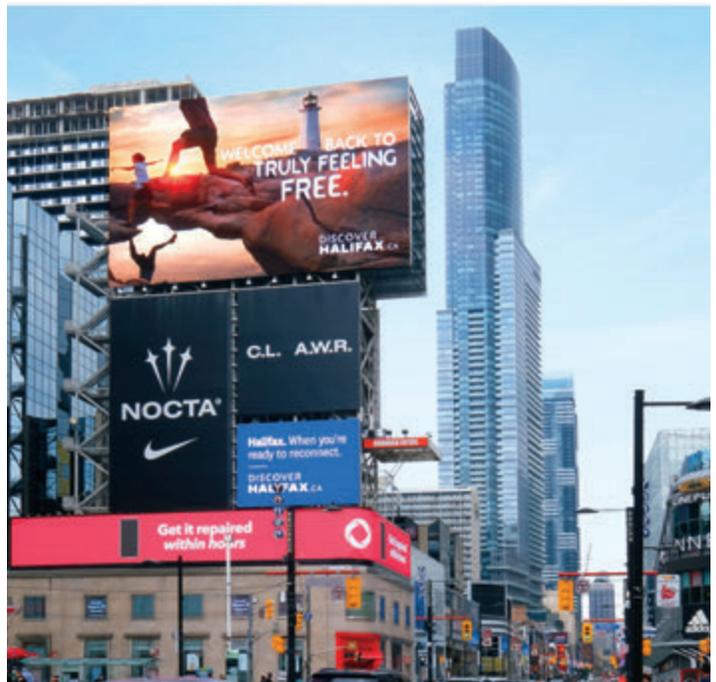
## Reconnections – Forging into New Markets

With COVID-recovery funding support, Discover Halifax ventured outside of the Atlantic region for the first time with a marketing campaign. Investing in the Greater Toronto Area and urban Alberta, we launched the **Reconnections** campaign in July, once the Atlantic Bubble was open to the rest of Canada.

The campaign ran for six weeks and positioned Halifax as the elixir to the lockdown, offering a safe, vibrant, and open destination for those who were “ready to reconnect.” As well, the campaign built our brand in these markets.

Investment in these major urban centers is more costly than in markets closer to home, but the results were solid. A full creative asset suite was built under the *Reconnections* banner and was displayed with the intent of awareness and familiarity generation. We were seeking mass exposure, and our partners, Trampoline, delivered with some extremely prominent placements in out-of-home, cinema, and digital tactics. In the end, almost a third of a billion people saw the *Reconnections* ads in our key markets.

We engaged Leger Marketing to conduct pre-and post-campaign research to understand these markets and the campaign efficacy. This research became one of the cornerstones of our 2022–2026 Strategic Marketing Plan. It identified valuable insights on current perception and intent for visitation to Halifax from these markets and a competitive set review. We are pleased to report that Leger attests that the campaign significantly improved both destination perception and travel intent, showing that an advertising presence in these out-of-region markets is warranted.



# Servicing the Visitors and Connecting Them to Members

The Marketing and Visitor Experience programs are inextricably linked. Campaigns (from Marketing investments) lead potential visitors to the website, maps, and guides (from Visitor Experience investment). Discover Halifax published our Visitor Guide through all the uncertainty, welcomed over 1.16 million visitors to our website and more than 102,000 reads of our maps and guides in 2021. We offered discounts to members who participated in our publications, allowing them to reach our highly qualified audience cost-effectively. We also initiated multiple visitor experience projects for 2022 (including the inaugural Halifax Kids' Guide), knowing that demand would be heightened and that the appetite existed for these sub-segments.

## Looking Forward

At the writing of this letter, I have had the pleasure of being at Discover Halifax for an entire year. I want to take a moment to thank our team for how they have pulled together and lived the organization's values through a tumultuous year. I am incredibly bullish about the foundations we have built and the direction we are heading, and I believe we will be exceptionally well-positioned to compete effectively in the coming years.

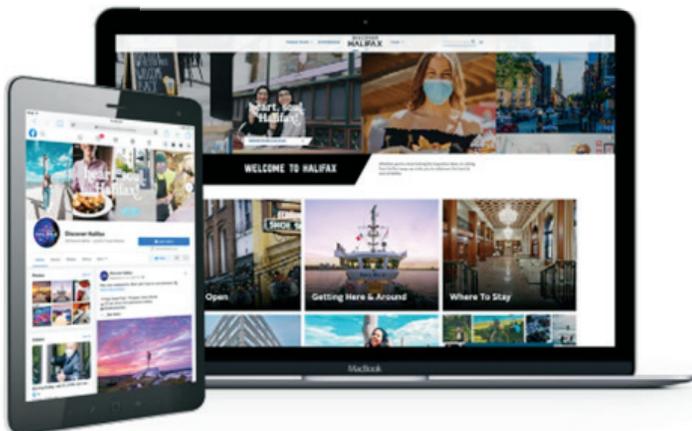
I would also like to make a special acknowledgement of Annie Cameron, a seven-year veteran of Discover Halifax who has been named one of Destinations International's 2022 "Top 30 Under 30" destination marketers.

Recognition and thanks also go to our wonderful counterparts at the Halifax Chamber of Commerce, Halifax Partnership, Develop Nova Scotia, Tourism Nova Scotia, Atlantic Canada Opportunities Agency, and the Halifax Regional Municipality. We have been rowing together and achieving stronger results as a unit.

I would also like to thank the partners we have worked with to create and execute our campaigns and front-facing audiences this year, namely Trampoline Branding, M5 Marketing Communications, Revolve, The Printing House, Leger Research, and Advocate Printing.



**Clare Tidby**  
Vice President | Marketing and Visitor Experience



# GROUP SALES OVERVIEW





EAST OF GRAFTON TAVERN

RESTAURANT & BAR

**BUFFALO TRACE**  
DISTILLERY  
400-600  
Nachos &  
BAR SNACKS  
HALF PRICE  
BEER & WINE  
\$2 OFF  
STAND STRONG

WINE  
\$20  
\$25  
\$30  
\$35  
\$40  
\$45  
\$50



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## **As in the previous year, 2021 was a challenging year for the Group Sales program to book future business and the destination's ability to host events.**

With several new waves of COVID-19 spreading worldwide, no events assisted by the program were able to happen in person until Q3 and Q4. During this time frame, only 13 events took place, with most events rights' holders waiting until 2022 to return to face-to-face events.

Booking events for the destination were picked up from the previous year but weighted heavily on cancelled rebooking events because of the pandemic. In all, 72 events were booked for future years. Forty-seven of these events were rebookings, with the remainder (25) representing new business bookings for the destination. Eighty-five per cent of all the new business booked came from domestic markets as business confidence within the international events market remained low throughout the year. The sales team submitted bids for 123 future year events as well. This represents 60 per cent of the bids that the program would do in a typical year.

Despite the lower than traditional booking numbers, the sales team proactively engaged all primary markets, focusing on rebooking lost business and researching for future event opportunities for the destination. The fall marked the return to traditional sales and marketing activities, with the team participating in face-to-face national and international tradeshows and client events.

The team also continued to work on projects designed to provide enhanced sales tools to help position the destination better for domestic and international opportunities. This included the development of destination content and the launch of a new business events website, [businesseventshalifax.com](http://businesseventshalifax.com).

In 2021, we launched the *Take the Lead* program. This program was designed to inspire local citizens from all backgrounds to work with the Group Sales team in developing and winning bids to bring new events to Halifax. In addition, the program focuses on educating the local market on the importance of events, how Discover Halifax can help, and the celebration of successful individuals in bringing events to the city.



## Looking Forward

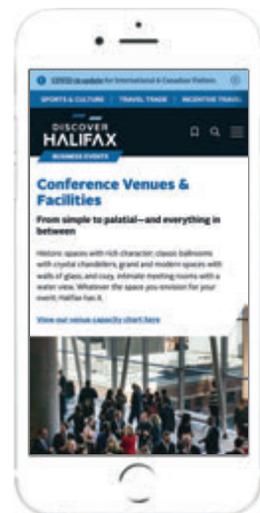
There is great optimism and excitement for 2022 and beyond. Event bookings for 2022 are solid, and with business confidence continually rising, there will be much more opportunities to book business in future years.

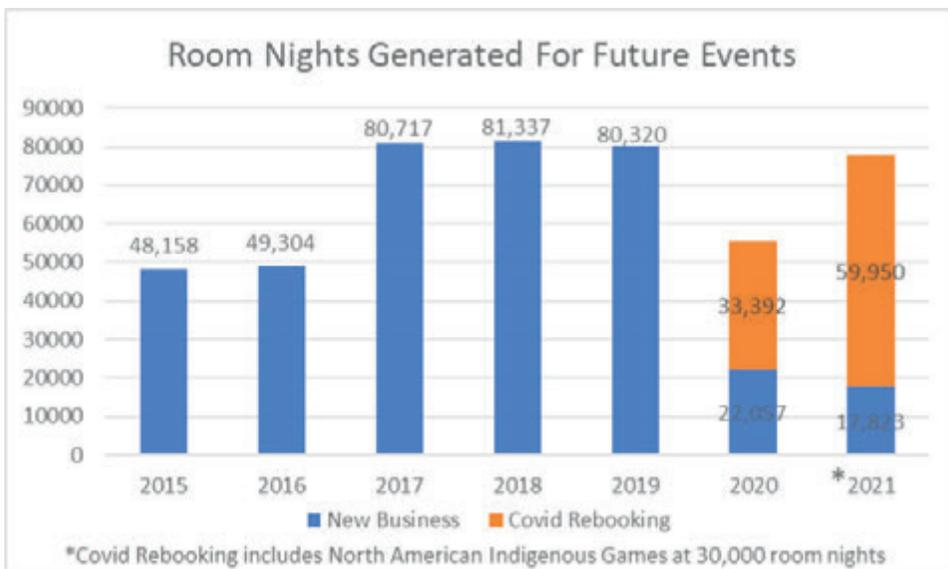
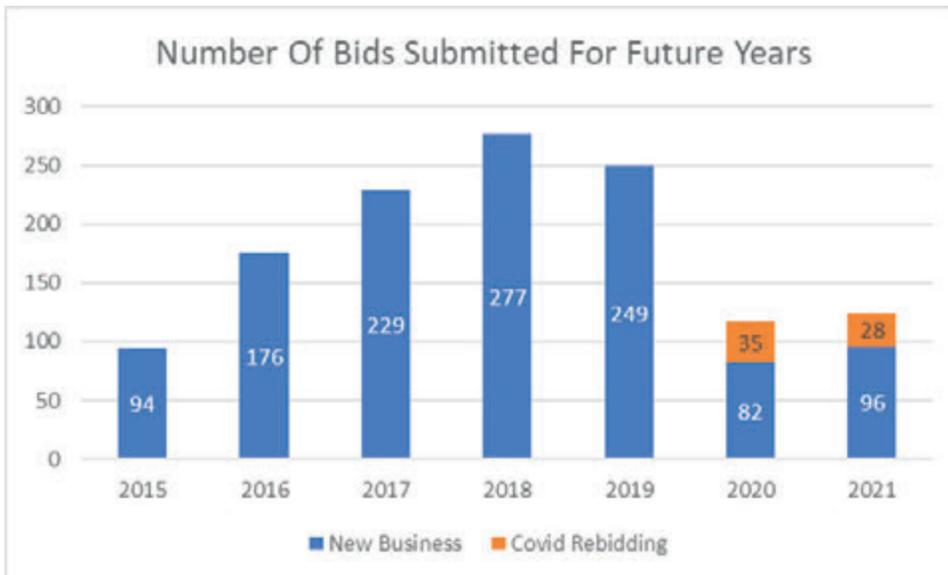
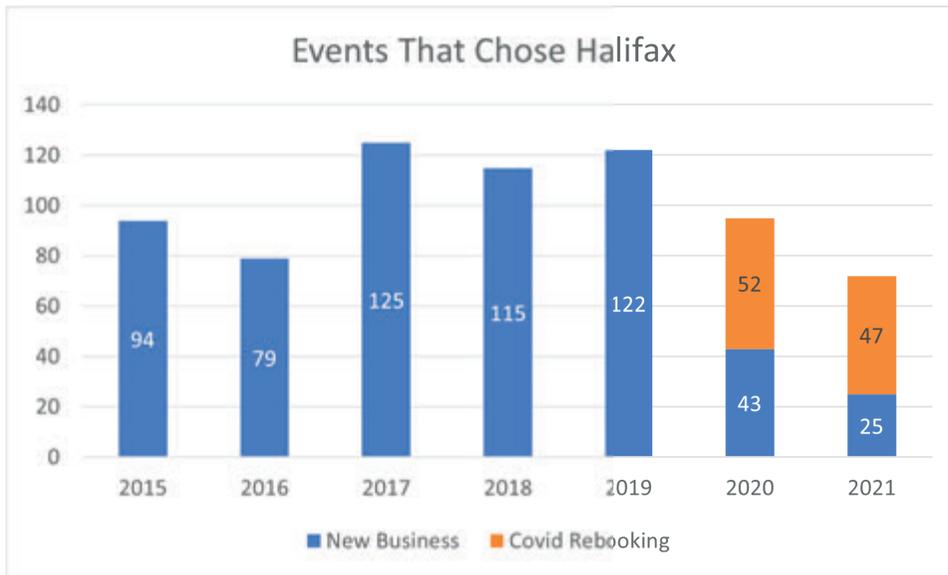
The Group Sales program is well-positioned to take advantage of this opportunity. With the development of innovative sales assets, a new five-year strategic plan, and major destination development in place, the program looks to leverage its position to bring events to the region. We also look forward to returning to traditional sales activities such as tradeshow and client events that allow us to work closely with existing clients and cultivate new ones.

As always, we will continue our commitment to improving our services, processes, and most importantly, how we work in collaborative and innovative ways with our local partners and stakeholders to make Halifax Canada's favourite event city.



**Jeff Nearing**  
Vice President | Sales





# INDUSTRY SUPPORT





# Integrated Tourism Master Plan

In February 2021, Halifax's first Integrated Tourism Master Plan (ITMP) was launched. The ITMP provides a vision for tourism in Halifax and was developed to drive and prioritize the efforts and investments that will lead to tourism recovery and future sustainable economic growth in the region's tourism economy.

The ITMP is guided by a community-first approach that will help shape tourism's growth in a way that not only supports the industry but maximizes the benefits of all citizens. Tourism is one of the fastest-growing industries globally, and it is bringing prosperity and opportunities to the communities that are prepared.

Halifax's ITMP includes four goals that align with Halifax's Economic Growth Plan: grow tourism revenues, employment, enrich the lives of residents, and align with related strategies. The ITMP is comprised of 28 priority initiatives supporting six strategic themes.

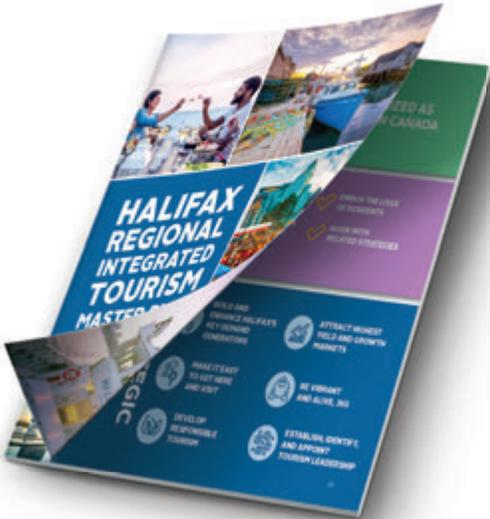
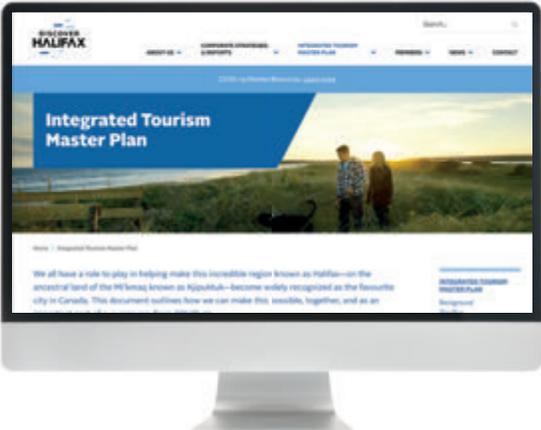
The ITMP is a dynamic plan with each project at different stages of development and has unique factors that contribute to their progress. Between 2020 and 2021, several projects have been completed or made a significant forward movement, creating positive impacts in the Halifax region. As the ITMP sponsor, Discover Halifax will continue to collaborate with project leads and regional partners to measure and report on the progress of the 28 initiatives.

## Collective Impact

No single organization can achieve success on its own. Collective impact requires the combined efforts and resources of multiple stakeholders and organizations. In Halifax, we are fortunate and proud to have so many incredible partners leading and contributing to ITMP projects and committed to making Halifax a better place to live, work, and visit. Taking a collective approach will help to guide tourism recovery and growth in our region.

Discover Halifax acknowledges the ITMP funding partners Halifax Regional Municipality, Province of Nova Scotia, and Atlantic Canada Opportunity Agencies (ACOA), whose support helped to bring this vision to life.

Learn more about the Integrated Tourism Master Plan:  
<https://discoverhalifaxdmo.com/integrated-tourism-master-plan/>






**VISION**

**TO BE WIDELY RECOGNIZED AS THE FAVOURITE CITY IN CANADA.**



**GOALS**

- ✓ GROW TOURISM REVENUES
- ✓ ENRICH THE LIVES OF RESIDENTS
- ✓ GROW TOURISM EMPLOYMENT
- ✓ ALIGN WITH RELATED STRATEGIES



**STRATEGIC THEMES**

-  **BUILD AND ENHANCE HALIFAX'S KEY DEMAND GENERATORS**
-  **ATTRACT HIGHEST YIELD AND GROWTH MARKETS**
-  **MAKE IT EASY TO GET HERE AND VISIT**
-  **BE VIBRANT AND ALIVE, 365**
-  **DEVELOP RESPONSIBLE TOURISM**
-  **ESTABLISH, IDENTIFY, AND APPOINT TOURISM LEADERSHIP**

# Three-Phase Recovery Plan

In 2020, Discover Halifax completed a Three-Phase Recovery Plan to guide the organization's recovery efforts and a framework for the industry's adoption.

As the COVID-19 pandemic continued to have an impact throughout 2021, Discover Halifax focused on **Phase 2** (Re-open & Recovery) and **Phase 3** (Transform & Re-invent).

Based on insights gained through tourism scenario planning conducted in 2020 (in partnership with regional industry partners and the MacEachen Institute for Public Policy and Governance at Dalhousie University), Discover Halifax prepared for the following:

1. The likelihood of pent-up demand and rapid return of travellers was high, but potential labour shortages were identified as a risk.
2. The region faced a lack of planned events. Animation needed to be activated to create vibrancy throughout the summer.
3. A lack of marketing to the highest return-on-investment markets meant prospective travellers might not visit. It was crucial to be ready when the time was right.

Understanding these scenarios helped guide much of our activity in 2021, including planning and executing activities under the Marketing and Group Sales programs. When the timing aligned with public health guidelines, the efforts to market Halifax as a safe option destination helped contribute to the high volume of visitation experienced in 2021, especially during Q3 and Q4. Additionally, the collaboration between regional economic partners helped bring animation and vibrancy to our region through events like the inaugural *Patio Lanterns Festival* and the 2nd *Evergreen Festival*.

Under **Phase 3**, long-term planning continued to be a focus to help the industry build back better than before. This work includes the Halifax Integrated Tourism Master Plan, specifically the 28 initiatives in the action plan, which is helping to prioritize the efforts and investments to recover sustainable economic growth from the region's tourism economy. We have an opportunity to shape that growth, maximize it, and get the best opportunities in a way that takes a community-first approach. This approach will help transform and re-invent the tourism industry in the region.



# RESPONDING TO THE CRISIS

## THREE PHASES OF RECOVERY

### 1. SUPPORT

1. Support containment measures of the virus
2. Support business impacted by lockdowns through liquidity
3. Support hyperlocal demand generation (buy local, takeout, online purchasing)
4. Boost community spirit in a difficult time

### 2. RE-OPEN & RECOVERY

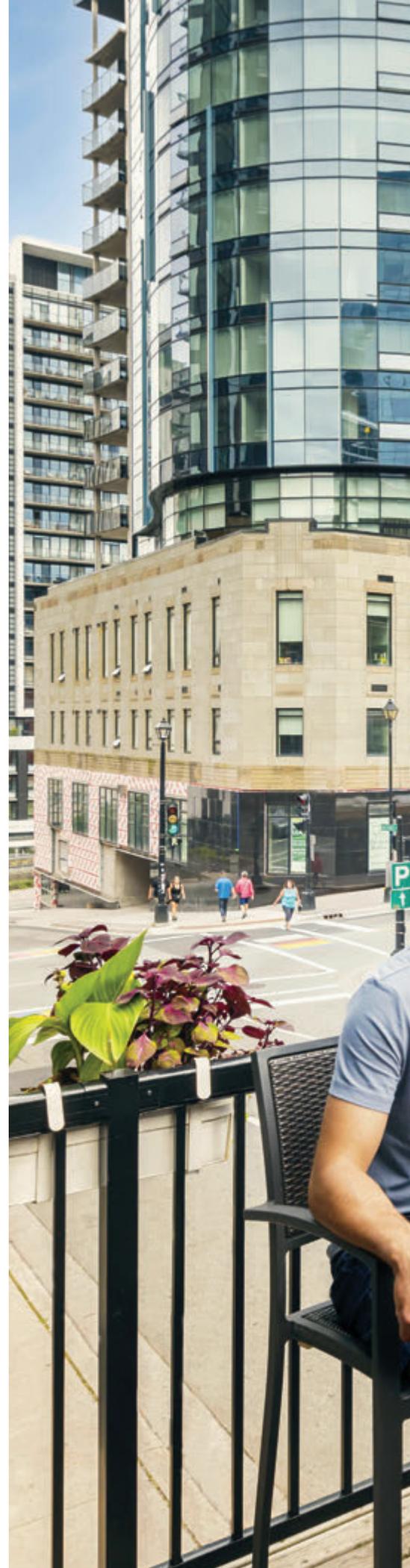
1. Gain open access to safe markets
2. Rebuild consumer demand as markets return
3. Support consumers needs and questions (what is open, itinerary building, safety questions)
4. Continue selling for sale cycles in group business for future events and conferences (2020-2026)

### 3. TRANSFORM & RE-INVENT

1. Advance initiatives outlined in the Halifax's Integrated Tourism Master Plan
2. Seek opportunities to reimagine industry
3. Reimagine the core services of Discover Halifax to be focused as a backbone in collective impact model



# FINANCIALS





TRAMWAY  
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INDEPENDENT AUDITOR'S REPORT

To the Members of Destination Halifax Society (operating as Discover Halifax)

Opinion

We have audited the financial statements of Destination Halifax Society, operating as Discover Halifax, (the "Society"), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(continues)

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Independent Auditor's Report to the Members of Destination Halifax Society (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society'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 Society'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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Lyle Tilley Davidson

Halifax, Nova Scotia  
June 1, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

**DESTINATION HALIFAX SOCIETY**  
(Operating as Discover Halifax)  
Statement of Financial Position  
December 31, 2021

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 1,728,034	\$ 758,930
Term deposits	-	762,665
Accounts receivable (Note 4)	380,917	182,689
Other receivables (Note 5)	256,358	714,927
Harmonized sales tax recoverable	29,631	-
Prepaid expenses	106,677	95,157
	<u>2,611,617</u>	<u>2,474,377</u>
<b>CAPITAL ASSETS (Note 6)</b>	<u>37,183</u>	<u>67,185</u>
	<u>\$ 2,648,700</u>	<u>\$ 2,541,542</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 325,195	\$ 253,289
Harmonized sales tax payable	-	3,891
Deferred revenue (Note 5)	173,841	282,178
	<u>499,036</u>	<u>539,358</u>
<b>LOANS PAYABLE (Note 10)</b>	<u>30,000</u>	<u>30,000</u>
	<u>529,036</u>	<u>569,358</u>
<b>NET ASSETS</b>		
Unrestricted fund	1,982,481	1,905,019
Invested in capital assets	37,183	67,185
	<u>2,019,664</u>	<u>1,972,184</u>
	<u>\$ 2,648,700</u>	<u>\$ 2,541,542</u>

**CONTRACTUAL OBLIGATIONS (Note 17)**

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

LYLE BELLEV DAVIDSON

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**DESTINATION HALIFAX SOCIETY**  
(Operating as Discover Halifax)  
Statement of Revenues and Expenditures  
Year Ended December 31, 2021

	2021	2020
<b>REVENUES</b>		
Hotel marketing levy	\$ 1,131,790	\$ 786,795
Halifax Regional Municipality (Note 12)	494,100	576,600
Tourism Nova Scotia (Note 12)	499,000	333,000
Federal government assistance (Notes 10, 12)	423,962	463,722
Evergreen Festival Project (Note 12)	380,406	162,831
Tourism Master Plan/COVID recovery assistance (Note 12)	328,798	289,042
ACOA - administrative support (Note 12)	264,100	130,900
Patio Lanterns Festival (Note 12)	121,407	-
Marketing partnerships	65,000	-
Advertising revenue	63,230	78,820
Other income	34,381	22,584
Group sales partnerships	2,000	21,766
Membership dues (Note 13)	-	132,846
	<u>3,966,164</u>	<u>3,030,906</u>
<b>MARKETING PROGRAMS AND EXPENDITURES</b>		
Wages and benefits - operations	1,260,766	1,428,027
Advertising	1,049,704	348,518
Travel and industry development	394,478	338,995
Creative development	341,404	152,528
Owned and earned media	106,704	156,413
Web development	85,646	63,238
Research	44,997	24,100
Lead development and membership fees	38,596	50,849
Trade shows	31,842	48,715
Continuous improvement	26,409	15,953
Amortization of media assets	15,413	50,146
Client development	14,300	11,842
Client events and sales trips	12,581	-
Familiarity trips and site inspections	11,563	3,280
Sponsorships	5,300	2,000
	<u>3,441,773</u>	<u>2,694,974</u>
<b>ADMINISTRATIVE EXPENDITURES (Schedule 1)</b>	<u>486,911</u>	<u>364,914</u>
	<u>3,928,684</u>	<u>3,059,888</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 47,480</u>	<u>\$ (58,982)</u>

LYLE BELLEV DAVIDSON

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**DESTINATION HALIFAX SOCIETY**  
**(Operating as Discover Halifax)**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2021**

	Unrestricted Fund	Invested in Capital Assets	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 1,905,019	\$ 67,165	<b>\$ 1,972,184</b>	\$ 2,031,166
Excess (deficiency) of revenues over expenditures	77,462	(29,962)	<b>47,499</b>	(58,962)
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 1,982,481</b>	<b>\$ 37,193</b>	<b>\$ 2,019,674</b>	\$ 1,972,184

LYLE TELLEY DAVIDSON

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**DESTINATION HALIFAX SOCIETY**  
**(Operating as Discover Halifax)**  
**Statement of Cash Flows**  
**Year Ended December 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over marketing programs and expenditures	\$ 47,460	\$ (58,962)
Items not affecting cash:		
Amortization of tangible assets	14,569	17,371
Amortization of media assets	16,413	50,145
Loan forgiveness	-	(10,000)
	<b>77,462</b>	(1,466)
Changes in non-cash working capital:		
Accounts receivable	(206,228)	(54,732)
Other receivables	458,589	(298,868)
Accounts payable and accrued liabilities	71,906	(115,193)
Deferred revenue	(108,237)	77,333
Prepaid expenses	(61,420)	23,367
Harmonized sales tax payable (recoverable)	(33,522)	47,030
	<b>128,968</b>	(309,033)
Cash flow from (used by) operating activities	<b>206,430</b>	(310,499)
<b>FINANCING ACTIVITY</b>		
Proceeds from loan	-	40,000
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>206,430</b>	(270,499)
Cash - beginning of year	<b>1,621,604</b>	1,792,103
<b>CASH - END OF YEAR</b>	<b>\$ 1,728,034</b>	\$ 1,521,604
<b>CASH CONSISTS OF:</b>		
Cash	\$ 1,728,034	\$ 758,939
Term deposits	-	762,665
	<b>\$ 1,728,034</b>	\$ 1,521,604

LYLE TELLEY DAVIDSON

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**DESTINATION HALIFAX SOCIETY**  
**(Operating as Discover Halifax)**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

**1. PURPOSE OF THE SOCIETY**

Destination Halifax Society (operating as Discover Halifax) (the "Society") is a partnership between the Halifax Regional Municipality (HRM), the Hotel Association of Nova Scotia, the Province of Nova Scotia and participating industry members. Its mandate is to dramatically increase tourism activities in the region by promoting HRM as a year-round destination of choice for business and leisure travelers.

The sustainability of the Society was realized on April 1, 2002, with the introduction of a municipality administered marketing levy, currently at 2.0% on occupied rooms for accommodations of 20 rooms or greater within the Halifax Regional Municipality. Destination Halifax receives 60% (formerly 2/3 of 1.5% from inception to March 31, 2006 and 60% of 2% from April 1, 2006 to present) of the levy to carry out the objectives of the Society.

The Society registered the operating name Discover Halifax, effective May 25, 2017.

The Society's mission is as follows:

We seek to maximize economic and social benefits derived from the tourism industry for the benefit of the people who live, visit, and invest in our region.

We do this by showcasing the best of our region to the world, and through collective impact, we seek to shape the future of our industry through good planning, investment, and design.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPC).

Cash

Cash consists of deposits within Canadian financial institutions, net of outstanding transactions.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued, except for transactions with related parties which are recorded at the exchange amount. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

(continues)

**DESTINATION HALIFAX SOCIETY**  
**(Operating as Discover Halifax)**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capital assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	3 years
Furniture and fixtures	5 years
Server	3 years
Content development	3 years
Tradeshaw booth	3 years
Website	3 years
Digital kiosk	5 years

Amortization is calculated at one-half of the normal annual rate in the year of acquisition; no amortization is recorded in the year of disposal.

The Society regularly reviews its capital assets to eliminate obsolete items. Government assistance received related to assets is deferred and amortized on the same basis as the related asset.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Impairment of long-lived assets

The Society tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. The most significant estimates in these financial statements is the allowance for doubtful accounts, the useful lives of capital assets, deferred revenue and accrued liabilities.

(continues)

**DESTINATION HALIFAX SOCIETY**  
(Operating as Discover Halifax)  
Notes to Financial Statements  
Year Ended December 31, 2021

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Revenue recognition

Destination Halifax Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Kiosk rental revenue is recognized in revenue over the term of the lease. Advertising revenue is recognized in revenue over the term of the contract. Group sales partnership revenue is recognized in revenue over the life of the partnership.

Government assistance

Government assistance is recorded when there is a reasonable assurance that the Society had complied with and will continue to comply with, all the necessary conditions to obtain the assistance. Government assistance related to expenses is recorded as deferred government assistance and is amortized into income as eligible expenditures are incurred. Government assistance for current expenses is recorded as income.

**3. FINANCIAL INSTRUMENTS**

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The Society's financial instruments consist of cash, term deposits, accounts receivable, other receivables, accounts payable and accrued liabilities and loans payable. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2021.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from funders and members. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Credit risk is minimized due to the nature of revenue.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, loans payable and accounts payable and accrued liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Society is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its operating bank account.

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LYLE TELLEV DAVIDSON

**DESTINATION HALIFAX SOCIETY**  
(Operating as Discover Halifax)  
Notes to Financial Statements  
Year Ended December 31, 2021

**4. ACCOUNTS RECEIVABLE**

	2021	2020
Accounts receivable	\$ 390,917	\$ 187,439
Allowance for doubtful accounts	-	(4,750)
	<u>\$ 390,917</u>	<u>\$ 182,689</u>

Included in accounts receivable is \$292,275 from Atlantic Canada Opportunities Agency (ACOA).

**5. OTHER RECEIVABLES**

	2021	2020
Hotel marketing levy	\$ 213,121	\$ 104,479
Evergreen Festival Project	43,237	162,831
ACOA - administration and payroll	-	130,900
ACOA - Tourism Master Plan/COVID Recovery Assistance	-	265,159
Halifax Regional Municipality - Tourism Master Plan	-	31,598
Canada Emergency Wage Subsidy	-	4,653
Canada Emergency Rent Subsidy	-	15,307
	<u>\$ 266,358</u>	<u>\$ 714,927</u>

**6. CAPITAL ASSETS**

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 47,079	\$ 44,310	\$ 2,769	\$ 11,107
Furniture and fixtures	99,857	90,510	9,347	15,578
Server	4,325	4,325	-	-
Content development	10,721	10,721	-	-
Tradeshaw booth	35,185	33,508	1,677	5,000
Website	85,250	85,250	-	-
Digital kiosk	62,299	36,909	25,390	35,450
	<u>\$ 343,716</u>	<u>\$ 306,533</u>	<u>\$ 37,163</u>	<u>\$ 67,165</u>

**7. BANK INDEBTEDNESS**

The Society has access to a \$100,000 line of credit with interest of prime plus 2.5%, none of which was outstanding at year end (2020 - \$nil).

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LYLE TELLEV DAVIDSON

**DESTINATION HALIFAX SOCIETY**  
(Operating as Discover Halifax)  
Notes to Financial Statements  
Year Ended December 31, 2021

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2021	2020
Trade accounts payable	\$ 235,519	\$ 114,559
Accrued liabilities	89,676	138,730
	<u>\$ 325,195</u>	<u>\$ 253,289</u>

**9. DEFERRED REVENUE**

As at December 31, 2021 \$173,841 (2020 - \$282,178) was recorded as deferred revenue. Deferred revenue represents funding advances, trade show fees, as well as advertising revenue and partner contributions for the following fiscal year that have been invoiced in the current year, and includes municipal grants in the amount of \$62,500 (2020 - \$nil)

**10. LOANS PAYABLE**

	2021	2020
Canada Emergency Business loan: The loan is interest-free until December 31, 2023. Repaying the balance of the loan on or before December 31, 2023 will result in a loan forgiveness of \$10,000. If the full amount is not paid by December 31, 2023, the remaining balance will be converted to a 3-year loan with an interest rate of 5% per annum.	\$ 40,000	\$ 40,000
Forgivable portion	(19,000)	(10,000)
	<u>\$ 30,000</u>	<u>\$ 30,000</u>

Subsequent to year end, the \$30,000 non-forgivable portion was repaid and resulted in loan forgiveness of \$10,000.

Principal repayment terms are approximately:

2023	\$ 30,000
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**11. CONTRACTUAL OBLIGATIONS**

The Society has leases under various agreements for office equipment and premises (includes base rent and additional rent for property taxes and common area costs), expiring in August 2023.

Contractual obligation repayment schedule:

2022	\$ 84,788
2023	71,330
	<u>\$ 156,068</u>

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LYLE BILLY DAVIDSON

**DESTINATION HALIFAX SOCIETY**  
(Operating as Discover Halifax)  
Notes to Financial Statements  
Year Ended December 31, 2021

**12. GOVERNMENT ASSISTANCE**

	2021	2020
<b>Municipal</b>		
Halifax Regional Municipality	\$ 684,100	\$ 575,600
Tourism Master Plan/COVID recovery assistance	37,378	12,622
	<u>721,478</u>	<u>588,222</u>
<b>Provincial</b>		
Tourism Nova Scotia	499,000	333,000
Evegreen Festival	380,406	162,831
Pato Lanterns Festival	60,704	-
	<u>940,110</u>	<u>495,831</u>
<b>Federal</b>		
COVID-19 subsidies		
Canada Emergency Wage Subsidy	375,277	470,205
Canada Emergency Rent Subsidy	48,676	13,517
Loan Forgiveness	-	10,000
	<u>423,953</u>	<u>493,722</u>
<b>ACOA</b>		
Tourism Master Plan/COVID recovery assistance	209,420	276,420
Administrative support	264,100	130,900
Pato Lanterns Festival	60,703	-
	<u>534,223</u>	<u>407,320</u>
	<u>1,038,176</u>	<u>901,042</u>
	<u>\$ 2,699,763</u>	<u>\$ 1,986,095</u>

**13. MEMBERSHIP DUES**

During the year, the Society discontinued charging annual dues to its members.

**14. COVID-19**

Beginning in March 2020 the Governments of Canada and Nova Scotia, as well as foreign governments instituted emergency measures as a result of the COVID-19 virus. The virus has had a major impact on Canadian and international securities and currency markets and consumer activity which may impact the Society's financial position, its results of operations and its cash flow significantly. As these are on-going events, these financial statements do not reflect any potential future impact. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results of the Society as at the report date.

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LYLE BILLY DAVIDSON

**DESTINATION HALIFAX SOCIETY**  
*(Operating as Discover Halifax)*  
**Administrative Expenditures**  
*(Schedule 1)*  
**Year Ended December 31, 2021**

	2021	2020
<b>ADMINISTRATIVE EXPENDITURES</b>		
Wages and benefits - administration	\$ 145,065	\$ 124,025
Rent	913,063	71,911
Information and communication technology	83,826	70,683
Professional fees	78,083	62,277
Office	18,486	16,185
Board expense	17,592	9,078
Staff development	14,690	6,772
Amortization of tangible assets	14,569	17,371
Insurance	8,835	3,984
Corporate communication	3,518	869
Interest and bank charges	2,835	3,114
Miscellaneous	2,130	3,695
Bad debts (recovered)	(4,750)	4,750
<b>TOTAL ADMINISTRATIVE EXPENDITURES</b>	<b>\$ 496,911</b>	<b>\$ 304,914</b>





DISCOVER  
**HALIFAX**