

The Board of Governors on April 17, 2009 received this report for INFORMATION.



Management Report
for
The Board of Governors of Exhibition Place
February 2009

Executive Summary

	YTD			2008
	Actual	Plan	Variance	Actual
Revenues	\$ 292,085	\$ 310,966	\$ (18,881)	\$ 249,441
Expenses	\$ (543,967)	\$ (604,228)	\$ 60,261	\$ (568,224)
(LBITDA)	\$ (251,881)	\$ (293,262)	\$ 41,381	\$ (318,783)

- For the two month period ending February 28, 2009, the operating loss for BMO Field was \$252K (\$41K favourable to budget).
- Total revenues of \$292K for the period were \$19K or 6% unfavourable to budget due to an over estimate on bubble revenue (\$15K) for non-primetime usage and lower interest income (\$5K).
- Total operating expenses of \$544K for the period were \$60K favourable to budget. Expenses were lower due to an over accrual for utilities in December, lower fees paid to the OSA due to a new negotiated rate, and timing of some pre-season start-up expenses.

Events hosted by BMO Field:

	YTD			2008
	Actual	Plan	Variance	Actual
TFC Games (MLS, Friendly & CONCACAF)	-	-	-	-
CSA Games	-	-	-	-
MLS All-Star	-	-	-	-
FIFA/International Games	-	-	-	-
Other Events	-	-	-	-
Total	-	-	-	-
Rentals (hours)	1,668	2,028	(360)	1,514

February 2009 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.4M decreased by \$639K from February 29, 2008. Major uses of cash were distributions of incentives, rebates and excess cash from the 2007 season. Cash from operations before incentives, rebates and excess cash distributions was \$341K.
- Accounts Receivable of \$525K is made up primarily of 2009 suite renewals (\$337K), bubble rental receivables (\$119K) and contra receivable from Sony (\$35K); a provision of \$30K was recorded for amounts outstanding. As at March 31, 2009, subsequent receipts were \$341K (including Bubble receivable). BMO Field is currently monitoring receivables and, other than items provided for, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$1.1M includes \$596K payable to MLSE for shared cost recoveries and MLSE's share of suite revenue (payable at the end of the season).
- Incentives & rebates decreased from \$512K to \$119K. The decrease is attributable to a lower operating profit in 2008 as BMO Field hosted the FIFA U-18 World Cup and a Genesis concert in

2007. Incentives & rebates will be paid out upon completion of the 2008 year-end audit anticipated in April 2009.

PROFIT & LOSS

The Operating Loss for BMO Field for the two months ending February 28, 2009 was \$252K (\$41K favourable to budget). The following provides an analysis of the significant variances for the two months:

- Other Usage Fees were \$15K or 5% negative to budget for the period. Event rental fees were \$10K favourable to budget; however, this was partially offset by bubble rentals which were \$25K unfavourable to budget due to overestimated non-primetime rental revenues.
- Supplies and Services were \$14K favourable to budget for the period mainly due to lower OSA commissions as a result of lower than anticipated bubble rental revenue and a new lower commission (\$16K).
- Utilities were \$28K favourable to budget for the period due to lower than anticipated gas usage to heat the bubble (\$18K) and an over accrual for hydro (\$10K) in December.
- Other Expenses were \$16K favourable to budget in the month due primarily to the foreign exchange impact of US dollar receivables received in the period (\$12K) and timing.

Event Management Services

The major focus in the first two months of the year was to move part-time staffing in-house. Six job fairs were held during the period to fill all of the ushering, gate staff, security and food & beverage positions.

The Event Management team worked closely with the Ontario Soccer Association (OSA) to ensure the bubble rental season continued from the strong start. The bubble was booked 1,668 hours of the 2,568 hours available (64% capacity versus budget of 79%, including non-prime hours).

BMO Field also hosted its first corporate event in 2009 on January 13th.

Building Operations

The Building Operations team worked with the OSA to ensure the bubble and field were in good condition for rentals and community usage.

Food & Beverage

The Food & Beverage team focused on job fairs and prepared guidelines for the upcoming season.

Submitted by:

Marc Petitpas
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at February 28, 2009

	<u>February 28, 2009</u>	<u>February 29, 2008</u>	<u>December 31, 2008</u>
ASSETS			
Current Assets			
Cash	\$ 1,390,240	\$ 2,029,105	\$ 957,997
Accounts receivable	524,686	342,688	251,285
Taxes recoverable	-	27,293	-
Prepaid expenses & deposits	57,356	9,048	27,650
Inventory	30,300	14,382	30,300
	<u>2,002,582</u>	<u>2,422,517</u>	<u>1,267,232</u>
Capital Assets	45,000	90,000	45,000
	<u>\$ 2,047,582</u>	<u>\$ 2,512,517</u>	<u>\$ 1,312,232</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 1,073,495	\$ 958,568	\$ 481,192
Taxes payable	5,349	-	140,231
Deferred revenue	684,327	634,108	154,518
Incentives & rebates payable	118,841	511,947	118,841
	<u>1,882,013</u>	<u>2,104,622</u>	<u>894,782</u>
Long-Term Suite Deposits	218,125	218,125	218,125
Retained Earnings (Deficit)	(52,556)	189,771	199,325
	<u>\$ 2,047,582</u>	<u>\$ 2,512,517</u>	<u>\$ 1,312,232</u>
Opening Retained Earnings (Deficit)	\$ 199,325	\$ 508,554	\$ 508,554
Operating Profit (Loss) after incentives and rebates	(251,881)	(318,783)	158,841
Distribution of Excess Cash	-	-	(468,070)
Closing Retained Earnings (Deficit)	<u>\$ (52,556)</u>	<u>\$ 189,771</u>	<u>\$ 199,325</u>

Note:

Certain of the prior year's comparative figures have been reclassified to conform to the current year's presentation.

BMO Field
Income Statement
For the Two Months Ending February 28, 2009

	YTD			YTD
	Actual	Budget	Variance \$	2008
Revenues				
Food and Beverage	\$ 432	\$ -	\$ 432	\$ 2,040
Other Usage Fee	291,599	306,300	(14,701)	239,118
Other Revenue	54	4,666	(4,612)	8,283
Total Revenues	\$ 292,085	\$ 310,966	\$ (18,881)	\$ 249,441
Expenses				
Cost of Goods Sold	(41)	0	41	750
Full-Time Salaries	121,955	120,798	(1,157)	103,646
Part-Time Wages	12,527	16,379	3,852	7,555
Travel and Entertainment	2,263	3,250	987	2,058
Supplies and Services	178,456	192,397	13,941	197,923
Insurance	17,142	15,818	(1,324)	20,275
Utilities	98,586	127,000	28,414	115,012
Capital Reserve	66,666	66,666	0	66,666
Management Fee	35,093	35,020	(73)	34,167
Other	11,319	26,900	15,581	20,173
Total Operating Expenses	\$ 543,967	\$ 604,228	\$ 60,261	\$ 568,224
Operating Profit (Loss)	\$ (251,881)	\$ (293,262)	\$ 41,381	\$ (318,783)

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Two months ended	
	February 28, 2009	February 29, 2008
OPERATING	\$ 432,243	\$ 291,430
Net Cash Inflow (Outflow) during the period	\$ 432,243	\$ 291,430
Cash, beginning of period	957,997	1,737,675
Cash, end of period	\$ 1,390,240	\$ 2,029,105
OPERATING		
Operating profit (loss) after incentives and rebates	\$ (251,881)	\$ (318,783)
Cash provided by (used in) non cash working capital item	684,125	610,214
	\$ 432,243	\$ 291,430
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (273,401)	\$ 97,272
Prepaid expenses	(29,706)	8,039
Inventory	-	(1,172)
Accounts payable and accrued liabilities	592,304	201,902
Taxes payable/recoverable	(134,882)	(152,981)
Deferred revenue	529,809	457,156
Cash provided by (used in) operating activities	\$ 684,125	\$ 610,214