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Management Report  
for  
The Board of Governors of Exhibition Place  
May 2011

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## Executive Summary

000's	May 2011			Year to date			2010 Actual
	Actual	Plan	Variance	Actual	Plan	Variance	
<b>Revenues</b>	\$ 1,247	\$ 1,470	\$ (223)	\$ 2,765	\$ 3,048	\$ (283)	\$ 1,939
<b>Expenses</b>	\$ (935)	\$ (1,120)	\$ 185	\$ (3,055)	\$ (3,196)	\$ 141	\$ (2,416)
<b>EBITDA (LBITDA)</b>	\$ 312	\$ 350	\$ (38)	\$ (290)	\$ (148)	\$ (142)	\$ (478)

- For the month ending May 31, 2011, the operating profit for BMO Field of \$312K was \$38K unfavourable to budget.
- Total revenues of \$1.2M for the month were \$223K unfavourable to budget due mainly due to not hosting one International Friendly (\$115K) game and one Canadian Soccer Association (CSA) game (\$81K) and lower Stile count for four TFC matches. The negative variance was partially offset by one additional Nutrilite Canadian Championship (NCC) game in the month.
- Total operating expenses of \$935K for the month were \$185K favourable to budget mainly due to savings in Part-time labour (\$62K), F&B Cost of Goods Sold (\$48K), Full-time Wages (\$40K) and Royalties (\$31K).

Events hosted by BMO Field:

	May 2011			YTD			2010 Actual
	Actual	Plan	Variance	Actual	Plan	Variance	
<b>TFC Games (MLS, Friendly &amp; CONCACAF)</b>	5	4	1	10	9	1	5
<b>CSA Games</b>	0	1	-1	0	1	-1	0
<b>International Games</b>	0	1	-1	0	1	-1	1
<b>TOTAL</b>	<b>5</b>	<b>6</b>	<b>-1</b>	<b>10</b>	<b>11</b>	<b>-1</b>	<b>6</b>
<b>Field Rental Hours</b>	0	12	-12	0	12	-12	6

## May 2011 Financials

### BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$3.5M increased by \$911K from May 31, 2010. The increase was due to cash from operations of \$1.7M partially offset by the payment of the incentives, rebates and excess cash distributions relating to 2010 of \$756K.
- Accounts Receivable of \$1.4M is made up primarily of TFC event settlements (\$655K) to be finalized in June, Corporate Sponsorship receivable which will be collected at the end of the season (\$233K), capital expenditures reimbursement from the City of Toronto (\$145K) to be invoiced in June and Ticketmaster Rebates (\$145K) received in June. BMO Field is currently monitoring receivables and no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$3.9M was made up primarily of \$1.6M payable to suites revenue payable at the end of the season (\$582K), MLSE for TFC ticket liability (\$466K), and cost recoveries (\$236K), ticket monies received for upcoming CSA and Canada Rugby events (\$326K) and other current payables and accruals (\$1.6M).
- Deferred Revenue of \$567K was primarily made up of 2011 suites revenue which will be recognized over the course of the TFC season (April – October).
- Incentives & rebates payable of \$345K will be paid upon completion of the 2010 year-end audit.


### PROFIT & LOSS

The Operating Profit for BMO Field for the month ending May 31, 2011 was \$312K. The following provides an analysis of the significant variances in the month:

- Ticketmaster Rebates were \$31K negative to budget due to no CSA or International Friendly events (\$46K) offset by higher TFC rebates due to more single tickets available for sale and the additional NCC game in the month.
- Food and Beverage revenues were \$120K or 14% negative to budget in the month due to not hosting one International Friendly game (\$63K) and one CSA game (\$45K) and lower average stipe count for four TFC matches (14,978 Actual vs. 18,320 Plan) partially offset by one additional NCC game (\$116K) and higher TFC per caps (\$14.46 Actual vs. \$13.76 Plan).
- Costs of Goods Sold were \$48K positive to budget in the month as a result of lower food and beverage sales. For the month, the gross margin percentage was 64.4% versus 63.8% budgeted.
- 3<sup>rd</sup> Party Commissions were \$10K unfavourable to budget due to lower suites and outside vendor food and beverage sales for TFC and no CSA and International Friendly games. The negative variance was partially offset by the additional NCC game.
- CSA Usage Fee was \$13K negative to budget due to not hosting a game in the month.
- CRF was \$20K negative for the month due mainly to no CSA and International Friendly games hosted in the month.
- Other Usage Fees were \$25K unfavourable to budget due mainly to not hosting an International Friendly game (\$16K), lower Broadcast revenues due to no CSA or International Friendly (\$6K) and no field rentals in the month (\$3K).

- Royalties were \$31K favourable to budget in the month due to no CSA or International Friendly games and lower food and beverage sales for TFC partially offset by an additional NCC game.
- Full-time salaries & benefits were \$40K positive to budget in the month (\$76K year to date) due mainly to vacancies (\$25K) and recovery of wages from Lamport Stadium (\$14K).
- Part-time wages were \$62K positive to budget in the month mainly due to lower F&B labour cost for the four TFC games, and no CSA or International Friendly games in the month.

Submitted by:



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Peter Church  
General Manager  
BMO Field

**BMO FIELD**  
**BALANCE SHEET**  
as at May 31, 2011

	<u>May 31, 2011</u>	<u>May 31, 2010</u>	<u>December 31, 2010</u>
<b>ASSETS</b>			
Current Assets			
Cash	\$ 3,478,753	\$ 2,567,677	\$ 2,043,961
Accounts receivable	1,367,090	942,128	263,101
Prepaid expenses & deposits	83,955	33,655	63,572
Inventory	215,228	194,818	52,364
	<u>5,145,026</u>	<u>3,738,278</u>	<u>2,422,998</u>
Capital Assets	39,144	63,334	59,971
	<u>\$ 5,184,170</u>	<u>\$ 3,801,612</u>	<u>\$ 2,482,969</u>
<b>LIABILITIES AND RETAINED EARNINGS</b>			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 3,932,991	\$ 2,572,740	\$ 1,399,061
Taxes payable	21,817	118,200	111,995
Deferred revenue	568,562	559,021	-
Incentives & rebates payable	344,819	344,819	344,819
	<u>4,868,189</u>	<u>3,594,780</u>	<u>1,855,875</u>
Long-Term Suite Deposits	243,159	243,159	243,159
Retained Earnings	72,822	(36,327)	383,935
	<u>\$ 5,184,170</u>	<u>\$ 3,801,612</u>	<u>\$ 2,482,969</u>
Opening Retained Earnings	\$ 383,935	\$ 458,110	\$ 458,110
Operating Profit (Loss)	(311,113)	(494,437)	303,935
Distribution of Excess Cash	-	-	(378,110)
Closing Retained Earnings	<u>\$ 72,822</u>	<u>\$ (36,327)</u>	<u>\$ 383,935</u>

**BMO FIELD**  
**INCOME STATEMENT**  
**For the Four Months Ending May 31, 2011**

	May 31, 2011		YTD		2010	
	Actual	Budget	Variance \$	Actual		Budget
<b>Revenues</b>						
Ticketmaster Rebates	\$ 26,488	\$ 57,472	\$ (30,984)	\$ 40,105	\$ 64,462	\$ (24,357)
Club Fees	10,639	11,473	(834)	21,277	22,946	(1,669)
Sponsorship	116,813	115,399	1,414	233,626	230,797	2,829
Contra Sponsorship	2,500	2,500	-	12,500	12,500	-
Food and Beverage	767,292	887,529	(120,237)	1,681,055	1,849,135	(168,080)
F&B Third Party Commissions	43,987	54,046	(10,059)	93,177	111,842	(18,665)
Event Merchandise	15,179	21,614	(6,435)	31,987	48,655	(16,668)
Suites	90,359	97,801	(7,442)	189,184	197,321	(8,137)
TFC Usage Fee	73,593	64,640	8,953	155,363	145,440	9,923
CSA Usage Fee	-	12,667	(12,667)	-	12,667	(12,667)
CRF	70,133	89,688	(19,555)	156,790	178,744	(21,954)
Other Usage Fee	19,950	45,000	(25,050)	129,143	153,160	(24,017)
Other Revenue	10,106	10,000	106	20,737	20,000	737
<b>Total Revenues</b>	<b>\$ 1,247,039</b>	<b>\$ 1,469,829</b>	<b>\$ (222,790)</b>	<b>\$ 2,764,944</b>	<b>\$ 3,047,669</b>	<b>\$ (282,725)</b>
<b>Expenses</b>						
Cost of Goods Sold	\$ 273,484	\$ 321,107	\$ 47,623	\$ 592,818	\$ 668,489	\$ 75,671
Royalty	204,511	235,182	30,671	446,367	489,818	43,451
Full-Time Salaries	24,711	63,974	39,263	221,787	297,872	76,085
Part-Time Wages	161,138	222,830	61,692	462,726	546,409	83,683
Benefits	9,722	10,829	1,107	50,866	50,186	(680)
Travel and Entertainment	211	3,194	2,983	7,074	12,054	4,980
Supplies and Services	139,773	141,191	1,418	685,011	553,992	(131,019)
Insurance	11,710	11,625	(85)	58,551	58,125	(426)
Utilities	42,152	40,100	(2,052)	168,230	168,200	(30)
Capital Reserve	33,333	33,333	-	166,667	166,667	-
Management Fee	18,171	17,952	(219)	90,855	89,760	(1,095)
Other	16,316	18,410	2,094	104,278	93,923	(10,355)
<b>Total Operating Expenses</b>	<b>\$ 935,232</b>	<b>\$ 1,119,727</b>	<b>\$ 184,495</b>	<b>\$ 3,055,230</b>	<b>\$ 3,195,495</b>	<b>\$ 140,265</b>
<b>Operating Profit before Depreciation, Incentives &amp; Rebates</b>	<b>\$ 311,807</b>	<b>\$ 350,102</b>	<b>\$ (38,295)</b>	<b>\$ (290,286)</b>	<b>\$ (147,826)</b>	<b>\$ (142,460)</b>
Depreciation	4,165	3,333	(832)	20,827	16,667	(2,496)
<b>Operating Profit before Incentives &amp; Rebates</b>	<b>\$ 307,642</b>	<b>\$ 346,769</b>	<b>\$ (39,127)</b>	<b>\$ (311,113)</b>	<b>\$ (164,493)</b>	<b>\$ (144,956)</b>
<b>Gross Margin %</b>	<b>64.4%</b>	<b>63.8%</b>		<b>64.7%</b>	<b>63.8%</b>	<b>62.1%</b>

**BMO FIELD**  
**STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Five months ended	
	May 31, 2011	May 31, 2010
OPERATING	\$ 1,434,792	\$ 686,908
FINANCING	-	53,159
	\$ 1,434,792	\$ 740,067
Net Cash Inflow (Outflow) during the period		
Cash, beginning of period	2,043,961	1,827,610
Cash, end of period	\$ 3,478,753	\$ 2,567,677
<b>OPERATING</b>		
Operating loss after incentives and rebates	\$ (311,113)	\$ (494,437)
Amortization of capital assets	20,827	16,666
Cash provided by (used in) non cash working capital items	1,725,078	1,164,679
	\$ 1,434,792	\$ 686,908
<b>FINANCING</b>		
Long-term deposits	\$ -	\$ 53,159
	\$ -	\$ 53,159
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (1,103,989)	\$ (646,953)
Prepaid expenses	(20,383)	(16,685)
Inventory	(162,864)	(155,794)
Accounts payable and accrued liabilities	2,533,930	1,467,074
Incentives & rebates payable	-	(42,201)
Taxes payable	(90,178)	8,432
Deferred revenue	568,562	550,806
Cash provided by (used in ) operating activities	\$ 1,725,078	\$ 1,164,679