

BMO  FIELD™

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

Executive Summary

000's	MARCH 2011			Year to date			2010 Actual
	Actual	Plan	Variance	Actual	Plan	Variance	
Revenues	\$ 265	\$ 280	\$ (15)	\$ 309	\$ 324	\$ (15)	\$ 56
Expenses	\$ (744)	\$ (651)	\$ (93)	\$ (1,145)	\$ (1,057)	\$ (88)	\$ (690)
EBITDA (LBITDA)	\$ (479)	\$ (371)	\$ (108)	\$ (836)	\$ (733)	\$ (103)	\$ (634)

- For the month ending March 31, 2011, the operating loss for BMO Field of \$478K was \$108K unfavourable to budget.
- Total revenues of \$265K for the month were \$15K unfavourable to budget mainly due to lower Food & Beverage (\$7K) and Other Usage Fees (\$6K).
- Total operating expenses of \$743K for the month were \$93K unfavourable to budget mainly due to higher Supplies & Services (\$100K) and Utilities (\$8K), partially offset by lower Part-time wages (\$6K), Cost of Goods Sold (\$4K), Full-time Salaries & Benefits (\$3K) and Royalties (\$3K).

Events hosted by BMO Field:

	MARCH 2011			2011			2010
	Actual	Plan	Variance	Actual	Plan	Variance	
TFC Games (MLS, Friendly & CONCACAF)	1	1	-	1	1	-	-
CSA Games	-	-	-	-	-	-	-
International Games	-	-	-	-	-	-	-
Other Events	-	-	-	-	-	-	-
TOTAL	1	1	-	1	1	-	-

March 2011 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$2.5M increased by \$962K from March 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 2009 of \$756K.
- Accounts Receivable of \$526K is made up primarily of TFC March event settlement (\$109K) to be finalized in April, annual suite licences for 2011 (\$136K) collected in April, Ticketmaster rebates (\$82K) collected in April, marketing and signage sponsorship (\$79K) invoiced in March, capital expenditures reimbursement from the City of Toronto (\$49K) to be invoiced in April, and bubble compensation (\$23K) from MLSE which was received in April. BMO Field is currently monitoring receivables and no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$1.7M was made up primarily of \$1.1M in current payables and accruals, and \$498K payable to MLSE for shared cost recoveries and TFC ticket liability.
- Deferred Revenue of \$1.3M 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 \$464K will be paid upon completion of the 2010 year-end audit.

PROFIT & LOSS

The Operating Loss for BMO Field for the month ending March 31, 2011 was \$478K. The following provides an analysis of the significant variances in the month:

- Ticketmaster Rebates were \$2K positive to budget in the month due to more than anticipated tickets made available for sale on the Ticketmaster system.
- Food and Beverage revenues were \$7K or 4% negative to budget in the month as a result of lower than anticipated stile count (17,093 actual versus 18,320 budgeted) resulting in lower sales. The lower sales were partially offset by higher F&B quick serve per cap of \$10.95 actual versus \$10.69 budgeted.
- Costs of Goods Sold were \$4K lower than budget in the month as a result of lower food and beverage sales. For the month, the gross margin percentage was 61.7% versus 61.3% budgeted.
- Merchandise Commissions were \$1K or 10% negative to budget for the period due to lower per caps of \$2.87 actual versus \$3.28 budgeted and lower stile count.
- Suites were \$1K or 62% negative to budget in the month mainly due to lower than anticipated adopt-a-suite and additional suite ticket revenue.
- CRF revenues were \$1K or 6% negative to budget in the month as a result of lower than anticipated number of tickets sold for the TFC game.
- Other Usage Fees were \$6K negative to budget in the month due to lower Broadcast revenue (\$6K) as a result of technical difficulties with the transmission lines during the event in the month.

- Full-time salaries & benefits were \$3K positive to budget in the month (year to date, \$24K) due to the shifting of full-time contracts to start later in the year and vacancies.
- Part-time wages were \$6K positive to budget in the month mainly due to lower F&B labour cost for the TFC game.
- Supplies and Services expenses were \$100K negative to budget in the month (year to date, \$109K) mainly due to higher season opening costs related to snow removal (\$76K), plumbing labour charges (\$15K), electrical labour (\$6K) and armoured car service (\$3K) due timing of expenses as the TFC season is starting sooner than anticipated.
- Utilities were \$8K negative to budget in the month mainly due to higher than anticipated hydro cost for operating the field maintenance equipment. These higher costs are offset by the recovery from MLSE recorded in supply and services. Year to date, utilities were \$6K unfavourable to budget mainly due to higher hydro costs (\$11K), partially offset by lower than anticipated natural gas charges (\$4K).
- Other expenses were \$2K negative to budget in the month mainly due to higher membership & dues expenses (\$2K) as a result of timing.

Submitted by:



Peter Church
General Manager
BMO Field

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

	<u>March 31, 2011</u>	<u>March 31, 2010</u>	<u>December 31, 2010</u>
ASSETS			
Current Assets			
Cash	\$ 2,456,999	\$ 1,494,725	\$ 2,043,961
Accounts receivable	526,464	598,576	263,101
Taxes recoverable	8,117	10,031	-
Prepaid expenses & deposits	111,366	45,460	63,572
Inventory	196,702	73,750	52,364
	<u>3,299,649</u>	<u>2,222,541</u>	<u>2,422,998</u>
Capital Assets	<u>47,475</u>	<u>70,001</u>	<u>59,971</u>
	<u>\$ 3,347,124</u>	<u>\$ 2,292,542</u>	<u>\$ 2,482,969</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 1,688,364	\$ 735,067	\$ 1,169,001
Taxes payable	-	-	111,995
Deferred revenue	1,304,950	1,117,188	-
Incentives & rebates payable	464,304	387,020	464,304
	<u>3,457,618</u>	<u>2,239,276</u>	<u>1,745,299</u>
Long-Term Suite Deposits	243,159	239,109	243,159
Retained Earnings	<u>(353,653)</u>	<u>(185,842)</u>	<u>494,510</u>
	<u>\$ 3,347,124</u>	<u>\$ 2,292,542</u>	<u>\$ 2,482,969</u>
Opening Retained Earnings	\$ 494,510	\$ 458,110	\$ 458,110
Operating Profit (Loss)	(848,163)	(643,953)	414,510
Distribution of Excess Cash	-	-	(378,110)
Closing Retained Earnings	<u>\$ (353,653)</u>	<u>\$ (185,842)</u>	<u>\$ 494,510</u>

BMO FIELD
INCOME STATEMENT
For the Three Months Ending March 31, 2011

	March 2011			YTD		
	Actual	Budget	Variance \$	Actual	Budget	Variance \$
Revenues						
Ticketmaster Rebates	\$ 3,217	\$ 1,398	\$ 1,819	\$ 3,217	\$ 1,398	\$ 1,819
Contra Sponsorship	2,500	2,500	-	7,500	7,500	-
Food and Beverage	191,016	198,031	(7,015)	191,016	198,031	(7,015)
F&B Third Party Commissions	10,964	12,197	(1,232)	10,964	12,197	(1,232)
Event Merchandise	4,410	5,408	(998)	4,410	5,408	(998)
Suites	656	1,718	(1,062)	656	1,718	(1,062)
TFC Usage Fee	16,354	16,160	194	16,354	16,160	194
CRF	16,775	17,776	(1,001)	16,775	17,776	(1,001)
Other Usage Fee	19,273	25,440	(6,167)	57,820	63,520	(5,700)
Other Revenue	-	-	-	600	600	-
Total Revenues	\$ 265,167	\$ 280,628	\$ (15,461)	\$ 309,314	\$ 323,708	\$ (14,394)
Expenses						
Cost of Goods Sold	73,115	76,726	3,611	73,115	76,726	3,611
Royalty	49,422	52,499	3,077	49,422	52,499	3,077
Full-Time Salaries	51,482	56,642	5,160	143,779	169,925	26,146
Part-Time Wages	146,066	151,626	5,559	147,819	151,626	3,806
Benefits	11,405	9,509	(1,896)	31,160	28,528	(2,632)
Travel and Entertainment	2,924	4,634	1,710	5,483	6,934	1,451
Supplies and Services	272,861	173,174	(99,687)	355,734	247,149	(108,585)
Insurance	11,710	11,625	(85)	35,130	34,875	(255)
Utilities	36,723	29,000	(7,723)	86,010	80,000	(6,010)
Capital Reserve	33,333	33,333	-	100,000	100,000	-
Management Fee	18,171	17,952	(219)	54,513	53,856	(657)
Other	36,392	34,453	(1,939)	62,815	54,510	(8,305)
Total Operating Expenses	\$ 743,605	\$ 651,173	\$ (92,432)	\$ 1,144,981	\$ 1,056,627	\$ (88,354)
Operating Profit before Depreciation, Incentives & Rebates	\$ (478,438)	\$ (370,545)	\$ (107,893)	\$ (835,667)	\$ (732,919)	\$ (102,748)
Depreciation	4,165	3,333	(832)	12,496	10,000	(2,496)
Operating Profit before Incentives & Rebates	\$ (482,603)	\$ (373,878)	\$ (108,725)	\$ (848,163)	\$ (742,919)	\$ (105,244)
Gross Margin %	61.7%	61.3%		61.7%	61.3%	

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Three months ended	
	March 31, 2011	March 31, 2010
OPERATING	\$ 413,038	\$ (381,994)
FINANCING	-	49,109
	\$ 413,038	\$ (332,885)
Cash, beginning of period	2,043,961	1,827,610
Cash, end of period	\$ 2,456,999	\$ 1,494,725
OPERATING		
Operating loss after incentives and rebates	\$ (848,163)	\$ (643,953)
Amortization of capital assets	12,496	9,999
Cash provided by (used in) non cash working capital items	1,248,705	251,960
	\$ 413,038	\$ (381,994)
FINANCING		
Long-term deposits	\$ -	\$ 49,109
	\$ -	\$ 49,109
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (263,363)	\$ (303,401)
Prepaid expenses	(47,795)	(28,489)
Inventory	(144,338)	(34,726)
Accounts payable and accrued liabilities	519,363	(370,598)
Taxes payable	(120,112)	(119,799)
Deferred revenue	1,304,950	1,108,973
Cash provided by (used in) operating activities	\$ 1,248,705	\$ 251,960