

The Board of Governors on May 29, 2009 received this report for INFORMATION.



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

Executive Summary

	March			YTD			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Revenues	\$ 115,800	\$ 157,984	\$ (42,184)	\$ 407,886	\$ 468,950	\$ (61,064)	\$ 407,067
Expenses	\$ (613,101)	\$ (583,187)	\$ (29,914)	\$ (1,157,068)	\$ (1,187,415)	\$ 30,347	\$ (949,492)
(LBITDA)	\$ (497,301)	\$ (425,203)	\$ (72,098)	\$ (749,182)	\$ (718,465)	\$ (30,717)	\$ (542,425)

- For the month ending March 31, 2009, the operating loss for BMO Field was \$497K (\$72K or 17% unfavourable to budget). Year to date, the operating loss was \$749K which was \$31K or 4% unfavourable to budget.
- Total revenues of \$116K for the month were \$42K or 27% unfavourable to budget due primarily to a shortened bubble season (\$41K) as a result of the April 4, 2009 TFC home opener. Year to date, total revenues were \$61K or 13% unfavourable to budget due to an over estimate on bubble rental revenues and the shortened bubble rental season.
- Total operating expenses of \$613K for the period were \$30K or 5% unfavourable to budget for the month. The higher expenses were a result of unbudgeted costs associated with moving event labour in-house which were offset by operational savings and lower fees paid to the OSA due to a new negotiated rate. Year to date, operating expenses were \$30K or 3% favourable due to an over accrual for utilities in December 2008 and lower OSA fees resulting from a new negotiated rate.

Events hosted by BMO Field:

	MARCH			YTD			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
TFC Games (MLS, Friendly & CONCACAF)	-	-	-	-	-	-	
CSA Games	-	-	-	-	-	-	
FIFA/International Games	-	-	-	-	-	-	
Other Events	-	-	-	-	-	-	
TOTAL							
Rental (hours)	763	1,014	(251)	2,433	3,042	(609)	2,440

March 2009 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.3M decreased by \$649K from March 31, 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 \$331K.
- Accounts Receivable of \$501K is made up primarily of capital expenditures (\$289K) to be reimbursed by the City of Toronto, bubble rental receivables (\$106K), 2009 suite renewals (\$42K) and contra receivable from Sony (\$35K). A provision of \$33K was recorded for amounts outstanding. As at April 21, 2009, subsequent receipts were \$120K (including bubble and suite receivables). BMO Field is currently monitoring receivables and, other than items provided for, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$1.8M includes \$708K payable to MLSE for shared cost recoveries and MLSE's share of suite revenue (payable at the end of the season) and \$176K collected for tickets sales.
- 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 month ending March 31, 2009 was \$497K (\$72K unfavourable to budget). The following provides an analysis of the significant variances:

- Food and Beverage revenues were \$2.5K negative to budget in the month as a result of not operating the concession stand during the March Break soccer tournament due low demand experienced during the Christmas tournament.
- Other Usage Fees were \$38K or 25% negative to budget for the month. The lower fees were a result of having to dismantle the bubble earlier than anticipated to prepare the field for the April 4, 2009 TFC home opener. Year to date, other usage fees were \$52K negative to plan due to overestimated non-primetime rental revenues and shortened bubble season.
- Other revenues were \$2K negative to budget for the month and \$7K unfavourable to budget for the year. The negative variance was due to the very low prime rates resulting in zero interest earned on the operating account.
- Part-time Wages were \$15K or 42% unfavourable to budget in the month due to training costs to bringing staff in-house (offset by savings in supplies and services) partially offset by lower warehousing costs. Year to date, part-time wages were \$11K or 22% unfavourable to budget due some timing and training costs allocated to part-time wages.
- Supplies and Services were \$15K or 5% unfavourable to budget for the month due to higher operating costs primarily due to uniforms (\$25K), recruiting (\$23K) associated with doing staffing in-house, equipments maintenance (\$18K) for generator repairs, labour charges (\$19K) associated with the early TFC season start partially offset by lower training costs (\$47K) as a result of no longer using external labour and lower OSA commissions (\$11K) as a result of lower than

anticipated bubble rental revenue and a new lower commission. Year to date, supplies and services were even to budget due to the higher operating costs associated with in-house staffing which were offset by lower OSA commissions (\$27K).

- Utilities were even to budget for the month. Year to date, utilities were \$29K or 16% positive to budget due to lower than anticipated gas usage to heat the bubble (\$23K) and an over accrual for hydro (\$10K) in December 2008.
- Other Expenses were \$3K unfavourable to budget in the month. Year to date, other expenses were \$13K favourable to budget due primarily to the foreign exchange impact of US dollar receivables received in the period (\$7K).

Event Management Services

The Event Operations team prepared for the April 4th TFC home opener by recruiting and training 700 new staff at BMO Field. Due to the early start of the season, 444 rental prime time hours were postponed or cancelled. Despite the early removal of the bubble, the field was booked for 763 hours or 75% of available prime-time hours by the Ontario Soccer Association.

Building Operations

The main focus for the Building Operations team was preparation of the stadium for the Toronto FC's 2009 home opener. The first home game was scheduled two weeks earlier than in 2008 and, as a result, the bubble was deflated and dismantled starting March 24th. Once the bubble came down, the building operators worked tirelessly to improve the quality of the turf in order to meet the standards of the team, the league, and most importantly to acquire FIFA 2-star approval.

Food & Beverage

The BMO Field "Media Day" menu tasting was held in the Platinum Club Restaurant at the Air Canada Centre. Presented to the media were seven new items that were created by Executive Chef Robert Bartley including the "Mac N' Cheese Fritters", the Crispy Curry Rolls, the Angus Meatball Sandwich and the improved "Ye Olde Chip Butty". Excellent press coverage was received in the National Post, The Toronto Star, The Toronto Sun and City TV.

Submitted by:

Vince Bozzo
General Manager
BMO Field

**BMO FIELD
BALANCE SHEET
as at March 31, 2009**

	<u>March 31, 2009</u>	<u>March 31, 2008</u>	<u>December 31, 2008</u>
ASSETS			
Current Assets			
Cash	\$ 1,329,424	\$ 1,978,865	\$ 957,997
Accounts receivable	501,108	338,658	251,285
Taxes recoverable	42,801	55,298	-
Prepaid expenses & deposits	115,704	5,609	27,650
Inventory	210,109	18,425	30,300
	<u>2,199,145</u>	<u>2,396,855</u>	<u>1,267,232</u>
Capital Assets	45,000	90,000	45,000
	<u>\$ 2,244,145</u>	<u>\$ 2,486,855</u>	<u>\$ 1,312,232</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 1,801,302	\$ 1,175,423	\$ 481,192
Taxes payable	-	-	140,231
Deferred revenue	655,734	615,231	154,518
Incentives & rebates payable	118,841	511,947	118,841
	<u>2,575,877</u>	<u>2,302,601</u>	<u>894,782</u>
Long-Term Suite Deposits	218,125	218,125	218,125
Retained Earnings (Deficit)	(549,857)	(33,871)	199,325
	<u>\$ 2,244,145</u>	<u>\$ 2,486,855</u>	<u>\$ 1,312,232</u>
Opening Retained Earnings (Deficit)	\$ 199,325	\$ 508,554	\$ 508,554
Operating Profit (Loss) after incentives and rebates	(749,182)	(542,425)	158,841
Distribution of Excess Cash	-		(468,070)
Closing Retained Earnings (Deficit)	<u>\$ (549,857)</u>	<u>\$ (33,871)</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 Three Months Ending March 31, 2009**

	March 09			YTD			YTD
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2008
Revenues							
Food and Beverage	\$ -	\$ 2,500	\$ (2,500)	\$ 432	\$ 2,500	\$ (2,068)	\$ 6,252
Suites	615	-	615	615	-	615	-
Other Usage Fee	115,186	153,150	(37,964)	406,785	459,450	(52,665)	389,204
Other Revenue	-	2,334	(2,334)	54	7,000	(6,946)	11,611
Total Revenues	\$ 115,800	\$ 157,984	\$ (42,184)	\$ 407,886	\$ 468,950	\$ (61,064)	\$ 407,067
Expenses							
Cost of Goods Sold	(285)	1,125	1,410	(326)	1,125	1,451	2,303
Royalty	2,174	-	(2,174)	2,174	-	(2,174)	49
Full-Time Salaries	59,295	60,399	1,104	181,250	181,197	(53)	155,697
Part-Time Wages	51,073	35,950	(15,123)	63,601	52,329	(11,272)	23,793
Travel and Entertainment	1,019	4,410	3,391	3,282	7,660	4,378	2,399
Supplies and Services	334,991	319,541	(15,450)	513,447	511,938	(1,509)	401,859
Insurance	9,167	7,909	(1,258)	26,310	23,727	(2,583)	30,413
Utilities	59,943	61,000	1,057	158,529	188,000	29,471	149,642
Capital Reserve	33,333	33,333	-	99,999	99,999	-	99,999
Management Fee	17,542	17,510	(32)	52,635	52,530	(105)	51,250
Other	44,849	42,010	(2,839)	56,167	68,910	12,743	32,086
Total Operating Expenses	\$ 613,101	\$ 583,187	\$ (29,914)	\$ 1,157,068	\$ 1,187,415	\$ 30,347	\$ 949,492
Net Operating Profit (Loss)	\$ (497,301)	\$ (425,203)	\$ (72,098)	\$ (749,182)	\$ (718,465)	\$ (30,717)	\$ (542,425)

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Three months ended	
	March 31, 2009	March 31, 2008
OPERATING	\$ 371,427	\$ 241,190
Net Cash Inflow (Outflow) during the period	\$ 371,427	\$ 241,190
Cash, beginning of period	957,997	1,737,675
Cash, end of period	\$ 1,329,424	\$ 1,978,865
OPERATING		
Operating profit after incentives and rebates	\$ (749,182)	\$ (542,425)
Cash provided by (used in) non cash working capital item	1,120,609	783,615
	\$ 371,427	\$ 241,190
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (249,823)	\$ 101,302
Prepaid expenses	(88,054)	11,478
Inventory	(179,809)	(5,215)
Accounts payable and accrued liabilities	1,320,111	418,757
Taxes payable/recoverable	(183,032)	(180,986)
Deferred revenue	501,216	438,279
Cash provided by (used in) operating activities	\$ 1,120,609	\$ 783,615