



Exhibition Place

Management Report September 30, 2013

Executive Summary

- Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the nine months ended September 30, 2013 before net naming fees, building loan interest and amortization expense for the Allstream Centre was \$1,109,032 compared to a budget income of \$900,179 for a favourable variance of \$208,853.
- Net Income for Exhibition Place and Direct Energy Centre for the nine months ended September 30, 2013 was \$1,358,913 compared to a budget income of \$770,464 for a favourable variance of \$588,449.
- Operating (Loss) before interest and amortization expense for Allstream Centre for the nine months ended September 30, 2013 was (\$249,881) compared to a budget income of \$129,715 for an unfavourable variance of (\$379,596).
- The Sales & Marketing team secured 28 new events for Exhibition Place.
- Ovations Food Services announced the hiring of Dilup A. Attygalla as the new Executive Chef at Direct Energy Centre.
- Exhibition Place's Recognition Committee received 58 staff nominations for the August/September period, with special recognition and thanks going out to Security Services.
- Toronto has been selected to host NBA All-Star 2016. A key component of this event, the NBA Jam Session, will be hosted at Direct Energy Centre! This 4-day basketball features interactive events and chances to meet NBA athletes and will utilize all of the space in Direct Energy Centre, with other special events taking place in Allstream Centre.

September 2013 Financials for Combined Exhibition Place and Allstream Centre

Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the nine months ended September 30, 2013 before net naming fees, building loan interest and amortization expense for the Allstream Centre was \$1,109,032 compared to a budget income of \$900,179 for a favourable variance of \$208,853.

Exhibition Place

Net Income for Exhibition Place and Direct Energy Centre for the nine months ended September 30, 2013 was \$1,358,913 compared to a budget income of \$770,464 for a favourable variance of \$588,449.

- Rental income from events of \$8,818,417 is unfavourable to budget by (\$341,969) primarily due to an aggressive new business budget of \$1.7 million for Direct Energy Centre. The new business included an examination at \$300,000 which did not occur.
- Electrical net services of \$1,048,065 are favourable to budget by \$71,155 primarily due to higher than budgeted net electrical from the CRFA, Sportsman Show, National Home Show, Green Living Show, IIDEX, Beer Festival and SIAL offset by a reduction of net electrical revenue due to budget timing of new events.
- Food & Beverage concessions of \$481,562 are unfavourable to budget by (\$206,195) primarily due to corporate and new events business.
- Show services from third party billings at \$2,466,504 are unfavourable to budget by (\$423,710) with corresponding decrease in related show expenses of (\$231,096) for a net unfavourable variance of (\$192,614) primarily due to new events budget.
- Parking revenues at \$4,936,551 are favourable to budget by \$777,502 with a corresponding increase in parking expenses of \$243,814 for a net favourable increase of \$533,688. This is primarily due to higher

than budgeted revenue from Sportsman Show, Toronto Marlies Games, Toronto Artist Show, SIAL, Tenants, TFC & CSA games and as well sold out or high attendance concerts at Ontario Place.

- Program recoveries and interest income at \$221,328 are unfavourable to budget by (\$118,401) primarily due to lower than budgeted interest income and an unfavourable variance from BMO Field and Ricoh Coliseum recoveries due to lower level of labor services.
- Direct and indirect expenses at \$18,226,553 are favourable to budget by \$765,927 primarily due to lower utilities due to the energy savings initiatives combined with warmer weather, lower operational costs and lower direct expenses due to budget timing of new events. Indirect expenses include costs from various departments; these are Chief Executive Officer, Chief Financial Officer, General Manager, Marketing/Event Services, Corporate Secretary, Records & Archives,, Purchasing & Stores, Human Resources, Security, Finance, Operations, Facilities, Utilities, Special Appropriations, Telecommunications and wages & materials for base building upkeep and general maintenance of the grounds.
- Comparative information - 2013 Year to date Combined Operating Income (Loss) results for Allstream Centre and Exhibition Place for the nine months ending September 30, 2013 before interest expense and naming rights are higher than the corresponding period in 2012 primarily due to savings from indirect costs offset by lower net direct event income due to budget timing of new events.

Direct Energy Centre accounts receivable as at September 30, 2013 was \$838,585 consisting primarily of:

- \$498,885 of deposits owed as contractual for future events of which nil has been received as of October 1, 2013.
- \$177,996 for accounts with City Legal; this amount is fully provided for as a bad debt in the financial statements or the rental revenue has not been recognized as income and deferred as appropriate.
- \$89,731 for services on completed events of which nil has been received as of October 1, 2013.
- \$15,264 owed for sponsorship arrangements, of which nil has been received as of October 1, 2013.

Exhibition Place accounts receivable as at September 30, 2013 was \$2,822,087 consisting primarily of:

- \$1,835,899 owed by tenants of which \$939,240 (52%) has been received as of October 1, 2013.
- \$554,308 for Naming Rights Fee of which 100% has been received as of October 1, 2013.
- \$108,672 owed by City for various services of which nil have been received as of October 1, 2013.
- \$107,273 owed by BMO Field for payroll costs of which nil have been received as of October 1, 2013.
- \$66,680 for show services on completed events of which nil has been received as of October 1, 2013.
- \$53,393 owed as contractual deposits for future events of which nil has been received as of October 1, 2013.

Allstream Centre

Operating (Loss) before interest and amortization expense for Allstream Centre for the nine months ended September 30, 2013 was (\$249,881) compared to a budget income of \$129,715 for an unfavourable variance of (\$379,596).

- Rental income of \$475,467 is unfavourable to budget by (\$186,759) primarily due to budget timing of new events.
- Food & Beverage concessions of \$319,031 are unfavourable to budget by (\$367,813) primarily due to budget timing of new events.
- Show services income from third party billings of \$483,940 is unfavourable to budget by (\$354,764) with corresponding decrease in related show expenses of (\$211,647) for a net unfavourable variance of (\$143,117) primarily due to budget timing of new events.
- Parking revenue at \$78,188 is unfavourable to budget by (\$23,760).
- Direct and indirect expenses at \$1,326,459 are favourable to budget by \$242,400 primarily due to lower utilities due to the energy savings initiatives and warmer weather. Indirect expenses include costs

from various departments. These are Marketing, Event Services, Security, Concierge, Finance, Cleaning and Décor, House Technician, Operations, Utilities and wages & materials for base building upkeep and general maintenance of the buildings.

Allstream Centre accounts receivable as at September 30, 2013 was \$180,064 consisting primarily of:

- \$104,494 owed as contractual deposits for future events of which nil was received as of October 1, 2013.
- \$54,936 owed by Cerise Fine Catering of which nil has been received as of October 1, 2013.
- \$19,228 for accounts with City Legal; this amount is fully provided for as a bad debt in the financial statements or the rental revenue has not been recognized as income and deferred as appropriate.
- \$1,407 for services on completed events of which nil has been received as of October 1, 2013.

Sales and Marketing

August/September Sales Effort

During this period, the Sales & Marketing team secured 28 new events for Exhibition Place. The events are categorized as follows:

- 25 meetings & conventions
- 1 exam
- 1 concert
- 1 film shoot

August/September Sales Summary

New events held during this time period include “Horizon” TV Series Film Shoot, Silpada Designs, “How to Build a Better Boy” Base Camp Parking of Trucks Film Shoot, EC/SMG Strategy Meeting, Deloitte – Toronto Region ERS Learning, Optimizing Mine Operations Conference, Waterfront Townhall Meeting, Mitsubishi Walk Around, LeoTek Commercial Film Shoot, EMC Forum Toronto, Fortress Real Developments, The Canadian Payroll Association – 2013 National Payroll Week Breakfast, Avicii – EDM Concert, The Chloe Women’s Show, ITAC – Canada Health Infoway Breakfast, CMA Direct Marketing, CAEM Executive Forum, 25/50 Year Member Gala, AODA Compliance Meeting: Are You Ready?, TechTarget: Storage for Virtual Environments, Toronto Bridal Show, Canadian Labour Congress Conference.

Business Travel

Don Leddy participated in the MPI (Meetings Professional Industry) Annual Golf Tournament in Ottawa on August 15th. The annual tournament is a major draw for event planners in the Ottawa region. Allstream Centre supported the event as the Sustainability Sponsor and garnered significant exposure through logo recognition on printed material and the website, and Event Chair recognition during the gala dinner.

Don Leddy also attended the IAEE (International Association of Exhibitions & Events) Krakoff Leadership Institute in South Carolina from August 23rd to 26th. The Krakoff Leadership Institute utilizes an interactive and engaging curriculum to teach event industry professionals to become effective strategists, contributors, facilitators and innovators.

Don Leddy & Barbara Outschoorn participated at the CSAE (Canadian Society of Association Executives) National Convention in Winnipeg from September 17th to 20th. This annual convention is a gathering of Canadian Association Executives for education and networking. The event also has a trade show, at which Allstream Centre exhibited.

On August 20th and 21st our Account Executives represented Allstream Centre and Direct Energy Centre at Incentive Works, an annual two day tradeshow and conference for the meetings industry.

Tamer Mecky represented Allstream Centre at Financial Insurance Conference Planners (FICP) Canada on August 22nd to 24th. FICP Canada is an annual two day conference for Financial & Insurance meeting planners. Attendance at this prestigious conference is by invitation only.

Publicity

Direct Energy Centre

- News Report during this period included 21 hits for Direct Energy Centre. Stories included: IIDEX Canada; CRFA; CNE; Billy Bishop Airport
- GMI Portal ran an article called "Direct Energy Centre Welcomes back CRFA till 2018" on August 26, 2013

Allstream Centre

- News Report during this period included 11 hits for Allstream Centre. Stories included: Crohn's & Colitis Foundation; TESL; Microfinance Summit; ESL Week

Exhibition Place

- News Reports for this period include 58 hits for Exhibition Place. Stories Included: Things to do; Honda Indy; Scotiabank Toronto Caribbean Carnival; CNE; Festival of Beer; Royal Agricultural Winter Fair; Hotel X
- Meetings + Incentive Travel published the article "Toronto's Exhibition Place showcases Energy Efficient Initiatives" on August 1, 2013
- Inside Toronto.com ran an article titled "Exhibition Place board to embark on a strategic plan process"
- On August 15, 2013 the Marketing Dept. issued a press release titled "Exhibition Place \$4.6 Million operating surplus to the City of Toronto"

Social Media Mentions

- Total August/September number of mentions in this period for Exhibition Place, Direct Energy Centre and Allstream Centre on social media platforms; Twitter; Blogs; Facebook is: **1,286**

NBA All-Star 2016

On September 30th it was announced that Toronto has been selected to host NBA All-Star 2016. This is extremely exciting news for Exhibition Place, as the NBA Jam Session will be hosted at Direct Energy Centre! The NBA Jam Session, which will take all of the space in Direct Energy Centre, is a key component of All-Star Week and features a 4-day basketball event for fans of all ages with interactive events and chances to meet NBA athletes. The NBA will also host private functions and special events in Direct Energy Centre and Allstream Centre during All-Star week.

Event Management Services

During the months of August and September, Event and Meeting Co-ordinators and Exhibitor Services staff were involved in the following events:

Exhibitions/Meetings/Conventions/Corporate Events	
AUGUST 2013	
<ul style="list-style-type: none"> ▪ Horizon TV Series Film Shoot ▪ Base Camp Parking for Horizon GEP Productions Inc. 	<ul style="list-style-type: none"> ▪ Scotiabank Toronto Caribbean Carnival ▪ Silpada Designs (AC) ▪ Canadian National Exhibition
SEPTEMBER 2013	
<ul style="list-style-type: none"> ▪ Deloitte - Toronto Region ERS Learning (AC) ▪ Aviva Canada Inc. (AC) ▪ EC/SMG Strategy Meeting (AC) ▪ Optimizing Mine Operations Conf. (AC) ▪ Waterfront Townhall Meeting ▪ ECM Forum Toronto (AC) ▪ Fortress Real Developments (AC) ▪ Canadian Payroll Assoc. (AC) ▪ Avicii - EDM ▪ The Chloe Womens Show 	<ul style="list-style-type: none"> ▪ ITAC - Canada Health Infoway Breakfast (AC) ▪ IIDEX Canada ▪ CAEM Executive Forum (AC) ▪ CMA Direct Marketing (AC) ▪ Tech Target: Storage for Virtual Environments (AC) ▪ AODA Compliance /Are You Ready (AC) ▪ Toronto Bridal Show ▪ National Postage Stamp Show ▪ IDC - IIDEX Meetings (AC)

Event Services

During the month of August, Exhibitor Services worked with CNE staff to conduct a pre-inspection of the grounds and buildings used during the CNE. The Exhibitor Services team is finalizing the post inspections and compiling damage reports. Staff lent their services and expertise to the CNE in the weeks leading up to the CNE through the provision of the services of one of our Event Coordinators.

In September we hosted AVICII - a first time Electronic Dance Music Event in the Better Living Centre. Extensive safety and security planning was devoted to this event and by all accounts it was a great success. Staff have identified additional ways to improve the experience for our client and guests.

Returning events during September included IIDEX, the Postage Stamp Show and the Toronto Bridal Show, all of which went well.

Exhibitor Services:

Exhibitor Services staff worked the CNE during the month of August. At the beginning of August, staff assisted with finalizing upgrade work requested by vendors in the Food building.

In September, staff serviced 3 events including Chloe Show, IIDEX, and Toronto Bridal Show. Staff are preparing for October's busy calendar of events.

The Exhibitor Services Supervisor continued to work through the transition with new F&B provider Oventions Food Services.

Allstream Conference Centre

During August Allstream Centre hosted a new client, Silpada, a high-end jewellery supplier. Their four day event was a huge success. As well, orientation training for CNE Cleaning Staff took place in Allstream Centre.

September was a very busy month with a total of fourteen events taking place. Many were returning clients including Deloitte, which was a resounding success, Mitsubishi, Canadian Payroll, ITAC, CAEM, CMA, Tech Target, Toronto Real Estate Board (Cerise Gala) and IIDEX. All of these returning clients enjoyed a great experience at Allstream Centre and staff received very positive feedback.

Customer Service

On September 5th, Jeff Gay hosted a group of seven of our largest event organizers in a focus group concentrating on the method and metrics used by us to monitor customer service. The group provided keen insight from their perspective that staff will utilize to modify the survey instruments.

PCMA Education Session

On September 11th, Jeff Gay hosted a number of round table discussions with Event Planners concentrating on Emergency Planning for the meetings industry. Best practices and procedures used by Exhibition Place were shared with the attendees in this highly educational and well-received session.

Parking

Parking activity in August and September was similar to the same period last year, after adjusting for some shows that have moved from September to October this year. Parking for the annual Scotiabank Toronto Caribbean Carnival was limited this year as a result of the route changes within the grounds.

Parking staff worked with the CNE in August to help maximize parking space utilization, given the loss of inventory from the Hotel construction site and from Marilyn Bell Park not being available for parking this year. This was also the first year that Parking Services were provided on a contract basis as a third-party supplier, as the CNE became an independent body.

IT/Telecommunications

Telecommunications successfully deployed a full spectrum of IT and Voice services for the 2013 CNE. These services included grounds wide WiFi, temporary security camera deployment, telephony, data networking, as well as a myriad of software system specific to the event.

The IT Department assisted the Client Services Department in its implementation of a video link focus group. The solution involved audio/video feeds between board rooms on the campus. The pilot project will now be deployed in additional board rooms, providing a simple mechanism for virtual collaboration across the grounds and will integrate also into the new in-house video/audio collaboration system.

Additional new systems include an in-house survey system and an insurance tracking program. The survey system allows users to create custom surveys and retains all data within a secure in-house database. The insurance tracking program assists in compiling and managing claims and resolution status.

IT/Telecom deployed a new high definition video camera on the roof of Direct Energy Centre that is positioned to observe the Hotel X construction site. This camera is fully controllable (with appropriate access privileges) and is available for access via the Exhibition Place intranet. IT will also be deploying a

second camera on top of Allstream Centre in October, which will provide a secondary view from an alternate vantage point. The cameras are set to capture and store high definition imagery that can be used to reconstruct a time lapse sequence of the construction process.

Building Operations

Mechanical

- Preparation for CNE move in/ move out
- Repaired roof leaks in Galleria, Heritage Court, and Industry Building
- Repaired pipe break to the main irrigation supply line into Direct Energy Centre
- Provided assistance to contractors in repairing the new washrooms
- Completed trip hazard repairs surrounding Direct Energy Centre
- Completed show floor repairs with high tech epoxy compound
- Repairs done to the following Roll up doors/docks : # 7/8/10/20/24/42/43, and to the Cattle wash interior door

Electrical

- Turned off heating controls in Upper West Annex for office renovation
- Repaired electrical panel in IT offices (2nd floor Mid Arch)
- Lowered and raised stairs for Industry bldg. substations in order to provide access for Toronto Hydro
- Connected welder for washroom renovation contractors (Hall C)
- Repairs made to electrical equipment as per Building Inspection reports
- Repaired Hall A south east men's washroom GFI receptacle (Ground Fault Interrupter)
- Connected Electrical Room 10 and 17 exhaust fan motors
- Reset generator control panel due to fault indicator
- Inspected heat tracing equipment
- Installed new contactors for West Annex condensate return pumps
- Repaired control wiring and tested West Annex air handling units
- Repaired and tested West Annex heaters
- Investigated generator running September 18th - due to breaker failure for sprinkler pumps
- Refastened electrical panel in West Annex dressing room
- Repaired exhaust fan controls in Salon 102 & 103
- Swapped chemical additive controllers for Chiller #1 and Chiller #2
- Investigated east entrance escalator #7 for loss of power
- Repaired floor ports in Halls A B, C and D
- Repaired emergency lighting battery packs in Electrical Rooms 1 and 7
- Replaced burnt out lamps and ballasts in HVAC shop and mid arch generator room
- Repaired electrical equipment as per Fire Code inspection reports.
- Set time clocks and replaced lamps and ballasts for exterior building lighting

Facility Services

- Scheduled the removal of the CNE Horse Show dirt floor at Ricoh Coliseum, converting it to the Acrobatic Show as well as supporting all areas of technical programming for CNE entertainment stages, agriculture and sports activations including the Air Show.
- Trained and scheduled over 480 New and Young Workers in the Cleaning Department.
- Scheduled a pressure-wash and disinfection of all farm inventory used at the CNE and a thorough cleaning of all CNE inventory before storing it back into the Food Building.
- Completed a thorough wash-down of the entire underground garage using our irrigated water system, assisting with dust control for the upcoming Fall events.

- Conducted an exterior wash-down of Allstream Centre and a thorough steam-cleaning of the conference rooms and ballroom and thorough cleaning of all Halls in Direct Energy Centre.
- Hosted a luncheon and tour for the annual Canadian Compost Council Conference. Attendees of the conference were shown Exhibition Place's compost and recycling facilities and briefed on our waste reduction program.
- Continued to document weekly maintenance of the children's playground in Centennial Square Park.
- Prepared delivery and set-up of cattle stalls into the Industry Building in preparation for the Royal Agricultural Winter Fair (RAWF).
- Prepared Cleaning and Labour quotes for the RAWF and scheduled Technical Service requirements for the Fall events.
- Successfully integrated the touring scenic elements of the Silpada Designs Show with our house-rigging structure at Allstream Centre during the first week of August.
- Maintained and controlled electronic directional signage at Allstream Centre, ensuring appropriate maintenance upgrades are in place and keeping the system operationally ready for the upcoming events and attendees.

EXcellence in Action

Susan Johnston of AVIVA Canada sent an email dated September 10th to Nancy Kloek: "You and your team always do a great job (before, during and after), thank you for *your* attn to detail"

Tamer Mecky sent an email dated September 12th Gordon MacDonald which read "A big thank you to David Procopio for his amazing Customer service today – David saved the day today for Deloitte. The Senior Partners and the Toronto Leader of Deloitte are so thankful for what David has done today. As you may know the opening Key note today started with Deloitte's Leader riding a bike across ballroom D and coming up on stage to welcome everyone. Few minutes before the general session opening, Deloitte's leader discovered the bike has a flat tire – while everyone of his team panicked! David was calm and he offered to help, he took the bike to GS building and managed to get help, got some air in the flat tire and took the bike back to Allstream Centre just on time for the opening session. WOW! what a great Customer service. I can't express Deloitte's gratitude enough to what David has done today. Once again thank you for taking good care of an important client for us."

Luisa Fantin of Deloitte sent a thank-you note dated September 24th to David Procopio of Cerise. "Thank you so much for your quick-thinking during our ERS All Hands meeting. You truly "saved the day" in finding a way to fix the flat tire on the Deloitte bike. [...] thanks for truly going above and beyond."

Luisa Fantin of Deloitte also sent an email dated September 25 to Denise DeFlorio which read "It was a pleasure working with you and your team. [...] The entire team at the Allstream Centre was a pleasure to work with. Any request we threw your way was taken care of with a smile ...and we threw a lot at you. Thank you for your patience in working with us – you were so calm and understanding with all the changes we had. Looking forward to seeing you on October 2nd and looking forward to our next event at Allstream."

Nancy Kloek received an email dated September 19th from Melissa Laquian of Fortress Real Developments Inc. regarding their meeting. "Thank you so much Nancy. I was very impressed with your team we had with us yesterday. Everyone was on point and very attentive. The event ran smoothly – pretty great for a 1-week turn around! I look forward to working with you again in the future."

Angela Marini of the Toronto Real Estate Board sent an email dated September 27th to Doris Bertrand regarding their Annual 25/50 Year Member Gala; “A good time was had by all! Incredibly positive response to last night! Thanks to your great team for such super service! Look forward to working with you all again!”

Exhibition Place’s Recognition Committee received 58 staff nominations for the August/September period. Following are the winners:

	August/September Winners
Section 1	Selva Arumuganathan , Cleaning Services
Section 2	Nick Penic , Technical Services
Section 3	Nancy Kloek , Event Management Services
Section 4	Roborta Atkinson , Operations
Section 5	Mohd Khaliq and Heather Reid , Security Services

Management would like to extend special mention and appreciation to Heather Reid and Mohd Khaliq, who responded to an emergency situation and subjected themselves to personal risk in order to assist an assault victim who was seriously injured. We are very lucky to have such dedicated and professional Security personnel on the Exhibition Place team!

Ovations Food Services

August

Ovations Food Services is pleased to announce the hiring of Dilup A. Attygalla as the new Executive Chef at Direct Energy Centre. Executive Chef Dilup brings nearly three decades of worldly culinary experience to the facility and specializes in “a contemporary style cuisine with a classical flair” and has a cutting-edge approach with a regional focus of well-balanced creative menus that reflect the diverse cuisine of the region.

Prior to his newest role at Direct Energy Centre, Chef Dilup was Executive Chef at the Rogers Centre, and held Executive Chef positions at noteworthy hotels in Dubai and throughout Canada. He has cooked for past Presidents to Prime Ministers like Bill Clinton, Boris Yeltsin, Jacques Chirac, Jean Chretien, John Major, Tomiichi Murayama, Lamberto Dini, Chancellor Helmut Kohl and Jacques Santer as well as participated at large events such as the Super-Bowl, MLB All-Star Games, NHL Winter Classics and IFFA Awards.

“Ovations is thrilled to welcome Executive Chef Dilup to the Ovations team at the Direct Energy Centre,” said John LaChance, Ovations’ Senior Vice President. “His extensive experience, fresh outlook and passion for creativity will follow hand-in-hand with our *Everything’s Fresh*TM philosophy, bringing guests unique menus and unsurpassed experiences.”

September

September was a terrific month for Ovations, which provided 16 bar locations, cold beverage stations and food items to over 9,000 attendees of the Avicii concert in the Better Living Centre. It was an extremely late night for the Ovations team, but also great fun, and staff look forward to another concert soon.

Ovations first experience with a trade show at Direct Centre Centre was IIDEX, for which staff operated three retail food outlets, a food court with four food cart vendors, and Italian themed café with

cappuccino and gelato, and two sit-down full service bars (Club Cambria & Café Soleil). Opening day also included a cocktail reception right on the floor for 2,000 people at 6pm.

Ovations is pleased to announce some new additions to the team: Maher Ahmed as Event Sales Manager, Natalia Rodriguez as Operations Manager and Joseph Shawana as Sous Chef. A big welcome to all!

Cerise Fine Catering

August 2013

In addition to the return of the CNE, the Cerise team hosted Silpada, a vertical marketing enterprise for the sale of fashion jewelry by independent entrepreneurs. This was the first time their 650 delegates have utilized Allstream Centre and the response was overwhelmingly positive. In addition to the receptions and closing awards banquet, Cerise also provided cash concession services for light snacks and beverages.

September 2013

Due to the positive response of their July first time program with Allstream Centre, Deloitte returned the week of September 9th with a larger delegation of 200 guests. The Cerise team was able to accommodate some last minute changes and challenges, and earned a very complimentary letter from their event planner, Luisa Fantin, and from Tamer Mecky.

The Cerise team was pleased to host the return of the Toronto Real Estate Board, with an increase in this year's attendees to 1,250 persons. The event was executed with aplomb, thus furthering Allstream Centre's reputation for excellence in this important segment of the business community

Other notable events included a lunch and reception for Canadian Association of Exposition Managers and Canadian Marketing Association on September 24th. Reported comments were favourable in reference to food quality and service.

Submitted by:

Arlene Campbell
General Manager, Sales & Events

Submitted by:

Dianne Young
CEO, Exhibition Place

APPENDIX 'A'

Combined Exhibition Place and Allstream Centre Financial Summary

Statement Of Operations Highlights For the nine months ended September 30, 2013						
	Actual	Current Month Budget	Fav (Unfav) Variance	Actual	YTD Budget	Variance
	\$	\$	\$	\$	\$	\$
Event Income	4,693,386	4,834,472	(141,086)	21,577,043	22,376,517	(799,474)
Direct Expenses	142,158	180,048	37,890	2,499,399	2,319,233	(180,166)
Indirect Expenses	1,634,514	1,829,262	194,748	17,968,612	19,157,105	1,188,493
Operating Income (Loss) before building loan interest & amortization and naming fees	2,916,714	2,825,162	91,552	1,109,032	900,179	208,853
Interest expense - Allstream Centre	150,634	150,634	-	1,366,549	1,366,549	-
Amortization expense - Allstream Centre	129,216	129,216	-	1,162,944	1,162,944	-
Operating Income (Loss) before naming fees	2,636,864	2,545,312	91,552	(1,420,461)	(1,629,314)	208,853
Contribution from (to) Conference Centre Reserve Fund	201,615	245,615	(44,000)	2,074,191	1,694,595	379,596
Net Income (Loss)	2,838,479	2,790,927	47,552	653,730	65,281	588,449

(1) Operating Income for the Board before interest on City loan, amortization of building improvements net of contribution from naming fees is \$1,109,032 compared to a budgeted Operating Income of \$900,179 for a favourable variance of \$208,853.

(2) Amortization is a non cash item as related to the capitalization of the asset for the new Allstream Centre.

**EXHIBITION PLACE
FINANCIAL STATEMENT HIGHLIGHTS
SEPTEMBER 2013 AND COMPARATIVES**

	MONTH			YTD			2012 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	7	2	5	58	32	26	76	-18
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	3,961,383	4,038,089	(76,706)	11,528,830	11,986,422	(457,592)	8,588,603	2,940,227
Ancillary Income	135,447	229,233	(93,786)	2,018,392	2,428,653	(410,261)	2,377,450	(359,058)
Advertising and Sponsorship	17,139	18,501	(1,362)	178,233	166,500	11,733	165,054	13,179
Rent-MLSE-Ricoh Coliseum	43,879	41,740	2,139	394,908	375,660	19,248	394,908	-
Naming Rights	101,665	101,665	-	914,997	914,997	-	914,997	-
Parking EP	213,623	168,000	45,623	4,339,566	3,569,200	770,366	4,012,351	327,215
Parking - BMO Events	61,968	86,573	(24,605)	596,985	589,849	7,136	664,245	(67,260)
Program Recoveries and Other	13,192	37,748	(24,556)	221,621	339,729	(118,108)	292,355	(70,734)
CNE Recoveries	-	-	-	306,933	306,933	-	3,660,268	(3,353,335)
Total Event Income	4,548,296	4,721,549	(173,254)	20,500,465	20,677,943	(177,478)	21,070,231	(569,766)
Direct Expenses	131,079	171,220	40,141	2,342,160	2,177,713	(164,447)	2,444,566	(102,406)
Indirect Expenses	1,390,595	1,571,262	180,667	15,884,393	16,814,767	930,374	16,849,757	(965,364)
Naming Rights	101,667	101,666	-	914,999	914,999	-	914,999	-
Total Event Expenses	1,623,341	1,844,148	220,808	19,141,552	19,907,479	765,927	20,209,322	(1,067,770)
Net Income (Loss)	2,924,955	2,877,401	47,554	1,358,913	770,464	588,449	860,910	498,004

**ALLSTREAM CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
SEPTEMBER 2013 AND COMPARATIVES**

	MONTH			YTD			2012 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	15	[Note 1]	-	70	[Note 1]	-	76	(6)
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	63,398	53,646	9,752	521,837	851,713	(329,876)	1,062,555	(540,718)
Ancillary Income	68,016	51,952	16,064	476,553	744,912	(268,359)	544,775	(68,222)
Parking Revenue	13,680	7,327	6,353	78,188	101,949	(23,761)	144,686	(66,498)
Total Event Income	145,094	112,925	32,169	1,076,578	1,698,574	(621,996)	1,752,016	(675,438)
Direct Expenses	11,079	8,828	(2,251)	157,239	141,520	(15,719)	198,601	41,362
Indirect Expenses	142,252	156,334	14,082	1,169,220	# 1,427,339	258,119	1,211,315	# 42,095
Total Event Expenses	153,331	165,162	11,831	1,326,459	1,568,859	242,400	1,409,916	83,457
Operating Income (Loss) before building loan interest & amortization and naming fees	(8,237)	(52,237)	44,000	(249,881)	129,715	(379,596)	342,100	(591,981)
Interest expense	150,634	150,634	-	1,366,549	1,366,549	-	1,399,912	33,363
Amortization expense	129,216	129,216	-	1,162,944	1,162,944	-	1,162,944	-
Operating Income (Loss) before naming fees	(288,087)	(332,087)	44,000	(2,779,374)	(2,399,778)	(379,596)	(2,220,756)	(558,618)
Contribution from/(to) Conference Centre Reserve Fund	201,615	245,615	(44,000)	2,074,191	1,694,595	379,596	1,481,667	592,524
Net Income (Loss)	(86,472)	(86,472)	-	(705,183)	(705,183)	-	(739,089)	33,906

Note 1 2013 Allstream Centre Total Event Income Budget was based on Proforma and 2012 actual.

**DIRECT ENERGY CENTRE AND ALLSTREAM CENTRE
EVENT STATISTICS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013**

DIRECT ENERGY CENTRE

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	18,582	471,532	547,435

<u>EVENT</u>	(NOTE 1) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT
	2013	2012	2011	ACTUAL	BUDGET	PER CAP'S ACTUAL
	#	#	#	\$ (IN '000'S)	\$ (IN '000'S)	\$ (IN '000'S)
Consumers Show	19	17	19	4,844	2,751	3.85
Trade Show	7	9	7	1,171	967	4.75
Exam	4	3	3	198	136	7.41
Photo/Film Shoot	3	1	0	30	-	-
Meeting/Corporate	3	8	15	12	-	-
	36	38	44	6,255	3,854	16

ALLSTREAM CENTRE

<u>EVENT</u>	(NOTE 4) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT
	2013	2012	2011	ACTUAL	BUDGET	PER CAP'S ACTUAL
	#	#	#	\$ (IN '000'S)	N/A	\$ (IN '000'S)
Gala	4	5	4	79		62
Conference	18	24	22	186		73
Reception	3	6	9	115		70
Meeting	43	39	39	322		88
Photo/Film Shoot	1	0	0	15		-
Exam	1	5	4	12		-
	70	79	78	729		

Note: 1 Attendance estimates provided by Show Management.

Note: 2 Refreshment per cap's based on information reported by Ovations/Cerise.

Note: 3 Net event income includes rent & services, ancillary income includes catering & electrical commissions

Note: 4 Allstream Centre opened on October 2009.

**COMBINED EXHIBITION PLACE AND ALLSTREAM CENTRE
CHEQUE DISBURSEMENTS - SEPTEMBER 2013
GREATER THAN \$50,000**

Cheque No	Date		\$ Amount	Description
	03/09/2013	ADP CANADA	311,253.72	SALARY PAYROLL
	04/09/2013	ADP CANADA	532,100.46	HOURLY PAYROLL
	11/09/2013	ADP CANADA	427,709.83	HOURLY PAYROLL
	17/09/2013	ADP CANADA	317,554.28	SALARY PAYROLL
	18/09/2013	ADP CANADA	218,411.62	HOURLY PAYROLL
	18/09/2013	ADP CANADA	115,278.89	HOURLY PAYROLL
	25/09/2013	ADP CANADA	246,262.61	HOURLY PAYROLL
11069	09/09/2013	LABOURERS' PENSION FUND	57,418.22	2013 AUGUST UNION DUES
11075	09/09/2013	TRUSTEES OF LOCAL 506	74,698.43	203 AUGUST UNION DUES
11062	09/09/2013	CITY OF TORONTO	75,758.82	PREMIUM FOR DENTAL & LIFE FOR SEPTEMBER 2013
11079	09/09/2013	CITY OF TORONTO	85,641.15	2013 JUNE-JULY WATER
11141	20/09/2013	CITY OF TORONTO	91,431.38	2013 JANUARY - AUGUST LABOUR RELATIONS
11126	16/09/2013	I.B.E.W. 353 TRUST FUND	102,903.92	2013 AUGUST UNION DUES
11030	05/09/2013	MISTER CHEMICAL LTD.	104,054.46	2013 CNE CLEANING SUPPLIES
11136	16/09/2013	SIEMENS BUILDING TECHNOLOGIES	111,050.75	2013 CAPITAL WORKS - HORSE PALACE FA RETROFIT
11070	09/09/2013	LOCAL 58 BENEFITS FUND	136,426.07	2013 AUGUST UNION DUES
11145	20/09/2013	OMERS	170,495.24	2013 AUGUST REMITTANCE
11038	05/09/2013	R-CHAD GENERAL CONTRACTING	196,134.45	2013 CAPITAL WORKS - DEC WASHROOM
11081	30/09/2013	CITY OF TORONTO	222,689.97	2013 OCTOBER LOAN PAYMENT- ALLSTREAM CENTRE
11154	23/09/2013	CANADA CUSTOMS AND REVENUE	384,558.82	2013 H.S.T. AUGUST REMITTANCE
10991	03/09/2013	CITY OF TORONTO	<u>1,500,000.00</u>	2013 TERM INVESTMENT
		DISBURSEMENTS OVER \$50,000	5,481,833.09	
		OTHER DISBURSEMENTS	<u>766,990.90</u>	
		TOTAL DISBURSEMENT	<u><u>6,248,823.99</u></u>	

**The Board of Governors of Exhibition Place
Balance Sheet
As At SEPTEMBER 30, 2013**

	2013 YTD	2012 LTD
	September	September
	\$	\$
FINANCIAL ASSETS		
CASH	3,129,921	3,503,526
SHORT-TERM INVESTMENTS	2,200,000	10,300,000
TRADE ACCOUNTS RECEIVABLE	4,914,735	3,957,683
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(413,948)	(411,362)
NET ACCOUNTS RECEIVABLE	4,500,787	3,546,321
DUE FROM /TO EXHIBITION PLACE - CNEA	-	(5,239,424)
SALES TAX RECOVERABLE	98,019	168,150
OTHER RECEIVABLE	2,539,612	2,334,247
RECEIVABLE FROM THE CITY OF TORONTO	7,502,116	7,373,263
RECEIVABLE FROM THE CITY OF TORONTO - CAPITAL	909,620	423,016
	-----	-----
TOTAL FINANCIAL ASSETS	20,880,075	22,409,098
	=====	=====
LIABILITIES		
ACCOUNTS PAYABLES - TRADE	1,820,240	2,664,773
ACCRUED LIABILITIES	3,890,778	3,737,636
SALES TAX PAYABLE	420,725	450,364
CONFERENCE CENTRE RESERVE FUND	39,884	837,000
DEFERRED REVENUE	6,099,976	7,114,144
OTHER CURRENT LIABILITIES	711,592	784,514
EMPLOYEE BENEFITS PAYABLE - PSAB	9,004,270	8,607,046
OTHER LIABILITIES	518,717	484,454
LOAN PAYABLE - ERP PROJECTS	7,112,472	7,576,233
GOVERNMENT ASSISTANCE	1,536,887	1,683,126
LOAN PAYABLE- FCM CAPITAL ASSET	1,721,264	1,805,614
LOAN PAYABLE- CONFERENCE CENTRE ASSET	35,827,349	36,713,519
NET INCOME (LOSS) CURRENT	653,730	107,488
PRIOR YEAR SURPLUS	(3,704,820)	(2,689,182)
	-----	-----
TOTAL LIABILITIES	65,653,063	69,876,729
	=====	=====
NET DEBT	44,772,988	47,467,631
	=====	=====
NON-FINANCIAL ASSETS		
INVENTORIES AND PREPAID EXPENSES	131,689	177,992
STEP UP RENT/OTHER RECEIVABLE	1,332,861	1,406,413
FIXED ASSETS AND EQUIPMENT	55,532,284	55,532,284
ACCUMULATED DEPRECIATION - EQUIPMENT	12,223,845	9,649,058
FIXED ASSETS AND EQUIPMENT - NET	43,308,438	45,883,226
	-----	-----
TOTAL NON-FINANCIAL ASSETS	44,772,988	47,467,631
	=====	=====

Summary of Sole Source Commitment Activity by Reason - August 15, 2013 to September 30, 2013

Part A of the report below informs the Board of the sole source activity for Exhibition Place including sole source purchases approved through the Board. The format used to provide the information below is the same used by the City of Toronto Purchasing and Materials Management Division (PMMD) so as to maintain consistency and uniformity in reporting.

Procedures for the processing of sole source purchase are outlined below and include due diligence measures to ensure that:

Part A

- (1) Detailed explanation is provided for the sole source purchase.
- (2) Sole sourcing is an appropriate method to obtain the needed goods and/or services
- (3) Proper approvals as outlined in the Board Financial By Laws are obtained before processing a sole source purchase; and
- (4) Where possible, the process is in accordance with current market conditions and prices offered to other customers.

Total sole source activity from August 15 to September 30 total is \$80,655.50. The percentage of dollar value of sole source purchasing activity for goods and services compared to the total purchasing expenditures of \$1,525,470.94 is 5.3% for this period. The revised annual percentage year to date is 5.2% on purchasing expenditures of \$5,335,451.06.

EP Program

Reason for Sole Source	Number of Commitments	Number of Suppliers	Total Value
Match Existing Equipment/Service	0	0	\$ -
Specialized Services	0	0	\$ -
Ensure Warranty Maintenance	0	0	\$ -
Emergency	1	1	\$ 29,175.03
Time Constraints	0	0	\$ -
Bridging Contract	0	0	\$ -
Proprietary/Trademark/Patent	1	1	\$ 9,620.00
Health & Safety Issues	0	0	\$ -
Other Reasons -Used Equipment	0	0	\$ -
Other Reasons - Number of firms with total value of various separate orders exceeding \$3,000 (See Note)	72	9	\$ 41,860.47
Total	74	11	\$ 80,655.50

NOTE: Reporting Protocol requires that staff report on total value of all commitments to any single vender that in total exceed \$3,000 for the previous 12 months, where no competitive process has taken place.