

Item No. 3



Management Report
for
The Board of Governors of Exhibition Place
March 2013

Executive Summary

\$ 000's	Month			YTD			2012
	Actual	Budget	Variance	Actual	Budget	Variance	
Revenues	441	648	(207)	481	700	(219)	915
Expenses	(643)	(914)	271	(1,051)	(1,457)	406	(1,387)
Operating Profit / (Loss)	(202)	(266)	64	(570)	(757)	187	(472)

- For the month ending March 31, 2013, the Operating Loss before Depreciation, Incentives and Rebates for BMO Field of \$202K was \$64K favourable to budget.
- For the month, BMO Field EBITDA was favourable to budget due to savings in operations exceeding the lost EBITDA from the March 9th TFC match being moved to the Rogers Centre.
- Total revenues of \$441K for the month were \$207K unfavourable to budget mainly due to lower food and beverage revenue (\$153K), CRF (\$19K), TFC usage fees (\$17K), suite revenue (\$12K) and food and beverage third party commissions (\$11K).
- Total operating expenses of \$643K for the month were \$271K favourable to budget mainly due to lower part time wages (\$111K), food and beverage and suite royalties (\$61K), timing of supplies and services (\$60K), lower cost of goods sold (\$52K) partially offset by higher utility costs (\$11K) and other expenses (\$11K).

Events hosted by BMO Field:

	Month			Fiscal			2012 Actual
	Actual	Plan	Variance	Actual	Plan	Variance	
TFC Games (MLS, Friendlies & CONCACAF)	1	2	(1)	1	2	(1)	3
CSA Games	-	-	-	-	-	-	-
International Games	-	-	-	-	-	-	-
TOTAL	1	2	(1)	1	2	(1)	3
Field Rental Hours	-	-	-	-	-	-	-

March 2013 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$2.0M decreased by \$623K from March 31, 2012 due to incentives, rebates and excess cash distributions paid to the owners of \$1.1M partially offset by cash from operations of \$476K.
- Accounts receivable of \$726K was made up primarily of MLSE receivables (\$226K), capital reserve receivable from the City of Toronto (\$157K), BMO Field Suite Licenses (\$153K), Ticketmaster receivable (\$120K), and other operating receivables (\$70K).

- Subsequent receipts as of April 10th were \$56K. BMO Field is currently monitoring receivables and one collection issue was identified relating to a 2012 Suite Licenses fee which has already been provided for.
- The year over year increase in accounts receivable of \$78K was due primarily to the increase in MLSE receivables (\$366K) and Ticketmaster receivable (\$52K) partially offset by the timing of collection of suite license fees (\$230K) and other operating receivables (\$110K).
- Accounts payable and accrued liabilities of \$1.6M were primarily made up of ticket liabilities (\$478K), operating payables (\$401K), general liabilities (\$293K), MLSE cost recoveries (\$260K), and the 2013 capital reserve payable to the City at the end of the year (\$104K).
- The year over year increase in accounts payable and accrued liabilities of \$82K was primarily due to an increase in ticket liabilities (\$478K) and general liabilities (\$109K) partially offset by a decrease in other operating payables (\$402K) and MLSE cost recoveries (\$104K).
- Incentives & rebates payable of \$388K will be paid upon completion of the year-end audit. The year over year decrease of \$180K was attributable to higher operating profits in 2011 versus 2012 resulting primarily from the one time CSA settlement agreement.

PROFIT & LOSS

The operating loss for the month ending March 31, 2013 of \$202K was \$64K favourable to budget. The March 9th TFC game was relocated to Rogers Centre due to anticipated cold weather conditions not suited for BMO Field. The lost profit of the event (estimated to be \$80K) would have been offset by the high cost of keeping the facility open through the month of March. The following provides an analysis of the significant variances in the month:

- Food and beverage and third party commissions were \$153K and \$11K unfavourable to budget respectively for the month due primarily hosting one less TFC game (\$188K) partially offset by higher sales at the March 30th home opener due to higher per cap (\$24K).
- Food & beverage royalty and cost of goods sold were \$61K and \$52K favourable to budget respectively primarily due to hosting one less TFC game. Gross margin was 0.4% favourable to budget due to lower food costs.
- Suite revenues were \$12K unfavourable to budget in the month due primarily to lower than anticipated suite license fees as a result of unrented suites.
- TFC usage fees and CRF were \$17K and \$19K unfavourable respectively to budget due to not hosting the March 9th game at BMO Field.
- Part time wages were \$111K favourable to budget due to timing of training (\$63K), hosting one less TFC game (\$33K), lower non event staff costs (\$8K) and lower event labour costs (\$7K).
- Supplies and services expenses were \$60K favourable to budget mainly due to the timing of uniforms costs (\$29K) and equipment rentals (\$13K) and savings in external security (\$9K), staff training (\$5K) and smallwares (\$4K).
- Utilities were \$11K unfavourable to budget mainly due to higher hydro costs (\$14K) partially offset by savings in gas charges (\$3K).
- Other expenses were \$11K unfavourable to budget mainly due to unanticipated suite holder servicing costs.

Submitted by:

Peter Church, General Manager/BMO Field

BMO FIELD
BALANCE SHEET
as at March 31, 2013

	March 31, 2013	March 31, 2012
ASSETS		
Current Assets		
Cash	\$ 2,006,407	\$ 2,629,665
Accounts receivable	726,223	648,581
Taxes recoverable	4,236	-
Prepaid expenses & deposits	50,698	109,492
Inventory	135,394	126,637
	2,922,958	3,514,375
Capital Assets	35,132	21,926
	\$ 2,958,090	\$ 3,536,301
LIABILITIES AND RETAINED EARNINGS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,551,990	\$ 1,470,339
Taxes payable	-	119,976
Deferred revenue	1,032,383	1,064,143
Incentives & rebates payable	387,943	568,043
	2,972,316	3,222,501
Long-Term Suite Deposits	193,079	233,784
Retained Earnings	(207,306)	80,016
	\$ 2,958,090	\$ 3,536,301
STATEMENT OF RETAINED EARNINGS		
Opening Retained Earnings	\$ 368,252	\$ 556,839
Operating Loss	(575,558)	(476,823)
Closing Retained Earnings / Deficit	\$ (207,306)	\$ 80,016

**BMO FIELD
INCOME STATEMENT
For the Month and the Three Months Ending March 31, 2013**

	Month			YTD			
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2012
Revenues							
Ticketmaster Rebates	\$ 5,845	\$ 9,106	\$ (3,261)	\$ 5,845	\$ 9,106	\$ (3,261)	\$ 21,260
Club Fees	9,783	9,783	-	9,783	9,783	-	-
Contra Sponsorship	5,330	2,500	2,830	5,330	7,500	(2,170)	2,922
Food and Beverage	202,539	355,956	(153,417)	202,539	355,956	(153,417)	518,802
F&B Third Party Commissions	10,013	20,565	(10,552)	10,013	20,565	(10,552)	27,074
Event Merchandise	4,448	7,158	(2,710)	4,448	7,158	(2,710)	12,645
Suites	135,314	147,504	(12,190)	135,314	147,504	(12,190)	154,645
TFC Usage Fee	17,160	34,320	(17,160)	17,160	34,320	(17,160)	50,484
CRF	14,490	33,440	(18,950)	14,490	33,440	(18,950)	46,629
Other Usage Fee	34,431	24,588	9,843	74,492	65,049	9,443	79,102
Other Revenue	1,158	3,302	(2,144)	1,158	9,905	(8,747)	1,007
Total Revenues	\$ 440,511	\$ 648,222	\$ (207,711)	\$ 480,572	\$ 700,286	\$ (219,714)	\$ 914,570
Expenses							
Cost of Goods Sold	\$ 66,758	\$ 118,725	\$ 51,967	\$ 67,135	\$ 118,725	\$ 51,590	\$ 194,821
Food & Beverage and Suite Royalties	113,671	174,888	61,217	113,671	176,411	62,740	206,098
Full-Time Salaries	53,837	59,957	6,120	161,982	179,871	17,889	114,149
Part-Time Wages	67,065	178,524	111,459	69,992	178,524	108,532	136,754
Benefits	9,163	11,151	1,988	28,360	33,454	5,094	23,558
Travel and Entertainment	1,080	6,714	5,634	1,095	9,114	8,019	1,307
Supplies and Services	159,541	219,542	60,001	239,160	413,953	174,793	346,742
Insurance	11,625	11,625	-	34,875	34,875	-	35,086
Sign Tax	6,000	-	(6,000)	6,000	-	(6,000)	-
Utilities	48,305	37,500	(10,805)	95,754	88,500	(7,254)	108,664
Capital Reserve	34,640	34,986	346	103,920	104,958	1,038	102,900
Management Fee	18,873	19,072	199	56,619	57,216	597	56,094
Other	52,602	41,588	(11,014)	72,909	61,269	(11,640)	61,120
Total Operating Expenses	\$ 643,160	\$ 914,272	\$ 271,112	\$ 1,051,472	\$ 1,456,870	\$ 405,398	\$ 1,387,293
Operating Loss before Depreciation, Incentives & Rebates	\$ (202,649)	\$ (266,050)	\$ 63,401	\$ (570,900)	\$ (756,584)	\$ 185,684	\$ (472,723)
Depreciation	1,274	3,333	2,059	4,658	10,000	5,342	4,100
Operating Loss before Incentives & Rebates	\$ (203,923)	\$ (269,383)	\$ 65,460	\$ (575,558)	\$ (766,584)	\$ 191,026	\$ (476,823)
Incentives & Rebates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Loss	\$ (203,923)	\$ (269,383)	\$ 65,460	\$ (575,558)	\$ (766,584)	\$ 191,026	\$ (476,823)
F&B Gross Margin %	67.0%	66.6%	0.4%	66.9%	66.6%	0.2%	62.4%

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Three months ending	
	March 31, 2013	March 31, 2012
OPERATING	\$ 436,439	\$ 194,599
INVESTING	(5,661)	-
FINANCING	(47,625)	(9,375)
	\$ 383,153	\$ 185,224
Net Cash Inflow during the period		
Cash, beginning of period	1,623,254	2,444,441
Cash, end of period	\$ 2,006,407	\$ 2,629,665
OPERATING		
Operating loss after incentives and rebates	\$ (575,558)	\$ (476,823)
Amortization of capital assets	4,658	4,100
Cash invested in non cash working capital items	1,007,339	667,322
	\$ 436,439	\$ 194,599
INVESTING		
Acquisition of capital assets	\$ (5,661)	\$ -
	\$ (5,661)	\$ -
FINANCING		
Long-term deposits	\$ (47,625)	\$ (9,375)
	\$ (47,625)	\$ (9,375)
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (375,089)	\$ (216,850)
Taxes recoverable	2,003	153,594
Prepaid expenses	(46,713)	(71,928)
Inventory	(117,392)	(103,750)
Accounts payable and accrued liabilities	548,374	(157,887)
Deferred revenue	996,156	1,064,143
Cash invested in non-cash working capital items	\$ 1,007,339	\$ 667,322