

Item No. 6



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

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## Executive Summary

\$ 000's	Month			YTD			
	Actual	Budget	Variance	Actual	Budget	Variance	2012
<b>Revenues</b>	20	26	(6)	40	52	(12)	41
<b>Expenses</b>	(208)	(298)	90	(408)	(543)	135	(396)
<b>Operating Profit / (Loss)</b>	(188)	(272)	84	(368)	(491)	123	(355)

- For the month ending February 28, 2013, the Operating Loss before Depreciation, Incentives and Rebates for BMO Field of \$188K was \$84K favourable to budget.
- Total revenues of \$20K for the month were \$6K unfavourable to budget.
- Total operating expenses of \$208K for the month were \$90K favourable to budget mainly due to timing of supplies and services (\$82K) and utilities (\$4K).

Events hosted by BMO Field:

	Month			Fiscal			2012
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
TFC Games (MLS, Friendlies & CONCACAF)	-	-	-	-	-	-	-
CSA Games	-	-	-	-	-	-	-
International Games	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-	-
Field Rental Hours	-	-	-	-	-	-	-

## February 2013 Financials

### BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.4M decreased by \$100K from February 29, 2012 due to incentives, rebates and excess cash distributions to the owners of \$1.1M partially offset by cash from operations of \$992K.
- Accounts receivable of \$520K was made up primarily of the BMO Field Suite Licenses (\$454K), timing of invoices (\$38K), MLSE receivables (\$14K) and other operating receivables (\$6K).
- Subsequent receipts as of March 12<sup>th</sup> were \$147K. 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 decrease in accounts receivable of \$516K was due primarily to the timing of collection of operating receivables (\$220K), fewer suites sold for the 2013 season versus the 2012 season and faster collections of 2013 BMO Suite Licenses (\$175K), MLSE receivables (\$87K), the capital reserve receivable from the City (\$38K) partially offset by a higher Ticketmaster receivable (\$4K).
- Accounts payable and accrued liabilities of \$476K were primarily made up of general liabilities (\$299K), the 2012 capital reserve payable to the City at the end of the year (\$69K), MLSE cost recoveries (\$14K), non renewal suite holder deposits payable (\$60K), and operating payables (\$34K).
- The year over year increase in accounts payable and accrued liabilities of \$44K was primarily due an increase in general liabilities (\$479K) and non renewal suite holder deposits payable (\$60K) partially offset by the timing of payment of the liability resulting from negotiations with the CSA (\$409K), other operating payables (\$56K) and MLSE cost recoveries (\$30K).
- 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 February 28, 2013 of \$188K was \$84K favourable to budget. The following provides an analysis of the significant variances in the year:

- Supplies and services expenses were \$82K favourable to budget mainly due to the timing of expenses of general maintenance (\$20K), field and seat maintenance (\$13K), operation labour (\$8K), snow removal and landscaping (\$7K) and building controls (\$5K). Furthermore, savings in recruitment/HR costs (\$11K), staff training (\$4K), contracted building security (\$3K), accreditation (\$3K), IT costs (\$2K), and general supplies and services (\$2K) contributed to the overall positive variance.

Submitted by:

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Peter Church  
General Manager  
BMO Field

**BMO FIELD**  
**BALANCE SHEET**  
as at February 28, 2013

	<b>February 28, 2013</b>	<b>February 29, 2012</b>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 1,413,943	\$ 1,504,697
Accounts receivable	519,916	1,035,964
Taxes recoverable	26,680	-
Prepaid expenses & deposits	42,890	102,451
Inventory	17,745	23,187
	2,021,174	2,666,299
Capital Assets	30,745	23,292
	\$ 2,051,919	\$ 2,689,591
<b>LIABILITIES AND RETAINED EARNINGS</b>		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 476,229	\$ 432,123
Taxes payable	-	41,212
Deferred revenue	994,234	1,215,143
Incentives & rebates payable	387,943	568,043
	1,858,406	2,256,521
Long-Term Suite Deposits	196,896	233,784
Retained Earnings	(3,384)	199,286
	\$ 2,051,919	\$ 2,689,591
<b>STATEMENT OF RETAINED EARNINGS</b>		
Opening Retained Earnings	\$ 368,252	\$ 556,839
Operating Loss	(371,636)	(357,553)
Closing Retained Earnings	\$ (3,384)	\$ 199,286

**BMO FIELD**  
**INCOME STATEMENT**  
For the Month and the Two Months Ending February 28, 2013

	Month			YTD			
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2012
<b>Revenues</b>							
Contra Sponsorship	-	2,500	(2,500)	-	5,000	(5,000)	422
Other Usage Fee	20,031	20,231	(200)	40,061	40,461	(400)	39,882
Other Revenue	-	3,302	(3,302)	-	6,603	(6,603)	964
<b>Total Revenues</b>	<b>\$ 20,031</b>	<b>\$ 26,033</b>	<b>\$ (6,002)</b>	<b>\$ 40,061</b>	<b>\$ 52,064</b>	<b>\$ (12,003)</b>	<b>\$ 41,268</b>
<b>Expenses</b>							
Cost of Goods Sold	\$ 689	\$ -	\$ (689)	\$ 377	\$ -	\$ (377)	\$ (165)
Full-Time Salaries	57,916	59,957	2,041	108,146	119,914	11,768	67,125
Part-Time Wages	2,927	-	(2,927)	2,927	-	(2,927)	640
Benefits	9,739	11,151	1,412	19,197	22,303	3,106	15,017
Travel and Entertainment	15	800	785	15	2,400	2,385	335
Supplies and Services	36,697	118,519	81,822	79,619	194,411	114,792	103,612
Insurance	11,625	11,625	-	23,250	23,250	-	23,250
Utilities	25,498	29,000	3,502	47,449	51,000	3,551	62,753
Capital Reserve	34,640	34,986	346	69,280	69,972	692	68,600
Management Fee	18,873	19,072	199	37,746	38,144	398	37,396
Other	9,794	11,050	1,256	20,307	19,681	(626)	17,525
<b>Total Operating Expenses</b>	<b>\$ 208,413</b>	<b>\$ 297,683</b>	<b>\$ 89,270</b>	<b>\$ 408,313</b>	<b>\$ 542,598</b>	<b>\$ 134,285</b>	<b>\$ 396,088</b>
<b>Operating Loss before Depreciation, Incentives &amp; Rebates</b>	<b>\$ (188,382)</b>	<b>\$ (271,650)</b>	<b>\$ 83,268</b>	<b>\$ (368,252)</b>	<b>\$ (490,534)</b>	<b>\$ 122,282</b>	<b>\$ (354,820)</b>
Depreciation	1,274	3,333	2,059	3,384	6,667	3,283	2,733
<b>Operating Loss before Incentives &amp; Rebates</b>	<b>\$ (189,656)</b>	<b>\$ (274,983)</b>	<b>\$ 85,327</b>	<b>\$ (371,636)</b>	<b>\$ (497,201)</b>	<b>\$ 125,565</b>	<b>\$ (357,553)</b>
Incentives & Rebates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Loss</b>	<b>\$ (189,656)</b>	<b>\$ (274,983)</b>	<b>\$ 85,327</b>	<b>\$ (371,636)</b>	<b>\$ (497,201)</b>	<b>\$ 125,565</b>	<b>\$ (357,553)</b>
<b>Gross Margin %</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

**BMO FIELD  
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Two months ending	
	February 28, 2013	February 29, 2012
OPERATING	\$ (165,503)	\$ (930,370)
FINANCING	(43,808)	(9,375)
	<b>\$ (209,311)</b>	<b>\$ (939,744)</b>
<b>Net Cash Inflow during the period</b>		
<b>Cash, beginning of period</b>	1,623,254	2,444,441
<b>Cash, end of period</b>	<b>\$ 1,413,943</b>	<b>\$ 1,504,697</b>
<b>OPERATING</b>		
Operating loss after incentives and rebates	\$ (371,636)	\$ (357,553)
Amortization of capital assets	3,384	2,733
Cash used by non cash working capital items	202,749	(575,550)
	<b>\$ (165,503)</b>	<b>\$ (930,370)</b>
<b>FINANCING</b>		
Long-term deposits	\$ (43,808)	\$ (9,375)
	<b>\$ (43,808)</b>	<b>\$ (9,375)</b>
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (168,782)	\$ (604,233)
Taxes recoverable	(20,441)	74,830
Prepaid expenses	(38,905)	(64,887)
Inventory	257	(300)
Accounts payable and accrued liabilities	(527,387)	(1,196,103)
Deferred revenue	958,007	1,215,143
Cash used in operating activities	<b>\$ 202,749</b>	<b>\$ (575,550)</b>