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

Executive Summary

000's	AUGUST 2009			YTD (8 Months)			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Revenues	\$ 1,071	\$ 890	\$ 181	\$ 6,406	\$ 6,233	\$ 173	\$ 6,331
Expenses	\$ (736)	\$ (680)	\$ (56)	\$ (5,642)	\$ (5,755)	\$ 113	\$ (5,978)
EBITDA	\$ 335	\$ 210	\$ 125	\$ 764	\$ 478	\$ 286	\$ 353

- For the month ending August 31, 2009, the operating profit for BMO Field was \$335K (\$125K favourable to budget). Year to date, the operating profit was \$764K which was \$286K or 60% favourable to budget.
- Total revenues of \$1.1M for the month were \$181K or 20% favourable to budget due primarily to hosting one additional TFC Event, one unbudgeted Lacrosse game, and the CNE Guest Speaker. Also included in August was an international game which was subsequently scheduled in September. Year to date, total revenues were \$173K favourable to budget mainly due the additional events partially offset by lower food and beverage per caps (\$10.43 actual versus \$12.01 in budget for TFC games), lower than anticipated bubble rental revenues and the shortened bubble rental season partially offset by the six lacrosse games and two additional TFC games and two open practices.
- Total operating expenses of \$736K for the period were \$56K or 8% unfavourable to budget for the month. The higher expenses were mainly due to hosting additional events. Year to date, operating expenses were \$113K or 2% favourable primarily due to lower part-time wages (\$111K), utilities (\$43K), and supplies & services (\$40K).
- At this time, it would appear that CSA will not meet their obligation of hosting six games at BMO Field as per the LOI. BMO Field's management team is currently negotiating a financial compensation settlement to mitigate the loss of the CSA events.
- The addition of two TFC games (CONCACAF game in July & Real Madrid Friendly in August), the six unbudgeted lacrosse games, two CNE promoted events and operational savings are anticipated to offset some of the challenges encountered in 2009. The operational teams continue to look for efficiencies and cost savings to offset other potential risks such as the number of non-TFC events and weather, which has an unfavourable impact on food and beverage sales.

Events hosted by BMO Field:

	AUGUST 2009			YTD (8 Months)			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
TFC Games (MLS, Friendly & CONCACAF)	2	2	-	17	15	2	14
CSA Games	-	-	-	1	2	(1)	1
International Games	-	1	(1)	1	3	(2)	2
Toronto Nationals (MLL)	1	-	1	6	-	6	
Other Events	2	-	2	3	-	3	
TOTAL	5	3	2	28	20	8	17
Rental (hours)	-	68	(68)	2,976	4,120	(1,144)	3,103

August 2009 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$2.6M increased by \$1.0M from August 31, 2008 due primarily to cash from operations before incentives, rebates and excess cash distributions of \$1.0M.
- Accounts Receivable of \$2.5M is made up primarily of Ticketmaster receivables (\$1.2M) received in September, Sponsorship receivables (\$562K) due at the end of the season, TFC settlements (\$399K) received in September, Pinnacle settlements (\$72K), and bubble rental receivables (\$46K). A provision of \$13K was recorded against amounts outstanding. BMO Field is currently monitoring receivables and, other than the items provided for, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$3.8M includes \$750K payable to MLSE for TFC ticket revenue, \$1.1M to MLSE for shared cost recoveries and MLSE's share of suite revenue (payable at the end of the season), \$1.2M payable to CNE for ticket revenue, and current accounts payable of \$427K.
- Incentives & rebates of \$119K will be paid out in September.

PROFIT & LOSS

The Operating Profit for BMO Field for the month ending August 31, 2009 was \$335K (\$125K or 60%) favourable to budget. The following provides an analysis of the significant variances:

- Ticketmaster rebates were \$74K favourable to budget in the month as a result of the additional TFC friendly game (\$47K), Bill Clinton Event (\$29K), and the Real Madrid Open practice (\$28K) partially offset by the timing of the international game. Year to date, Ticketmaster rebates were \$44K or 27% favourable to budget due the hosting additional TFC events, six lacrosse games partially offset by the lost of one international game, timing of one international game, and CSA a game.
- Food and Beverage revenues were \$40K or 8% favourable to budget in the month as a result of the additional TFC event (Real Madrid Open Practice) and lacrosse game. Year to date, food and beverage sales were \$48K negative to budget primarily due to rainy conditions resulting in lower than budgeted food and beverage per caps (\$10.57 versus plan of \$12.01) at TFC games, the loss of three games (one CSA and two International games, \$150K budgeted), and the July 18th Alcohol suspension partially offset by the two additional TFC games (\$413K or \$11.12 per cap), six lacrosse games (\$106K or \$10.07 per cap) and Real Madrid Open practice (\$51K or \$3.13 per cap).
- Costs of Goods Sold were \$35K unfavourable to budget in the month, primarily due to additional events. The gross margin percentage was 60.7% versus 64.6% in budget due to higher waste attributed to the Real Madrid open practice and Bill Clinton event. Year to date, the gross margin was 62.9% versus the 64.6% budget.
- Third Party Commissions were \$14K or 54% favourable to budget for the month due to additional TFC event, CNE event and lacrosse game. Year to date, third party commissions were \$16K or 9% positive to budget due the additional TFC events offset by lower per caps for TFC games (\$.80 Actual versus \$1.08 budgeted) and three events lost (one CSA and two International).
- Merchandise Commissions were \$1K or 9% unfavourable to budget for the month (\$29K or 27% year to date) due to lower per caps (\$2.76 Actual versus \$4.21 Budget) at TFC games.

- Suites were \$12K or 15% favourable to budget in the amount due to suite rentals and additional tickets for the Real Madrid game. Year to date, Suites were \$15K or 4% favourable to budget primarily due to Real Madrid game, additional tickets, and adopt-a-suite revenue from the CONCACAF game in July.
- TFC Usage fee was \$12K favourable to budget in the month due to the Real Madrid open practice. Year to date, TFC Usage fee was \$44K or 19% positive to budget due to hosting two additional TFC games and two open practices.
- CRF revenues were \$16K or 33% favourable to budget in the period primarily due to Real Madrid Open Practice (\$18K), Bill Clinton event (\$5K) and lacrosse game (\$2K) partially offset by timing of international event. Year to date, CRF revenues were \$74K or 27% positive to budget as a result of higher number of tickets sold for TFC games (20,352 actual versus 18,000 budgeted) and six lacrosse games (\$13K).
- Other Usage was \$18K or 34% unfavourable to budget due to timing of the international game (\$30K) partially offset by higher broadcast revenues (\$22K). Year to date, Other Usage Fees were \$29K negative to budget due to overestimated non-primetime rental revenues (\$15K) and shortened bubble season (\$49K) partially offset by higher broadcast line revenues (\$70K).
- Other revenues were \$32K favourable to budget for the month primarily due to the unbudgeted Bill Clinton event (\$16K), \$10K in additional marketing sponsorship and \$5K from hosting the unbudgeted Major League Lacrosse (MLL) game. Year to date, other revenues were \$95K positive to budget primarily due additional marketing revenues (\$50K), rent from six MLL games (\$30K), higher rent (\$18K) from the June 25th international game where ticket prices were higher than budgeted, and Bill Clinton event (\$16K) partially offset by zero interest income on the operating account.
- Royalties were \$20K or 18% unfavourable due to Real Madrid open practice and Bill Clinton event. Year to date, royalties were \$5K or 1% unfavourable to budget due to additional TFC games and events, CNE event, which were partially offset by lower royalty expense per event versus the budgeted amount as a result of lower food and beverage sales per event.
- Full-time salaries were \$12K or 19% unfavourable to budget (\$13K or 3% year to date) in the month, due to additional staff required as a result of taking event staff in-house and a higher bonus expense.
- Part-time Wages were \$30K or 24% favourable to budget in the month mainly due to labour cost savings from new labour agreement, partially offset by additional labour costs for the two additional events in the month. Year to date, part-time wages were \$110K or 12% positive to budget as a result of savings from the new part-time labour agreement and operational efficiencies. This savings are partially offset by the additional events and training costs which was budgeted under supplies and services.
- Supplies and Services were \$14K or 18% unfavourable to budget in the month primarily due to additional events in the month. Year to date, supplies and services were \$40K or 4% positive to budget due to training costs which were recorded in part-time labour (\$86K) and lower OSA commissions (\$34K) as per the newly negotiated rate; this was partially offset by higher uniform costs (\$36K) to outfit the new staff, unanticipated equipment repairs (\$32K), and recruitment costs (\$24K).
- On a year-to-date basis, the net impact of bringing labour in house (including additional recruitment costs and uniform costs) has resulted in labour costs being favourable to budget by approximately \$65K. Additional savings are anticipated as the season progresses due to lower event labour costs.

- Utilities were \$1K or 4% favourable to budget for the month due to lower gas usage in the month. Year to date, utilities were \$42K or 11% positive to budget due to lower than anticipated gas usage (\$32K), and lower hydro usage (\$12K) due to an overaccrual for December 2008 usage.
- Other Expenses were \$3K or 17% unfavourable to budget in the month due to higher bank charges (\$2K), credit card charges (\$1K) and postage expense (\$1K) partially offset by foreign exchange gain (\$2K) as a result of higher CAD. Year to date, other expenses were \$7K or 4% unfavourable to budget due primarily higher bank charges (\$7K), credit card charges (\$4K) offset by savings from cost reduction plan.

Event Management Services

BMO Field hosted five events in the month – Real Madrid team held an open practice which drew over 16,000 excited fans, TFC hosted Real Madrid in front of a sell out crowd, the final home game for MLL Toronto Nationals, a regular season MLS game, and former US President Bill Clinton was the special guest speaker during a CNE promoted event.

During the month, BMO Field was not available for any community usage, as the stadium was booked with load in/out for the five events and the CNE.

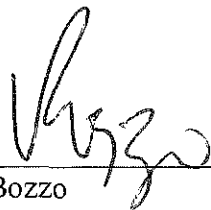
Building Operations

The Building Operations team focused their efforts on conversions during the month: first, they converted the field from artificial turf to real grass for the TFC vs Real Madrid game; second, converted the grass soccer field to grass lacrosse field by adding/removing lines; third, the real grass was removed and the turf covered and over 5,000 chairs were temporary installed on the covered field for the Bill Clinton event; lastly, the field cover was removed and the field turf groomed in time for the September 2 game between Celtic FC and SL Benfica.

Food & Beverage

The team continue to focus their efforts on finishing the season strong after a slow start due to weather conditions. During the month, the average per caps increased to \$11.64 from the YTD average of \$10.57.

Submitted by:



Vince Bozzo
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at August 31, 2009

	<u>August 31, 2009</u>	<u>August 31, 2008</u>	<u>December 31, 2008</u>
ASSETS			
Current Assets			
Cash	\$ 2,568,447	\$ 1,571,678	\$ 957,997
Accounts receivable	2,492,899	2,303,214	251,285
Prepaid expenses & deposits	75,715	30,432	27,650
Inventory	261,096	76,422	30,300
	<u>5,398,157</u>	<u>3,981,747</u>	<u>1,267,232</u>
Capital Assets	45,000	90,000	45,000
	<u>\$ 5,443,157</u>	<u>\$ 4,071,747</u>	<u>\$ 1,312,232</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 3,841,668	\$ 3,146,771	\$ 481,192
Taxes payable	89,377	36,166	140,231
Deferred revenue	211,881	233,484	154,518
Incentives & rebates payable	118,841	43,877	118,841
	<u>4,261,768</u>	<u>3,460,299</u>	<u>894,782</u>
Long-Term Suite Deposits	218,125	218,125	218,125
Retained Earnings (Deficit)	963,265	393,323	199,325
	<u>\$ 5,443,157</u>	<u>\$ 4,071,747</u>	<u>\$ 1,312,232</u>
Opening Retained Earnings (Deficit)	\$ 199,325	\$ 508,554	\$ 508,554
Operating Profit (Loss) after incentives and rebates	763,939	352,839	158,841
Distribution of Excess Cash	-	(468,070)	(468,070)
Closing Retained Earnings (Deficit)	<u>\$ 963,265</u>	<u>\$ 393,323</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 Eight Months Ending August 31, 2009**

	August 2009			YTD (8 Months)			YTD
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2008
Revenues							
TicketMaster Rebates	\$ 103,495	\$ 29,640	\$ 73,855	\$ 209,796	\$ 165,575	\$ 44,221	\$ 175,020
Club Fees	11,273	10,658	615	56,366	53,293	3,073	56,246
Sponsorship	112,798	112,567	231	563,988	562,835	1,153	549,107
Food and Beverage	526,163	485,803	40,360	3,470,460	3,518,521	(48,061)	3,564,731
F&B Third Party Commissions	38,377	24,847	13,530	187,297	171,264	16,033	196,183
Event Merchandise	13,666	15,048	(1,382)	80,014	109,260	(29,246)	93,343
Suites	87,310	75,605	11,705	405,175	389,289	15,886	396,899
TFC Usage Fee	43,383	31,519	11,864	280,695	236,392	44,303	246,000
CSA Usage Fee	-	-	-	8,910	23,500	(14,590)	50,317
CRF	64,645	48,460	16,185	348,334	274,700	73,634	279,294
Other Usage Fee	35,469	53,555	(18,086)	667,170	696,125	(28,955)	648,089
Other Revenue	34,461	2,333	32,128	128,129	32,666	95,463	75,779
Total Revenues	\$ 1,071,041	\$ 890,035	\$ 181,006	\$ 6,406,334	\$ 6,233,420	\$ 172,914	\$ 6,331,008
Expenses							
Cost of Goods Sold	206,940	171,756	(35,184)	1,288,570	1,245,718	(42,852)	1,360,346
Royalty	136,495	116,102	(20,393)	872,034	866,679	(5,355)	907,659
Full-Time Salaries	75,243	63,175	(12,068)	489,852	477,272	(12,580)	443,584
Part-Time Wages	97,001	127,395	30,394	823,655	934,396	110,741	919,191
Benefits	12,268	10,648	(1,620)	94,644	80,120	(14,524)	72,913
Travel and Entertainment	-	1,340	1,340	5,358	19,665	14,307	15,444
Supplies and Services	96,043	81,222	(14,821)	1,087,538	1,127,895	40,357	1,272,886
Insurance	9,956	7,909	(2,047)	75,142	63,272	(11,870)	81,138
Utilities	33,458	34,700	1,242	330,136	371,700	41,564	327,932
Capital Reserve	33,333	33,333	-	266,664	266,664	-	266,664
Management Fee	17,546	17,510	(36)	140,370	140,085	(285)	136,667
Other	17,981	15,311	(2,670)	168,431	161,926	(6,505)	173,747
Total Operating Expenses	\$ 736,264	\$ 680,401	\$ (55,863)	\$ 5,642,395	\$ 5,755,392	\$ 112,997	\$ 5,978,169
Net Operating Profit (Loss)	\$ 334,776	\$ 209,634	\$ 125,142	\$ 763,939	\$ 478,028	\$ 285,911	\$ 352,839
Food and Beverage Gross Margin %	60.7%	64.6%		62.9%	64.6%		61.8%

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Eight months ended	
	August 31, 2009	August 31, 2008
OPERATING	\$ 1,610,450	\$ 302,073
Net Cash Inflow (Outflow) during the period	\$ 1,610,450	\$ (165,997)
Cash, beginning of period	957,997	1,737,675
Cash, end of period	\$ 2,568,447	\$ 1,571,678
OPERATING		
Operating profit after incentives and rebates	\$ 763,939	\$ 352,839
Cash provided by (used in) non cash working capital item	846,511	(50,766)
	\$ 1,610,450	\$ 302,073
FINANCING		
Distribution of excess cash to owner	-	(468,070)
	\$ -	\$ (468,070)
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (2,241,614)	\$ (1,863,254)
Prepaid expenses	(48,065)	(13,345)
Inventory	(230,796)	(63,212)
Accounts payable and accrued liabilities	3,360,476	2,390,105
Incentives & rebates payable	-	(468,070)
Taxes payable/recoverable	(50,854)	(89,522)
Deferred revenue	57,363	56,532
Cash provided by (used in) operating activities	\$ 846,511	\$ (50,766)



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

Executive Summary

000's	SEPTEMBER 2009			YTD (9 Months)			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Revenues	\$ 786	\$ 500	\$ 286	\$ 7,193	\$ 6,734	\$ 459	\$ 7,279
Expenses	\$ (512)	\$ (495)	\$ (17)	\$ (6,154)	\$ (6,251)	\$ 97	\$ (6,746)
EBITDA	\$ 274	\$ 5	\$ 269	\$ 1,039	\$ 483	\$ 556	\$ 533

- For the month ending September 30, 2009, the operating profit for BMO Field was \$274K (\$269K favourable to budget). Year to date, the operating profit was \$1.0M which was \$556K or 115% favourable to budget.
- Total revenues of \$786K for the month were \$286K or 57% favourable to budget due primarily to hosting one international game which was budgeted for in August but re-scheduled to September. Year to date, total revenues were \$459K favourable to budget mainly due to the two additional TFC games, six lacrosse games, two open practice events, and two CNE promoted events partially offset by lower food and beverage per caps (\$10.64 actual versus \$12.01 in budget for TFC games), and lower than anticipated bubble rental revenues due to shortened bubble rental season.
- Total operating expenses of \$512K for the period were \$17K or 3% unfavourable to budget for the month. The higher expenses were mainly due to hosting the international game partially offset by \$33K in additional cost recoveries from the August 7 Real Madrid game. Year to date, operating expenses were \$97K or 2% favourable primarily due to lower part-time wages (\$147K), supplies & services (\$71K), and utilities (\$63K) partially offset by higher expenses related to hosting additional events, cost of goods sold (\$107K), and royalties (\$43K).
- At this time, the CSA will not meet their obligation of hosting six games at BMO Field as per the LOI. BMO Field's management team is currently negotiating a financial compensation settlement with CSA for the loss of games.
- The addition of two TFC games (CONCACAF game in July and Real Madrid Friendly in August), the six unbudgeted lacrosse games, two CNE promoted events and operational savings are anticipated to offset some of the challenges encountered in 2009 as well as the anticipated lost bubble revenue. The operational teams continue to look for efficiencies and cost savings to offset other potential risks such as the number of non-TFC events and weather, which has an unfavourable impact on food and beverage sales.

Events hosted by BMO Field:

	SEPTEMBER 2009			YTD (9 Months)			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
TFC Games (MLS, Friendly & CONCACAF)	1	1	-	18	16	2	19
CSA Games	-	-	-	1	2	(1)	2
International Games	1	-	1	2	3	(1)	3
Toronto Nationals (MLL)	-	-	-	6	-	6	-
Other Events	-	-	-	3	-	3	1
TOTAL	2	1	1	30	21	9	25
Rental (hours)	122	68	54	3,098	4,120	(1,022)	3,103

September 2009 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.7M increased by \$460K from September 30, 2008 due primarily to cash from operations of \$740K partially offset by incentives, rebates and excess cash distribution of \$282K.
- Accounts Receivable of \$1.2M is made up primarily of Sponsorship receivables (\$672K) due at the end of the season, TFC settlements (\$272K) received in October, Ticketmaster receivables (\$74K) received in October, field rental receivables (\$48K), and Pinnacle settlements (\$38K). A provision of \$2K was recorded against amounts outstanding. BMO Field is currently monitoring receivables and, other than the items provided for, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$1.7M includes \$661K payable to MLSE for shared cost recoveries, MLSE's share of suite revenue (payable at the end of the season), and current accounts payable of \$414K.
- Incentives & rebates of \$119K related to 2008 were paid out in September.

PROFIT & LOSS

The Operating Profit for BMO Field for the month ending September 30, 2009 was \$275K which was \$270K favourable to budget. The following provides an analysis of the significant variances:

- Ticketmaster rebates were \$68K favourable to budget in the month as a result of the international game promoted by CNE. Year to date, Ticketmaster rebates were \$113K or 67% favourable to budget due to additional TFC events, six lacrosse games, two CNE promoted events partially offset by the loss of one international game and one CSA game.
- Food and Beverage revenues were \$156K or 72% favourable to budget in the month as a result of the international game. Year to date, food and beverage sales were \$108K positive to budget primarily due to hosting additional events partially offset by rainy conditions resulting in lower than budgeted food and beverage per caps (\$10.64 versus plan of \$12.01) at TFC games, the loss of games (CSA and one international game \$100K budgeted), and the July 18th alcohol suspension partially offset by the two additional TFC games (\$413K or \$11.12 per cap), six lacrosse games (\$106K or \$10.07 per cap), Real Madrid open practice (\$51K or \$3.13 per cap), and CNE promoted game (\$160K or \$10.18 per cap).
- Costs of Goods Sold were \$64K unfavourable to budget in the month, primarily due to the additional game. The gross margin percentage was 62.2% versus 64.6% in budget. Year to date, the gross margin was 62.8% versus the 64.6% budget primarily due to additional waste.
- Third Party Commissions were \$10K or 84% favourable to budget for the month due to the additional game. Year to date, third party commissions were \$26K or 14% positive to budget due to the additional TFC events and games offset by lower per caps for TFC games (\$.80 Actual versus \$1.08 budgeted) and lost events (CSA and international).
- Merchandise Commissions were \$1K or 16% unfavourable to budget for the month (\$30K or 26% year to date) due to lower per caps (\$2.74 Actual versus \$4.21 Budget) at TFC games.
- Suite revenue was on budget for the month. Year to date, Suites were \$16K or 3% favourable to budget primarily due to the Real Madrid game, additional tickets, and adopt-a-suite revenue from the CONCACAF game in July.

- TFC Usage fee was even to budget in the month. Year to date, TFC Usage fee was \$44K or 18% positive to budget due to hosting two additional TFC games and two open practices.
- CRF revenues were \$22K or 141% favourable to budget in the month due to the international game (\$20K). Year to date, CRF revenues were \$95K or 33% positive to budget as a result of higher number of tickets sold for TFC games (20,350 actual versus 18,000 budgeted) and six lacrosse games (\$13K) and additional events.
- Other Usage was \$4K or 12% unfavourable to budget due to lower field rental as a result of the CNE period. Year to date, Other Usage Fees were \$33K negative to budget due to overestimated non-primetime rental revenues (\$19K) and a shortened bubble season (\$49K) partially offset by higher broadcast line revenues (\$71K).
- Other revenues were \$34K favourable to budget for the month primarily due to the unbudgeted CNE promoted game (\$25K), and an additional marketing sponsorship of \$10K. Year to date, other revenues were \$129K positive to budget primarily due additional marketing revenues (\$60K), rent from six MLL games (\$30K), CNE promoted international game (\$25), higher rent (\$18K) from the June 25th international game (where ticket prices were higher than budgeted), and the Bill Clinton event (\$16K) partially offset by zero interest income on the operating account.
- Royalties were \$38K or 65% unfavourable due to the international game (\$41K). Year to date, royalties were \$43K or 5% unfavourable to budget due to additional TFC games and events, and CNE events, which were partially offset by lower royalty expense per event versus the budgeted amount as a result of lower food and beverage sales per event.
- Full-time salaries were \$11K or 17% unfavourable to budget (\$23K or 4% year to date) in the month, due to additional staff required as a result of taking event staff in-house and a higher bonus and commission expense.
- Part-time Wages were \$36K or 38% favourable to budget in the month mainly due to labour cost savings from new labour agreement, partially offset by additional labour costs for the additional event in the month. Year to date, part-time wages were \$147K or 14% positive to budget as a result of savings from the new part-time labour agreement and operational efficiencies. This savings are partially offset by the additional events and training costs which was budgeted under supplies and services.
- Supplies and Services were \$31K or 37% favourable to budget in the month primarily due to additional event cost recoveries not recorded in prior month. Year to date, supplies and services were \$71K or 6% positive to budget due to training costs which were recorded in part-time labour (\$88K) and lower OSA commissions (\$34K) as per the newly negotiated rate; this was partially offset by higher uniform costs (\$36K) to outfit the new staff, unanticipated equipment repairs (\$32K), and recruitment costs (\$29K).
- On a year-to-date basis, the net impact of bringing labour in house (including additional recruitment costs and uniform costs) has resulted in labour costs being favourable to budget by approximately \$150K.
- Utilities were \$22K or 62% favourable to budget for the month due to an over accrual from the period April to July. The over accrual is as a result of delay receiving invoices. Year to date, utilities were \$63K or 16% positive to budget due to lower than anticipated gas usage (\$34K), and lower hydro usage (\$32K).
- Other Expenses were \$9K or 56% favourable to budget in the month due to lower copy & printing expense (\$5K), and a foreign exchange gain (\$4K) as a result of higher CAD. Year to date, other expenses were \$2K or 1% favourable to budget due primarily to savings from cost reduction plan.

Event Management Services

BMO Field hosted two soccer games; one TFC regular season MLS game and the inaugural CNE Cup, which featured Celtic FC & SL Benfica facing off for an international friendly match.

In addition to the two games, BMO Field lived up to the MLSE's vision & values by being "leaders in our community". The "Kicks for Kids" charity soccer tournament, sponsored by Chubb Insurance & HKMB was held at BMO Field with all the proceeds from the event donated to the United Way. In addition, Toronto Police Services hosted the kids from the E-buddies program at BMO Field.

The Ontario Soccer Association (OSA) booked 101 of the 136 (74%) available prime-time community rentals hours. An additional 21 hours were booked by our Event staff. A total of 122 community rental hours were recorded in the month.

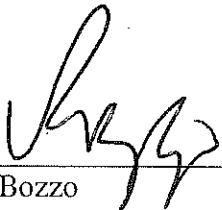
Building Operations

The Building Operations team focused on preparation for two soccer games and overall building maintenance. The team also worked on renewal of service contracts for building HVAC and water shutdown/winterization of the facility.

Food & Beverage

The Food and Beverage team worked on inventory control in order to minimize the impact of the end of the season waste. The additional CNE event resulted in \$160K in food & beverage sales or \$10.18 per cap, while the TFC game produced per cap of \$11.78. The Overall per cap for the month was \$10.98 (year to date the average per cap was \$10.64 versus \$12.01 in budget).

Submitted by:



Vince Bozzo
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at September 30, 2009

	<u>September 30, 2009</u>	<u>September 30, 2008</u>	<u>December 31, 2008</u>
ASSETS			
Current Assets			
Cash	\$ 1,711,637	\$ 1,252,054	\$ 957,997
Accounts receivable	1,200,039	2,337,833	251,285
Prepaid expenses & deposits	61,518	21,327	27,650
Inventory	183,010	128,280	30,300
	<u>3,156,204</u>	<u>3,739,493</u>	<u>1,267,232</u>
Capital Assets	45,000	90,000	45,000
	<u>\$ 3,201,204</u>	<u>\$ 3,829,493</u>	<u>\$ 1,312,232</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 1,718,635	\$ 2,808,252	\$ 481,192
Taxes payable	35,094	27,410	140,231
Deferred revenue	110,288	158,016	154,518
Incentives & rebates payable	-	43,877	118,841
	<u>1,864,017</u>	<u>3,037,555</u>	<u>894,782</u>
Long-Term Suite Deposits	218,125	218,125	218,125
Retained Earnings (Deficit)	1,119,062	573,813	199,325
	<u>\$ 3,201,204</u>	<u>\$ 3,829,493</u>	<u>\$ 1,312,232</u>
Opening Retained Earnings (Deficit)	\$ 199,325	\$ 508,554	\$ 508,554
Operating Profit (Loss) Before incentives and rebates	1,038,578	533,329	158,841
Distribution of Excess Cash	(118,841)	(468,070)	(468,070)
Closing Retained Earnings (Deficit)	<u>\$ 1,119,062</u>	<u>\$ 573,813</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 Nine Months Ending September 30, 2009

	September 2009			YTD			YTD
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2008
Revenues							
TicketMaster Rebates	\$ 69,701	\$ 1,340	\$ 68,361	\$ 279,496	\$ 166,915	\$ 112,581	\$ 178,136
Club Fees	11,273	10,658	615	67,640	63,951	3,689	67,382
Sponsorship	112,798	112,567	231	676,786	675,402	1,384	658,929
Food and Beverage	373,085	217,401	155,684	3,843,545	3,735,922	107,623	4,062,279
F&B Third Party Commissions	22,828	12,424	10,404	210,125	183,688	26,437	236,974
Event Merchandise	5,706	6,804	(1,098)	85,720	116,064	(30,344)	106,301
Suites	74,025	74,021	4	479,200	463,310	15,890	470,967
TFC Usage Fee	15,790	15,759	31	296,485	252,151	44,334	292,125
CSA Usage Fee	-	-	-	8,910	23,500	(14,590)	50,317
CRF	37,253	15,480	21,773	385,587	290,180	95,407	329,003
Other Usage Fee	27,630	31,545	(3,915)	694,799	727,670	(32,871)	678,255
Other Revenue	36,114	2,334	33,780	164,243	35,000	129,243	148,752
Total Revenues	786,202	500,333	285,869	7,192,535	6,733,753	458,782	7,279,420
Expenses							
Cost of Goods Sold	\$ 140,996	\$ 76,863	\$ (64,133)	\$ 1,429,565	\$ 1,322,581	\$ (106,984)	\$ 1,463,047
Royalty	95,729	57,988	(37,741)	967,764	924,667	(43,097)	1,036,427
Full-Time Salaries	73,716	63,176	(10,540)	563,568	540,448	(23,120)	508,356
Part-Time Wages	58,348	94,115	35,767	882,003	1,028,511	146,508	1,102,251
Benefits	10,063	10,648	585	104,707	90,768	(13,939)	82,357
Travel and Entertainment	97	840	743	5,454	20,505	15,051	24,438
Supplies and Services	51,852	82,885	31,033	1,139,390	1,210,780	71,390	1,395,447
Insurance	9,956	7,909	(2,047)	85,098	71,181	(13,917)	91,197
Utilities	13,152	34,700	21,548	343,288	406,400	63,112	363,947
Capital Reserve	33,333	33,333	-	299,997	299,997	-	299,997
Management Fee	17,546	17,510	(36)	157,917	157,595	(322)	153,750
Other	6,777	15,393	8,616	175,207	177,319	2,112	224,878
Total Operating Expenses	\$ 511,563	\$ 495,360	\$ (16,203)	\$ 6,153,958	\$ 6,250,752	\$ 96,794	\$ 6,746,091
Net Operating Profit (Loss)	\$ 274,638	\$ 4,973	\$ 269,665	\$ 1,038,578	\$ 483,001	\$ 555,577	\$ 533,329
Food & Beverage Gross Margin %	62.2%	64.6%	-2.4%	62.8%	64.6%	-1.8%	64.0%

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Nine months ended	
	September 30, 2009	September 30, 2008
OPERATING	\$ 872,481	\$ (17,551)
Net Cash Inflow (Outflow) during the period	\$ 753,640	\$ (485,621)
Cash, beginning of period	957,997	1,737,675
Cash, end of period	\$ 1,711,637	\$ 1,252,054
OPERATING		
Operating profit after incentives and rebates	\$ 1,038,578	\$ 533,329
Cash provided by (used in) non cash working capital item	(166,097)	(550,880)
	\$ 872,481	\$ (17,551)
FINANCING		
Distribution of excess cash to owner	(118,841)	(468,070)
	\$ (118,841)	\$ (468,070)
Changes in non-cash working capital balances related to operations:		
Accounts receivable	\$ (948,754)	\$ (1,897,873)
Prepaid expenses	(33,868)	(4,240)
Inventory	(152,710)	(115,070)
Accounts payable and accrued liabilities	1,237,443	2,051,586
Incentives & rebates payable	(118,841)	(468,070)
Taxes payable/recoverable	(105,137)	(98,278)
Deferred revenue	(44,230)	(18,936)
Cash provided by (used in) operating activities	\$ (166,097)	\$ (550,880)



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

Executive Summary

000's	OCTOBER 2009			YTD (10 Months)			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Revenues	\$ 677	\$ 766	\$ (89)	\$ 7,870	\$ 7,500	\$ 370	\$ 7,799
Expenses	\$ (671)	\$ (776)	\$ 105	\$ (6,825)	\$ (7,027)	\$ 202	\$ (7,349)
EBITDA	\$ 6	\$ (10)	\$ 16	\$ 1,045	\$ 473	\$ 572	\$ 450

- For the month ending October 31, 2009, the operating profit before incentives & rebates for BMO Field was \$6K (\$16K favourable to budget). Year to date, the operating profit before incentives & rebates was \$1.0M which was \$572K or 121% favourable to budget.
- Total revenues of \$677K for the month were \$89K or 12% unfavourable to budget due primarily to lower Food & Beverage sales from the two TFC games. Year to date, total revenues were \$370K favourable to budget mainly due to the two additional TFC games, six lacrosse games, two open practice events, and two CNE promoted events partially offset by lower food and beverage per caps (\$10.57 actual versus \$12.01 in budget for TFC games), and lower than anticipated bubble rental revenues due to shortened bubble rental season.
- Total operating expenses of \$671K for the period were \$105K or 14% favourable to budget for the month. The lower expenses were mainly due to lower supplies & services (\$44K), part-time wages (\$34K) and royalties (\$27K). Year to date, operating expenses were \$202K or 3% favourable primarily due to lower part-time wages (\$180K), supplies & services (\$116K), and utilities (\$71K) partially offset by higher cost of goods sold (\$105K).
- CSA did not meet their obligation of hosting six games at BMO Field as per the LOI. BMO Field's management team is currently negotiating a financial compensation settlement with CSA for the loss of games.
- The addition of two TFC games (CONCACAF game in July and Real Madrid Friendly in August), the six unbudgeted lacrosse games, two CNE promoted events and operational savings are anticipated to more than offset some of the challenges encountered in 2009.
- BMO Field is currently forecasting to finish \$381K ahead of budget for the year for a total estimated profit of \$500K.

Events hosted by BMO Field:

	OCTOBER 2009			YTD (10 Months)			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
TFC Games (MLS, Friendly & CONCACAF)	2	2	-	20	18	2	20
CSA Games	-	-	-	1	2	(1)	2
International Games	-	-	-	2	3	(1)	3
Toronto Nationals (MLL)	-	-	-	6	-	6	-
Other Events	-	-	-	3	-	3	1
TOTAL	2	2	-	32	23	9	26
Rental (hours)	68	32	36	3,166	4,152	(986)	3,576

October 2009 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$2.3M increased by \$809K from October 31, 2008 due primarily to cash from operations of \$1.1M partially offset by incentives, rebates and excess cash distributions of \$282K.
- Accounts Receivable of \$1.1M is made up primarily of Sponsorship receivables (\$790K) to be invoiced in November, TFC settlements of \$131K (received in November), field rental receivables (\$37K), and Pinnacle settlements (\$34K). BMO Field is currently monitoring receivables; with no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$2.2M includes \$818K payable to MLSE for shared cost recoveries, MLSE's share of suite & club seat revenues, and current accounts payable & accruals of \$673K, capital expenditures reserve \$333K).
- Incentives & rebates of \$250K for 2009 were accrued.

PROFIT & LOSS

The Operating Profit before Incentives & Rebates for the month ending October 31, 2009 was \$7K which was \$16K favourable to budget. The following provides an analysis of the significant variances:

- Ticketmaster rebates were \$6K favourable to budget in the month due to additional window services fees from September events. Year to date, Ticketmaster rebates were \$118K or 70% favourable to budget due to additional TFC events, six lacrosse games, two CNE promoted events partially offset by the loss of one international game and one CSA game.
- Food and Beverage revenues were \$97K or 22% unfavourable to budget in the month due to lower attendance (16,580 actual versus 18,000 in budget), and lower per cap (\$10.00 actual versus \$12.01 in budget). Year to date, food and beverage sales were \$11K positive to budget primarily due to hosting two additional TFC games (\$413K or \$11.12 per cap), six lacrosse games (\$106K or \$10.07 per cap), Real Madrid open practice (\$51K or \$3.13 per cap), and CNE promoted game (\$160K or \$10.18 per cap) partially offset by rainy conditions resulting in lower than budgeted attendance (17,235 actual versus 18,000), and lower per cap (\$10.57 actual versus \$12.01 in budget) at TFC games, the loss of games (CSA and one international game, \$100K budgeted), and the July 18th alcohol suspension.
- Costs of Goods Sold were \$2K unfavourable to budget in the month, primarily due to end of season waste (\$28K) mainly generated from stocking up in anticipation of a TFC playoff game partially offset by lower sales in the month. The gross margin percentage was 53.6% versus 63.5% in budget. Year to date, the gross margin was 62.1% versus the 64.5% budget primarily due to expired product waste during the season and end of season waste identified during the stadium shut down.
- Third Party Commissions were \$3K or 13% unfavourable to budget for the month due to lower per cap (\$0.79 Actual versus \$1.08 in Budget). Year to date, third party commissions were \$23K or 11% positive to budget due the additional TFC events partially offset by lower per caps for TFC games (\$0.79 Actual versus \$1.08 in Budget) and lost events (CSA and international).
- Merchandise Commissions were \$7K or 51% unfavourable to budget for the month (\$37K or 29% year to date) due to lower per caps (\$2.69 Actual versus \$4.21 in Budget) at TFC games.

- Suite revenue was \$3K or 3% favourable to budget in the month due to the receipt of additional suite ticket revenue. Year to date, Suites were \$19K or 3% favourable to budget primarily due to the Real Madrid game, additional suite tickets, and adopt-a-suite revenue from the CONCACAF game in July.
- TFC Usage fee was on budget for the month. Year to date, TFC Usage fee was \$44K or 16% positive to budget due to hosting two additional TFC games and two open practices.
- CRF revenue was \$3K or 9% favourable to budget in the month due to higher TFC ticket sales in the month. Year to date, CRF revenues were \$98K or 31% positive to budget as a result of higher number of tickets sold for TFC games (19,481 actual versus 18,000 in budget), six lacrosse games (\$13K), and additional events.
- Other Usage fee was \$3K or 9% unfavourable to budget in the month due to negative variances in corporate rentals (\$7K) and broadcast \$2K revenue partially offset by a positive variance in field rental revenues (\$6K). Year to date, Other Usage Fees were \$35K negative to budget due to shortened bubble season (\$49K), event rental (\$44K) which includes rent from three international games now recorded in Other revenues, and an overestimate of non-primetime field rentals (\$11K), partially offset by higher broadcast line revenues (\$69K).
- Other revenues were \$9K favourable to budget for the month primarily due to additional marketing sponsorship (\$10K). Year to date, other revenues were \$138K positive to budget primarily due additional marketing revenues (\$70K), rent from six MLL games (\$30K), CNE promoted international game (\$25K), higher rent (\$18K) from the June 25th international game (where ticket prices were higher than budgeted), and the Bill Clinton event (\$16K) partially offset by zero interest income on the operating account.
- Royalties were \$27K or 23% favourable due to lower food and beverage sales in the month. Year to date, royalties were \$16K or 2% unfavourable due to higher food & beverage sales from additional events.
- Full-time salaries were \$5K or 7% favourable to budget in the month due to additional staff sharing with MLSE. Year to date, Full-time salaries were \$19K negative to budget due to additional staff required as a result of taking event staff in-house.
- Part-time Wages were \$34K or 25% favourable to budget in the month mainly due to labour cost savings from new labour agreement. Year to date, part-time wages were \$180K or 16% positive to budget as a result of savings from the new part-time labour agreement and operational efficiencies. This savings are partially offset by the additional event cost, and training costs which were originally budgeted under supplies and services.
- Supplies and Services were \$44K or 26% favourable to budget in the month primarily due to lower winterization cost as a result of the bubble being relocated to Lamport Stadium. Year to date, supplies and services were \$116K or 8% positive to budget due to training costs which were recorded in part-time labour (\$88K) and lower OSA commissions (\$35K) as per the newly negotiated rate; this was partially offset by higher uniform costs (\$36K) to outfit the new staff, unanticipated equipment repairs (\$33K), and recruitment costs (\$28K).
- On a year-to-date basis, the net impact of bringing labour in house (including additional recruitment costs and uniform costs) has resulted in labour costs being favourable to budget by approximately \$150K.
- Utilities were \$7K or 19% favourable to budget for the month mainly due to lower hydro costs. Year to date, utilities were \$71K or 16% positive to budget due to lower than anticipated gas usage (\$41K), and lower hydro usage (\$32K).

- Other Expenses were \$17K unfavourable to budget in the month due to additional unbilled loop charges from the 2009 broadcast season. Year to date, other expenses were \$14K or 8% unfavourable to budget due primarily to additional broadcast line charges offset by higher broadcast revenues recorded in Other revenue.
- Incentives & Rebates of \$250K were accrued as the EBITDA for 2009 is anticipated at \$500K

Event Management Services

BMO Field hosted its two final TFC regular season matches on turf in October. BMO Field received final approval for grass installation for the 2010 season on October 9th and, as such, preparations to relocate the bubble for the winter were put into action. Construction began at Lamport Stadium on October 12th in order to accommodate the bubble.

The Ontario Soccer Association (OSA) booked 68 of the 32 budgeted community rentals hours. Additionally, 83 hours were used at BMO Field to accommodate Lamport rentals displaced due to construction required for the bubble relocation.

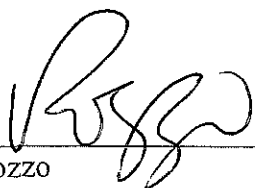
Building Operations

The Building Operations team spent much of their time preparing for the winterization and water shut down of the stadium. Additionally, the grass installation plans began with the tendering process for the service and maintenance contract.

Food & Beverage

Unfavourable weather conditions resulted in lower than budgeted attendance which translated to lower food and beverage per cap of \$9.77 and \$10.23 respectively versus \$12.01 in budget for the two games in the month. The average per cap for the 2009 TFC season was \$10.57 versus budget of \$12.01. In addition, the team began the winter shutdown process of F&B operations.

Submitted by:



Vince Bozzo
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at October 31, 2009

	<u>October 31, 2009</u>	<u>October 31, 2008</u>	<u>December 31, 2008</u>
ASSETS			
Current Assets			
Cash	\$ 2,347,651	\$ 1,538,823	\$ 957,997
Accounts receivable	1,119,861	939,296	251,285
Prepaid expenses & deposits	50,925	23,641	27,650
Inventory	34,994	50,642	30,300
	<u>3,553,431</u>	<u>2,552,402</u>	<u>1,267,232</u>
Capital Assets	45,000	90,000	45,000
	<u>\$ 3,598,431</u>	<u>\$ 2,642,402</u>	<u>\$ 1,312,232</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 2,217,340	\$ 1,731,873	\$ 481,192
Taxes payable	25,320	21,577	140,231
Deferred revenue	12,020	136,659	154,518
Incentives & rebates payable	250,000	43,877	118,841
	<u>2,504,680</u>	<u>1,933,985</u>	<u>894,782</u>
Long-Term Suite Deposits	218,125	218,125	218,125
Retained Earnings	875,626	490,292	199,325
	<u>\$ 3,598,431</u>	<u>\$ 2,642,402</u>	<u>\$ 1,312,232</u>
Opening Retained Earnings	\$ 199,325	\$ 508,554	\$ 508,554
Operating Profit	795,142	449,808	158,841
Distribution of Excess Cash	(118,841)	(468,070)	(468,070)
Closing Retained Earnings	<u>\$ 875,626</u>	<u>\$ 490,292</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 Ten Months Ending October 31, 2009

	October 2009			YTD			YTD
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2008
Revenues							
TicketMaster Rebates	\$ 8,319	\$ 2,630	\$ 5,689	\$ 287,815	\$ 169,545	\$ 118,270	\$ 179,460
Club Fees	11,273	10,658	615	78,913	74,609	4,304	78,517
Sponsorship	112,798	112,567	231	789,583	787,969	1,614	768,750
Food and Beverage	337,684	434,802	(97,118)	4,181,229	4,170,724	10,505	4,240,314
F&B Third Party Commissions	21,548	24,845	(3,297)	231,673	208,533	23,140	247,499
Event Merchandise	6,688	13,608	(6,920)	92,408	129,672	(37,264)	117,141
Suites	78,249	75,605	2,644	557,449	538,915	18,534	570,024
TFC Usage Fee	31,580	31,518	62	328,065	283,669	44,396	307,500
CSA Usage Fee	-	-	-	8,910	23,500	(14,590)	50,317
CRF	33,662	30,960	2,702	419,249	321,140	98,109	359,203
Other Usage Fee	24,319	26,854	(2,535)	719,118	754,524	(35,406)	729,151
Other Revenue	11,333	2,333	9,000	175,576	37,333	138,243	150,874
Total Revenues	\$ 677,453	\$ 766,380	\$ (88,927)	\$ 7,869,989	\$ 7,500,133	\$ 369,856	\$ 7,798,750
Expenses							
Cost of Goods Sold	156,602	158,725	2,123	1,586,168	1,481,306	(104,862)	1,543,058
Royalty	88,753	115,976	27,223	1,056,517	1,040,643	(15,874)	1,084,097
Full-Time Salaries	58,620	63,175	4,555	622,187	603,623	(18,564)	550,093
Part-Time Wages	98,087	131,590	33,503	980,090	1,160,101	180,011	1,194,842
Benefits	9,261	10,648	1,387	113,968	101,416	(12,552)	89,165
Travel and Entertainment	4,506	7,740	3,234	9,960	28,245	18,285	29,126
Supplies and Services	129,646	174,139	44,493	1,269,036	1,384,919	115,883	1,601,421
Insurance	9,956	7,909	(2,047)	95,054	79,090	(15,964)	103,002
Utilities	32,553	40,000	7,447	375,841	446,400	70,559	396,307
Capital Reserve	33,333	33,333	-	333,330	333,330	-	333,330
Management Fee	17,546	17,510	(36)	175,463	175,105	(358)	170,833
Other	32,026	15,464	(16,562)	207,233	192,783	(14,450)	253,669
Total Operating Expenses	\$ 670,889	\$ 776,209	\$ 105,320	\$ 6,824,846	\$ 7,026,961	\$ 202,115	\$ 7,348,943
Operating Profit before Depreciation, Incentives & Rebates	\$ 6,565	\$ (9,829)	\$ 16,394	\$ 1,045,142	\$ 473,172	\$ 571,970	\$ 449,808
Depreciation Expense	-	-	-	-	-	-	-
Operating Profit before Incentives & Rebates	\$ 6,565	\$ (9,829)	\$ 16,394	\$ 1,045,142	\$ 473,172	\$ 571,970	\$ 449,808
Forecasted 2009 Incentives & Rebates	(250,000)	-	(250,000)	(250,000)	-	(250,000)	-
Net Operating Profit after Incentives & Rebates	\$ (243,435)	\$ (9,829)	\$ (233,606)	\$ 795,142	\$ 473,172	\$ 321,970	\$ 449,808
Food & Beverage Gross Margin %	53.6%	63.5%	-9.9%	62.1%	64.5%	-2.4%	63.6%

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Ten months ended	
	October 31, 2009	October 31, 2008
OPERATING	\$ 1,508,496	\$ 269,218
FINANCING	(118,841)	(468,070)
Net Cash Inflow (Outflow) during the period	\$ 1,389,654	\$ (198,852)
Cash, beginning of period	957,997	1,737,675
Cash, end of period	\$ 2,347,651	\$ 1,538,823
OPERATING		
Operating profit after incentives and rebates	\$ 795,142	\$ 449,808
Cash provided by (used in) non cash working capital item	713,354	(180,590)
	\$ 1,508,496	\$ 269,218
FINANCING		
Distribution of excess cash to owner	(118,841)	(468,070)
	\$ (118,841)	\$ (468,070)
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (868,576)	\$ (499,336)
Prepaid expenses	(23,275)	(6,554)
Inventory	(4,694)	(37,432)
Accounts payable and accrued liabilities	1,736,148	975,207
Incentives & rebates payable	131,159	(468,070)
Taxes payable/recoverable	(114,911)	(104,111)
Deferred revenue	(142,498)	(40,294)
Cash provided by (used in) operating activities	\$ 713,354	\$ (180,590)