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

Executive Summary

000's	DECEMBER 2009			FISCAL YEAR			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Revenues	\$ 112	\$ 163	\$ (51)	\$ 8,031	\$ 7,742	\$ 289	\$ 8,251
Expenses	\$ (165)	\$ (284)	\$ 119	\$ (7,205)	\$ (7,579)	\$ 374	\$ (7,928)
EBITDA/(LBITDA)	\$ (53)	\$ (121)	\$ 68	\$ 826	\$ 163	\$ 663	\$ 323
<i>Less: Rebates and Incentives</i>				\$ (375)	\$ (82)	\$ (293)	\$ (119)
<i>Less: Non Cash Revenues</i>				\$ (85)	\$ -	\$ (85)	\$ (85)
<i>Cash Available for Distribution to The Board of Governors of Exhibition Place</i>				\$ 366	\$ 81	\$ 285	\$ 119

- For the month ending December 31, 2009, the operating loss for BMO Field before depreciation, incentives and rebates was \$53K (\$68K favourable to budget). For the year ending December 31, 2009, the operating profit before depreciation, incentives and rebates was \$826K (\$663K favourable to budget). The excess cash distribution payable to The Board of Governors of Exhibition Place is projected to be \$366K (to be finalized upon completion of the audit).
- In October 2009, an agreement between MLSE, The Board of Governors of Exhibition Place, and the City of Toronto received final approval from all levels of Government (parties to the Management Agreement) to relocate the bubble from BMO Field to Lamport Stadium. As part of this agreement, BMO Field will receive net compensation (\$112K) from MLSE to offset the lost income from November to April annually.
- Total revenues of \$112K for the month were \$51K or 31% unfavourable to budget due primarily to no bubble revenue (\$153K) as a result of a new agreement to relocate the bubble partially offset by contra sponsorship (\$85K) and bubble compensation (\$19K). For the year, total revenues of \$8.0M were \$289K favourable to budget mainly due to the two additional TFC games, six lacrosse games, two open practice events, and two CNE promoted events. The favourable revenues were partially offset by lower food and beverage per cap (\$10.57 actual versus \$12.01 in budget for TFC games), and lower than anticipated bubble rental revenues due to a shortened bubble rental season at the beginning of the year (earlier start to the TFC season) and the relocation of the bubble November.
- Total operating expenses of \$165K for the month were \$119K or 42% favourable to budget for the month. The decreased expenses were mainly due to lower supplies & services (\$62K), utilities (\$42K), and COGS (\$12K). For the year, operating expenses of \$7.2M were \$374K or 5% favourable to budget primarily due to lower part-time wages (\$215K), supplies & services (\$200K), and utilities (\$137K) partially offset by higher cost of goods sold (\$92K).
- 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 the CSA for the loss of games.

Events hosted by BMO Field:

	DECEMBER 2009			FISCAL YEAR			2008
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
<i>TFC Games (MLS, Friendly & CONCACAF)</i>	-	-	-	20	18	2	20
<i>CSA Games</i>	-	-	-	1	2	(1)	2
<i>International Games</i>	-	-	-	2	3	(1)	3
<i>Toronto Nationals (MLL)</i>	-	-	-	6	-	6	-
<i>Other Events</i>	-	-	-	3	-	3	1
TOTAL	-	-	-	32	23	9	26
<i>Rental (hours)</i>	-	875	(875)	3,210	5,465	(2,255)	4,895

December 2009 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.8M increased by \$870K from December 31, 2008 due primarily to cash from operations of \$1.3M partially offset by incentives, rebates and excess cash distributions paid of \$238K and acquisition of new fixed assets.
- Accounts Receivable of \$271K includes \$131K on 2009 suite renewals, \$39K in inventory credits and \$37K for bubble compensation due in May 2010. BMO Field is currently monitoring receivables; no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$1.1M includes current accounts payable of \$725K which includes \$400K to the City of Toronto for capital expenditure reserve and \$147K to the Board of Governors for operating expenses, accrued liabilities of \$143K, and a payable to MLSE for shared cost recoveries of \$65K.
- Incentives & rebates payable of \$375K (\$119K in 2008) will be paid upon completion of the year-end audit. The increase is attributable to an increase in operating profits from hosting 6 additional events in 2009 when compared to 2008.

PROFIT & LOSS

Year over year, the operating profit before depreciation, incentives and rebates increased by \$503K. The increase was mainly due operating cost savings: maintenance & equipment (\$70K), snow removal (\$66K), OSA Commissions (\$59K) due to re-negotiated rate, cleaning consumables (\$35K) as a result of changing suppliers and efficiencies, and winterization (\$21K) due to bubble moving to Lamport Stadium. These savings were partially offset by lower revenues: other usage fee (\$153K) as a result of shortened bubble season and relocation of bubble in 2009, and food & beverage (\$93K) as a result of lower per cap and poor weather conditions.

The operating loss for the month ending December 31, 2009 was \$53K (\$68K favourable to budget). For the year, operating profit before depreciation, incentives and rebates was \$825K (\$662K favourable). The following provides an analysis for the month and year:

- Ticketmaster rebates were \$118K or 70% favourable for the year 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.
- Contra Sponsorship revenue of \$85K was received as part of the final year of the Sony contract where BMO Field received equipment in lieu of cash.
- Food & Beverage revenues were \$8K negative to budget in the month. The loss can be attributed to not hosting the annual soccer tournament during the Christmas break as the bubble was relocated. For the year, food and beverage sales were \$2K positive to budget primarily due to hosting two additional TFC games (\$413K or \$11.12 per cap for the two games), six lacrosse games (\$106K or \$10.07 per cap), the Real Madrid open practice (\$51K or \$3.13 per cap), and a CNE promoted game (\$160K or \$10.18 per cap). This was offset by rainy conditions resulting in lower than budgeted TFC attendance (17,235 actual versus 18,000), and lower per cap (\$10.57 actual versus \$12.01 in budget) at TFC games for the season, the loss of games (CSA and one international game, \$100K budgeted), and the July 18th alcohol suspension.
- Cost of goods sold were \$12K positive in the month due to additional un anticipated refunds from product returns and not opening the winter concession stand. For the year, cost of goods sold were \$92K or 6% unfavourable to budget mainly due to additional events and higher than anticipated waste. The gross margin was 62.3% versus the 64.5% budgeted primarily due to expired product waste during the season and end of season waste identified during the stadium shut down.
- For the year, 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).
- For the year, merchandise commissions were \$37K or 29% unfavourable due to lower per caps (\$2.69 Actual versus \$4.21 in Budget) at TFC games.
- For the year, Suites were \$19K or 3% favourable to budget primarily due to additional suite tickets for the Real Madrid game and adopt-a-suite revenue from the CONCACAF game in July.
- For the year, TFC usage fee was \$44K or 16% positive to budget due to hosting two additional TFC games and two open practices.
- For the year, 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 fees were \$128K or 83% unfavourable to budget in the month mainly due to lower bubble revenue (\$153K) as a result of the bubble relocation, which was partially offset by bubble compensation from Lamport Stadium for the 2009/10 winter period. For the year, Other usage fees were \$190K or 19% negative to budget due to bubble relocation and shortened season (\$247K), event rental (\$13K), and an overestimate of non-primetime field rentals (\$11K), partially offset by higher broadcast line revenues (\$69K).
- Other revenues were \$1K unfavourable to budget for the month due to interest not earned on the operating account. For the year, other revenues were \$135K 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.

- For the year, royalties were \$16K or 2% unfavourable due to higher food & beverage sales from additional events.
- Full-time salaries were \$2K or 5% unfavourable to budget in the month due to additional staffing and increased sharing with MLSE. For the year, Full-time salaries were \$28K negative to budget due to additional staff required as a result of taking event staff in-house.
- Part-time Wages were \$11K favourable to budget due to not opening the winter concession stand as no soccer tournament was held. For the year, part-time wages were \$215K or 18% positive to budget as a result of savings from the new part-time labour agreement and operational efficiencies. These savings are partially offset by the additional event cost, and training costs which were originally budgeted under supplies and services.
- Supplies and Services were \$62K or 79% favourable to budget in the month primarily due to lower operating cost as a result of the bubble being relocated to Lamport Stadium. For the year, supplies and services were \$210K or 13% positive to budget due to training costs which were recorded in part-time labour (\$87K), lower OSA commissions (\$66K) as per the newly negotiated rate, building security (\$28K) due to reduced hours as bubble was relocated, winterization (\$26K), maintenance & equipment (\$23K), IT Costs (\$21K), HVAC labour & supplies (\$15K), cleaning consumables (\$11K) and other saving as a result of our cost reduction plan implemented. These savings were partially offset by higher uniform costs (\$36K) to outfit the new staff, unanticipated equipment repairs (\$33K), and recruitment costs (\$28K).
- For the year, 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 \$196K.
- Utilities were \$42K or 72% favourable to budget for the month mainly due to lower gas costs (\$22K) and hydro (\$21K) as a result of the bubble relocation. For the year, utilities were \$137K or 25% positive to budget due to lower than anticipated gas usage (\$72K), and lower hydro usage (\$66K).
- Other Expenses were \$9K favourable to budget in the month mainly due to copy & printing (\$5K) accrual reversal. For the year, other expenses were \$14K or 6% unfavourable to budget due primarily to additional broadcast line charges offset by higher broadcast revenues recorded in Other revenue.
- For the year, Incentives & Rebates of \$375K were \$293K higher than budgeted due to greater operating profits resulting from hosting 9 additional events versus the budget.

Building Operations

The Building Operations team continued with the project of converting the playing surface from Field Turf to natural grass. The project is currently on schedule and on budget.

Submitted by:

Vince Bozzo
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at December 31, 2009

	<u>December 31, 2009</u>	<u>December 31, 2008</u>
ASSETS		
Current Assets		
Cash	\$ 1,827,610	\$ 957,997
Accounts receivable	270,946	251,285
Prepaid expenses & deposits	16,970	27,650
Inventory	39,024	30,300
	<u>2,154,550</u>	<u>1,267,232</u>
Capital Assets	80,000	45,000
	<u>\$ 2,234,550</u>	<u>\$ 1,312,232</u>
LIABILITIES AND RETAINED EARNINGS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,105,665	\$ 481,192
Taxes payable	109,768	140,231
Deferred revenue	8,215	154,518
Incentives & rebates payable	374,663	118,841
	<u>1,598,312</u>	<u>894,782</u>
Long-Term Suite Deposits	190,000	218,125
Retained Earnings (Deficit)	446,238	199,325
	<u>\$ 2,234,550</u>	<u>\$ 1,312,232</u>
Opening Retained Earnings (Deficit)	\$ 199,325	\$ 508,554
Operating Profit	365,754	158,841
Distribution of Excess Cash	(118,841)	(468,070)
Closing Retained Earnings (Deficit)	<u>\$ 446,238</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 Twelve Months Ending December 31, 2009**

	December 2009			FISCAL YEAR			2008
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	
Revenues							
Ticketmaster Rebates	\$ -	\$ -	\$ -	\$ 287,815	\$ 169,545	\$ 118,270	\$ 179,460
Club Fees	-	-	-	78,913	74,609	4,304	78,517
Sponsorship	-	-	-	789,583	787,969	1,614	768,750
Contra Sponsorship	85,000	-	85,000	85,000	-	85,000	85,000
Food and Beverage	-	7,500	(7,500)	4,180,665	4,178,224	2,441	4,274,129
F&B Third Party Commissions	-	-	-	231,448	208,533	22,915	248,873
Event Merchandise	-	-	-	92,408	129,672	(37,264)	117,141
Suites	-	-	-	557,452	538,915	18,537	570,024
TFC Usage Fee	-	-	-	328,065	283,669	44,396	307,500
CSA Usage Fee	-	-	-	8,910	23,500	(14,590)	50,317
CRF	-	-	-	419,249	321,140	98,109	359,629
Other Usage Fees	25,495	153,150	(127,655)	793,843	984,249	(190,406)	946,921
Other Revenue	1,760	2,334	(574)	177,436	42,000	135,436	264,586
Total Revenues	\$ 112,255	\$ 162,984	\$ (50,729)	\$ 8,030,787	\$ 7,742,025	\$ 288,762	\$ 8,250,849
Expenses							
Cost of Goods Sold	(8,741)	3,375	12,116	1,576,727	1,484,681	(92,046)	1,585,757
Royalty	-	-	-	1,056,517	1,040,643	(15,874)	1,084,097
Full-Time Salaries	53,961	51,799	(2,162)	735,001	707,221	(27,780)	648,881
Part-Time Wages	566	11,375	10,809	965,584	1,180,416	214,832	1,223,114
Benefits	9,242	8,600	(642)	131,642	118,616	(13,026)	104,541
Travel and Entertainment	43	800	757	10,388	29,845	19,457	29,966
Supplies and Services	16,789	78,708	61,919	1,344,171	1,543,876	199,705	1,795,576
Insurance	21,490	7,903	(13,587)	129,110	94,902	(34,208)	112,958
Utilities	16,068	58,000	41,932	413,769	550,400	136,631	467,302
Capital Reserve	33,337	33,337	-	400,000	400,000	-	400,000
Management Fee	17,546	17,510	(36)	210,555	210,125	(430)	205,000
Other	4,512	12,960	8,448	231,906	218,083	(13,823)	270,974
Total Operating Expenses	\$ 164,814	\$ 284,367	\$ 119,553	\$ 7,205,370	\$ 7,578,808	\$ 373,438	\$ 7,928,166
Operating Profit before Depreciation, Incentives & Rebates	\$ (52,559)	\$ (121,383)	\$ 68,824	\$ 825,417	\$ 163,217	\$ 662,200	\$ 322,683
Depreciation Expense	85,000	-	(85,000)	85,000	-	(85,000)	45,000
Operating Profit before Incentives & Rebates	\$ (137,559)	\$ (121,383)	\$ (16,176)	\$ 740,417	\$ 163,217	\$ 577,200	\$ 277,683
Incentives & Rebates	124,663	81,609	(43,055)	374,663	81,609	(293,055)	118,841
Net Operating Profit after Incentives & Rebates	\$ (262,223)	\$ (202,992)	\$ (59,231)	\$ 365,754	\$ 81,609	\$ 284,145	\$ 158,841
Food & Beverage Gross Margin %	0.0%	55.0%	-55.0%	62.3%	64.5%	-2.2%	62.9%

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Twelve months ended	
	December 31, 2009	December 31, 2008
OPERATING	\$ 1,136,579	\$ (311,608)
INVESTING	(120,000)	-
FINANCING	(146,966)	(468,070)
	\$ 869,613	\$ (779,678)
Net Cash Inflow (Outflow) during the period		
Cash, beginning of period	957,997	1,737,675
Cash, end of period	\$ 1,827,610	\$ 957,997
OPERATING		
Operating profit after incentives and rebates	\$ 365,754	\$ 158,841
Amortization of capital assets	85,000	45,000
Cash provided by (used in) non cash working capital item	685,826	(515,449)
	\$ 1,136,579	\$ (311,608)
INVESTING		
Acquisition of capital assets	\$ (120,000)	\$ -
	\$ (120,000)	\$ -
FINANCING		
Long-term deposits	\$ (28,125)	\$ -
Distribution of excess cash to owner	(118,841)	(468,070)
	\$ (146,966)	\$ (468,070)
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (19,661)	\$ 188,675
Prepaid expenses	10,680	(10,563)
Inventory	(8,724)	(17,090)
Accounts payable and accrued liabilities	624,473	(275,474)
Incentives & rebates payable	255,822	(393,106)
Taxes payable	(30,463)	14,543
Deferred revenue	(146,303)	(22,434)
Cash provided by (used in) operating activities	\$ 685,826	\$ (515,449)



Management Report
for
The Board of Governors of Exhibition Place
January 2010

Executive Summary

000's	JANUARY 2010			2009
	Actual	Plan	Variance	Actual
Revenues	\$ 19	\$ 137	\$ (118)	\$ 156
Expenses	\$ (205)	\$ (272)	\$ 67	\$ (268)
(LBITDA)	\$ (186)	\$ (135)	\$ (51)	\$ (112)

- In October 2009, an agreement between MLSE, The Board of Governors of Exhibition Place, and the City of Toronto was approved to relocate the bubble from BMO Field to Lamport Stadium. As part of this agreement, BMO Field will receive net compensation of \$112K per bubble season from MLSE to offset the net lost. Currently, BMO Field is projecting to be on budget for the year as a result of the bubble compensation and operational savings from not operating the bubble.
- For the month ending January 31, 2010, the operating loss for BMO Field was \$186K (\$51K unfavourable to budget).
- Total revenues of \$19K for the month were \$118K negative to budget as a result of the relocation of the bubble to Lamport Stadium.
- Total operating expenses of \$205K for the month were \$67K favourable to budget. Expenses were lower in the month due Utilities (\$26K), Supplies & Services (\$23K), and Full-time Salaries (\$14K).

Events hosted by BMO Field:

	JANUARY 2010			2009
	Actual	Plan	Variance	Actual
Rental (hours)	-	759	(759)	888

January 2010 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.7M increased by \$410K from January 31, 2009. Cash from operations before incentives, rebates and excess cash distributions was \$758K.
- Accounts Receivable of \$684K is made up primarily of 2010 suite invoices (\$611K) and bubble compensation (\$56K) from MLSE. BMO Field is currently monitoring receivables, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$560K includes \$328K current payables and accruals, and \$59K payable to MLSE for shared cost recoveries
- Deferred Revenue of \$1.1M represents 2010 suites revenue which will be recognized over the course of the TFC season (April – October).
- Incentives & rebates payable of \$387K will be paid upon completion of the year-end audit.

PROFIT & LOSS

The Operating Loss for BMO Field for the month ending January 31, 2010 was \$186K (\$51K unfavourable to budget). The following provides an analysis of the significant variances in the month:

- Other Usage Fees were \$118K negative to budget in the month due to the relocation of the bubble resulting in no rental revenue, partially offset by bubble compensation.
- Full-time salaries were \$14K positive to budget in the month due to the shifting of full-time contracts to start later in the year.
- Supplies and Services expenses were \$23K positive to budget in the month mainly due to lower OSA commissions (\$14K), cleaning labour (\$4K), and security (\$3K) as a result of the bubble relocation.
- Utilities were \$26K positive to budget in the month due to lower anticipated gas (\$21K) and hydro (\$5K) usage as a result of the bubble relocation.
- Other Expenses were \$3K positive to budget in the month due primarily to the change in foreign exchange.

Event Management Services

No significant activity in the month.

Building Operations

Construction of the new grass field continued as the Glycol heating lines were installed. Additionally, permit drawings for the installation of North End grandstands were finalized.

Food & Beverage

The food and beverage team worked on numerous initiatives including the 2009 season product mix report and recommendations for 2010 season. The team also focused efforts on the creation of a new inventory & purchasing system to improve product tracking and lowering product waste.

A new menu is being developed for the upcoming season, along with the design of new beer and collector cups. In addition, the team met with key suppliers to discuss needs for the upcoming season, outside contractors were reviewed, updated, and new contracts issued.

Submitted by:

Vince Bozzo
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at January 31, 2010

	<u>January 31, 2010</u>	<u>January 31, 2009</u>
ASSETS		
Current Assets		
Cash	\$ 1,691,576	\$ 1,281,858
Accounts receivable	684,219	610,121
Taxes recoverable	-	7,240
Prepaid expenses & deposits	42,704	59,876
Inventory	39,024	30,300
	<u>2,457,522</u>	<u>1,989,395</u>
Capital Assets	80,000	45,000
	<u>\$ 2,537,522</u>	<u>\$ 2,034,395</u>
LIABILITIES AND RETAINED EARNINGS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 559,765	\$ 1,003,943
Taxes payable	24,482	-
Deferred revenue	1,066,660	606,546
Incentives & rebates payable	387,020	118,841
	<u>2,037,927</u>	<u>1,729,330</u>
Long-Term Suite Deposits	227,484	218,125
Retained Earnings	272,112	86,939
	<u>\$ 2,537,522</u>	<u>\$ 2,034,395</u>
Opening Retained Earnings	\$ 458,110	\$ 199,325
Operating Profit	(185,999)	(112,386)
Closing Retained Earnings	<u>\$ 272,112</u>	<u>\$ 86,939</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 Month Ending January 31, 2010

	Current Month			January
	Actual	Budget	Variance \$	2009
Revenues				
Food and Beverage	\$ -	\$ -	\$ -	\$ 432
Other Usage Fee	18,675	136,762	(118,087)	155,094
Total Revenues	\$ 18,675	\$ 136,762	\$ (118,087)	\$ 155,526
Expenses				
Cost of Goods Sold	-	-	-	129
Full-Time Salaries	44,625	58,157	13,531	49,711
Part-Time Wages	-	-	-	4,167
Benefits	8,894	9,744	849	9,341
Travel and Entertainment	1,507	1,500	(7)	2,085
Supplies and Services	42,824	66,315	23,491	85,820
Insurance	10,993	11,003	9	7,850
Utilities	35,153	61,000	25,847	50,139
Capital Reserve	33,333	33,333	-	33,333
Management Fee	17,600	17,948	348	17,083
Other	9,744	12,622	2,878	8,255
Total Operating Expenses	\$ 204,674	\$ 271,622	\$ 66,947	\$ 267,912
Operating Loss	\$ (185,999)	\$ (134,860)	\$ (51,139)	\$ (112,386)

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	One month ended	
	January 31, 2010	January 31, 2009
OPERATING	\$ (173,518)	\$ 323,861
FINANCING	37,484	-
Net Cash Inflow (Outflow) during the period	\$ (136,034)	\$ 323,861
Cash, beginning of period	1,827,610	957,997
Cash, end of period	\$ 1,691,576	\$ 1,281,858
OPERATING		
Operating profit after incentives and rebates	\$ (185,999)	\$ (112,386)
Cash provided by (used in) non cash working capital item	12,481	436,247
	\$ (173,518)	\$ 323,861
FINANCING		
Long-term deposits	\$ 37,484	\$ -
	\$ 37,484	\$ -
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (389,044)	\$ (358,835)
Prepaid expenses	(25,734)	(32,226)
Accounts payable and accrued liabilities	(545,900)	522,751
Taxes payable	(85,287)	(147,471)
Deferred revenue	1,058,445	452,028
Cash provided by (used in) operating activities	\$ 12,481	\$ 436,247



Management Report
for
The Board of Governors of Exhibition Place
February 2010

Executive Summary

000's	FEBRUARY 2010			YTD			2009
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Revenues	\$ 19	\$ 133	\$ (114)	\$ 37	\$ 269	\$ (232)	\$ 292
Expenses	\$ (206)	\$ (286)	\$ 80	\$ (410)	\$ (557)	\$ 147	\$ (544)
(LBITDA)	\$ (187)	\$ (153)	\$ (34)	\$ (373)	\$ (288)	\$ (85)	\$ (252)

- In October 2009, an agreement between MLSE, The Board of Governors of Exhibition Place, and the City of Toronto was approved to relocate the bubble from BMO Field to Lamport Stadium. As part of this agreement, BMO Field will receive net compensation of \$112K per bubble season from MLSE to offset the net lost. The budget was completed and approved prior to the agreement to relocate the bubble. Currently, BMO Field is projecting to be on budget for the year as a result of the bubble compensation and operational savings from not operating the bubble.
- For the month ending February 28, 2010, the operating loss for BMO Field was \$187K (\$34K unfavourable to budget).
- Total revenues of \$19K for the month were \$114K negative to budget as a result of the relocation of the bubble to Lamport Stadium.
- Total operating expenses of \$206K for the month were \$80K favourable to budget. Expenses were lower in the month due Supplies & Services (\$39K), Utilities (\$32K), and Full-time Salaries (\$10K).

Events hosted by BMO Field:

	FEBRUARY 2010			YTD			2009
	Actual	Plan	Variance	Actual	Plan	Variance	Actual
Rental (hours)	-	759	(759)	-	1,518	(1,518)	1,514

February 2010 Financials

BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$1.7M increased by \$341K from February 28, 2009. The increase in cash is due to cash from operations before incentives, rebates and excess cash distributions of \$678K, partially offset by incentives, rebates and 2008 excess cash paid of \$237K.
- Accounts Receivable of \$591K is made up primarily of 2010 suite invoices (\$502K) and bubble compensation (\$75K) from MLSE. BMO Field is currently monitoring receivables, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$655K includes \$414K current payables and accruals, and \$59K payable to MLSE for shared cost recoveries
- Deferred Revenue of \$1.1M represents 2010 suites revenue which will be recognized over the course of the TFC season (April – October).
- Incentives & rebates payable of \$387K will be paid upon completion of the year-end audit.

PROFIT & LOSS

The Operating Loss for BMO Field for the month ending February 28, 2010 was \$187K (\$34K unfavourable to budget). The following provides an analysis of the significant variances in the month:

- Other Usage Fees were \$114K negative to budget in the month due to the relocation of the bubble resulting in no rental revenue, partially offset by bubble compensation.
- Full-time salaries were \$10K positive to budget in the month due to the shifting of full-time contracts to start later in the year.
- Supplies and Services expenses were \$39K positive to budget in the month mainly due to lower OSA commissions (\$15K), cleaning labour (\$6K), security (\$6K), and contracted part-time labour (\$3K) as a result of the bubble relocation.
- Utilities were \$32K positive to budget in the month due to lower than anticipated gas (\$27K) and hydro (\$5K) usage as a result of the bubble relocation.
- Other Expenses were \$2K negative to budget in the month due primarily to a loss on foreign exchange.

Event Management Services

No significant activity in the month.

Building Operations

The Building Operations team focused on North End Grand Stands and grass field construction projects. Also, the team reviewed quotes and selected vendors for the approved 2010 capital expenditures projects.

Food & Beverage

The Food & Beverage team focused on the recruitment of Part-Time staff for the 2010 Season. Three job fairs were held in February resulting in 60 job offers to new applicants. The team also worked with the scheduling department to review staffing needs and call times for the upcoming season.

Additionally, the TFC season seat holder menu tasting was held in February, and the feedback was used to finalize menu and pricing recommendations for 2010.

Submitted by:

Vince Bozzo
General Manager
BMO Field

BMO FIELD
BALANCE SHEET
as at February 28, 2010

	<u>February 28, 2010</u>	<u>February 28, 2009</u>	<u>December 31, 2009</u>
ASSETS			
Current Assets			
Cash	\$ 1,731,679	\$ 1,390,240	\$ 1,827,610
Accounts receivable	591,379	524,686	295,175
Prepaid expenses & deposits	38,758	57,356	16,970
Inventory	39,024	30,300	39,024
	<u>2,400,841</u>	<u>2,002,582</u>	<u>2,178,779</u>
Capital Assets	80,000	45,000	80,000
	<u>\$ 2,480,841</u>	<u>\$ 2,047,582</u>	<u>\$ 2,258,779</u>
LIABILITIES AND RETAINED EARNINGS			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 654,595	\$ 1,073,495	\$ 1,105,665
Taxes payable	2,094	5,349	109,768
Deferred revenue	1,113,160	684,327	8,215
Incentives & rebates payable	387,020	118,841	387,020
	<u>2,156,870</u>	<u>1,882,013</u>	<u>1,610,669</u>
Long-Term Suite Deposits	239,109	218,125	190,000
Retained Earnings	84,862	(52,556)	458,110
	<u>\$ 2,480,841</u>	<u>\$ 2,047,582</u>	<u>\$ 2,258,779</u>
Opening Retained Earnings	\$ 458,110	\$ 199,325	\$ 199,325
Operating Profit (Loss)	(373,248)	(251,881)	377,868
Distribution of Excess Cash	-	-	(119,083)
Closing Retained Earnings	<u>\$ 84,862</u>	<u>\$ (52,556)</u>	<u>\$ 458,110</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 Two Months Ending February 28, 2010**

	February 2010			YTD			YTD
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	2009
Revenues							
Food and Beverage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 432
Other Usage Fee	18,675	132,762	(114,087)	37,350	269,524	(232,174)	291,599
Other Revenue	-	-	-	-	-	-	54
Total Revenues	\$ 18,675	\$ 132,762	\$ (114,087)	\$ 37,350	\$ 269,524	\$ (232,174)	\$ 292,085
Expenses							
Cost of Goods Sold	-	-	-	-	-	-	(41)
Full-Time Salaries	48,523	58,157	9,633	93,148	116,313	23,165	102,679
Part-Time Wages	3,887	4,034	147	3,887	4,034	147	12,527
Benefits	8,915	9,744	828	17,810	19,487	1,677	19,276
Travel and Entertainment	119	400	281	1,626	1,900	274	2,263
Supplies and Services	34,822	73,868	39,046	77,645	140,183	62,538	178,456
Insurance	10,993	11,003	9	21,987	22,006	19	17,142
Utilities	29,200	61,000	31,800	64,353	122,000	57,647	98,586
Capital Reserve	33,333	33,333	-	66,666	66,667	1	66,666
Management Fee	17,600	17,948	348	35,200	35,896	696	35,093
Other	18,532	16,287	(2,245)	28,276	28,910	633	11,319
Total Operating Expenses	\$ 205,924	\$ 285,774	\$ 79,849	\$ 410,599	\$ 557,395	\$ 146,797	\$ 543,967
Operating Loss	\$ (187,249)	\$ (153,012)	\$ (34,238)	\$ (373,248)	\$ (287,871)	\$ (85,377)	\$ (251,881)

**BMO FIELD
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Two months ended	
	February 28, 2010	February 28, 2009
OPERATING	\$ (145,039)	\$ 432,243
FINANCING	49,109	-
Net Cash Inflow (Outflow) during the period	\$ (95,931)	\$ 432,243
Cash, beginning of period	1,827,610	957,997
Cash, end of period	\$ 1,731,679	\$ 1,390,240
OPERATING		
Operating profit after incentives and rebates	\$ (373,248)	\$ (251,881)
Cash provided by (used in) non cash working capital item	228,209	684,124
	\$ (145,039)	\$ 432,243
FINANCING		
Long-term deposits	\$ 49,109	\$ -
	\$ 49,109	\$ -
Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ (296,205)	\$ (273,400)
Prepaid expenses	(21,788)	(29,706)
Accounts payable and accrued liabilities	(451,070)	592,303
Taxes payable	(107,674)	(134,882)
Deferred revenue	1,104,945	529,809
Cash provided by (used in) operating activities	\$ 228,209	\$ 684,124