

Item No. 5



Management Report  
for  
The Board of Governors of Exhibition Place  
February 2014

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## Executive Summary

\$ 000's	Month			Month			
	Actual	Budget	Variance	Actual	Budget	Variance	2013
<b>Revenues</b>	23	23	(0)	45	46	(1)	40
<b>Expenses</b>	(286)	(285)	(1)	(508)	(534)	25	(408)
<b>Operating Loss</b>	(263)	(262)	(1)	(463)	(488)	24	(368)

- For the month ending February 31, 2014, the Operating Loss before Depreciation, Incentives and Rebates for BMO Field of \$263K was \$1K unfavourable to budget.
- Total revenues of \$23K for the month were flat to budget.
- Total operating expenses of \$286K for the month were \$1K unfavourable to budget mainly due higher cost of goods sold (\$7K) and part time wages (\$6K) and partially offset by the timing of supplies and services (\$13K).

## February 2014 Financials

### BALANCE SHEET

The following provides an analysis of key balance sheet items:

- Cash of \$2.4M increased by \$980K from February 28, 2013 due to cash from operations of \$1.7M partially offset by incentives, rebates and excess cash distributions to the owners of \$722K.
- Accounts receivable of \$564K was made up primarily BMO Field Suite Licenses (\$312K), MLSE receivable (\$176K), other operating receivables (\$56K) and Ticketmaster receivable (\$21K).
- Subsequent receipts as of March 14<sup>th</sup> were \$213K. BMO Field is currently monitoring receivables and one collection issue was identified relating to suite license fees which have been provided for.
- The year over year increase in accounts receivable of \$44K was mainly due to the timing of suite license payments (\$133K) and an increase in Ticketmaster receivable (\$14K) partially offset by a decrease in the capital reserve receivable from the City of Toronto (\$103K).
- Accounts payable and accrued liabilities of \$1.1M were primarily made up of general liabilities (\$383K), operating payables (\$318K), ticket liabilities (\$277K) and MLSE cost recoveries (\$105K).
- The year over year increase in accounts payable and accrued liabilities of \$623K was mainly due to an increase in ticket liabilities (\$248K), operating payables (\$228K), timing of payment of MLSE cost recoveries (\$120K), and general liabilities (\$28K).
- Incentives & rebates payable of \$463K will be paid upon completion of the year-end audit. The year over year increase was attributable to higher operating profits in 2013 resulting primarily from the success of the rugby matches.

## PROFIT & LOSS

The operating loss for the month ending February 28, 2014 of \$263K was \$1K unfavourable to budget. The following provides an analysis of the significant variances in the month.

- Cost of goods sold was \$7K unfavourable to budget for the month mainly due to a late payment of a 2013 invoice. Account statement reporting issues were identified with the supplier in February and have been resolved on a go forward basis.
- PT wages were \$6K unfavourable to budget for the month mainly due the timing of training costs and staff 'welcome back' events.
- Supplies and services expenses were \$13K favourable to budget mainly due to the timing of ticket office software costs (\$9K) and recruitment costs (\$7K) partially offset by uniform expenses (\$3K).

Submitted by:

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Peter Church  
General Manager  
BMO Field

**BMO FIELD**  
**BALANCE SHEET**  
as at February 28, 2014

	<u>February 28, 2014</u>	<u>February 28, 2013</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 2,378,282	\$ 1,398,254
Accounts receivable	564,416	519,916
Taxes recoverable	-	26,680
Prepaid expenses & deposits	54,187	42,890
Inventory	44,045	17,745
	<u>3,040,930</u>	<u>2,005,485</u>
Capital Assets	19,384	30,745
	<u>\$ 3,060,314</u>	<u>\$ 2,036,230</u>
<b>LIABILITIES AND RETAINED EARNINGS</b>		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,083,896	\$ 460,541
Taxes payable	44,195	-
Deferred revenue	1,294,167	994,234
Incentives & rebates payable	462,546	387,943
	<u>2,884,804</u>	<u>1,842,718</u>
Long-Term Suite Deposits	204,704	196,896
Retained Earnings	(29,194)	(3,384)
	<u>\$ 3,060,314</u>	<u>\$ 2,036,230</u>
<b>STATEMENT OF RETAINED EARNINGS</b>		
Opening Retained Earnings	\$ 437,015	\$ 368,252
Net Loss	(466,209)	(371,636)
Closing Retained Earnings	<u>\$ (29,194)</u>	<u>\$ (3,384)</u>

**BMO FIELD  
INCOME STATEMENT  
For the Two Months Ending February 28, 2014**

	Month			YTD			2013
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	
<b>Revenues</b>							
Contra Sponsorship	2,500	2,500	-	5,000	5,000	-	-
Other Usage Fee	20,031	20,431	(400)	40,061	40,861	(800)	40,061
<b>Total Revenues</b>	<b>\$ 22,531</b>	<b>\$ 22,931</b>	<b>\$ (400)</b>	<b>\$ 45,061</b>	<b>\$ 45,861</b>	<b>\$ (800)</b>	<b>\$ 40,061</b>
<b>Expenses</b>							
Cost of Goods Sold	\$ 7,401	\$ -	\$ (7,401)	\$ 7,883	\$ -	\$ (7,883)	\$ 377
Full-Time Salaries	60,896	61,406	510	119,198	122,812	3,614	108,146
Part-Time Wages	5,846	-	(5,846)	6,023	-	(6,023)	2,927
Benefits	13,093	11,374	(1,719)	23,484	22,749	(735)	19,197
Travel and Entertainment	2,248	800	(1,448)	3,764	2,400	(1,364)	15
Supplies and Services	82,192	94,782	12,590	122,184	160,602	38,418	79,619
Insurance	11,858	11,858	-	23,716	23,715	(1)	23,250
Realty Tax	2,000	2,000	-	4,000	4,000	-	-
Utilities	37,000	37,000	-	74,016	69,000	(5,016)	47,449
Capital Reserve	35,333	35,333	-	70,666	70,665	(1)	69,280
Management Fee	19,089	19,250	161	38,178	38,501	323	37,746
Other	8,563	10,717	2,154	15,295	19,148	3,853	20,307
<b>Total Operating Expenses</b>	<b>\$ 285,519</b>	<b>\$ 284,520</b>	<b>\$ (999)</b>	<b>\$ 508,407</b>	<b>\$ 533,592</b>	<b>\$ 25,185</b>	<b>\$ 408,313</b>
<b>Operating Loss</b>	<b>\$ (262,988)</b>	<b>\$ (261,589)</b>	<b>\$ (1,399)</b>	<b>\$ (463,346)</b>	<b>\$ (487,731)</b>	<b>\$ 24,385</b>	<b>\$ (368,252)</b>
Depreciation	1,432	3,333	1,901	2,863	6,667	3,804	3,384
<b>Net Loss</b>	<b>\$ (264,420)</b>	<b>\$ (264,922)</b>	<b>\$ 502</b>	<b>\$ (466,209)</b>	<b>\$ (494,398)</b>	<b>\$ 28,189</b>	<b>\$ (371,636)</b>

**BMO FIELD  
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	Two months ending	
	February 28, 2014	February 28, 2013
OPERATING	\$ 866,101	\$ (181,192)
FINANCING	-	(43,808)
	<b>\$ 866,101</b>	<b>\$ (225,000)</b>
<b>Net Cash Inflow during the period</b>		
<b>Cash, beginning of period</b>	1,512,181	1,623,254
<b>Cash, end of period</b>	<b>\$ 2,378,282</b>	<b>\$ 1,398,254</b>
 <b>OPERATING</b>		
Net Loss	\$ (466,209)	\$ (371,636)
Amortization of capital assets	2,863	3,384
Cash invested in non cash working capital items	1,329,446	187,060
	<b>\$ 866,100</b>	<b>\$ (181,192)</b>
 <b>FINANCING</b>		
Long-term deposits	\$ -	\$ (43,808)
	<b>\$ -</b>	<b>\$ (43,808)</b>
 Changes in non-cash working capital balances related to operations		
Accounts receivable	\$ 910,206	\$ (168,782)
Taxes recoverable	134,698	(20,441)
Prepaid expenses	(49,666)	(38,905)
Inventory	(83)	257
Accounts payable and accrued liabilities	(658,492)	(543,076)
Deferred revenue	992,783	958,007
Cash invested in non-cash working capital items	<b>\$ 1,329,446</b>	<b>\$ 187,060</b>
 Excess Cash Paid paid to BOG between February 28, 2013 and February 28, 2014		
		(334,128)
 Incentives and Rabates paid to MLSE & CSA between February 28, 2013 and February 28, 2014		
		(387,943)
Total Incentives, Rebates and Excess Cash paid		<b>\$ (722,071)</b>
 Cash from Operations between February 28, 2013 to February 28, 2014		
		1,699,951
 Cash from Investments between February 28, 2013 to February 28, 2014		
		(5,661)
 Cash from Financing between February 28, 2013 to February 28, 2014		
		7,808
Total Cash from Operations		<b>\$ 1,702,098</b>
 Total change in Cash between February 28,2013 to February 28, 2014		
		<b>\$ 980,027</b>