

4



REPORT FOR INFORMATION

Management Report – November 2007

- Net Operating Income for BMO Field for the eleven month period ending November 30, 2007 was \$1.3M compared to a budget of \$187K for a favourable variance of \$1.1M, before Incentives and Rebates.
- BMO Field hosted 15 MLS TFC games, 2 Friendly TFC Contests and 2 CSA games, a very successful FIFA U-20 Tournament in July and the Genesis Concert in September, which resulted in very favourable financial results.
- Food and Beverage revenues were \$816K, or 21%, higher than budget for the eleven month period ending November 30, 2007.
- We are currently projecting net operating profit before Incentives and Rebates for 2007 year to be approximately \$1M, and net income is projected to be \$478K

November 2007 Financials

Net Operating Income for BMO Field for the eleven month period ending November 30, 2007 was \$1.3M compared to a budget of \$187K for a favourable variance of \$1.1M. The following provides an analysis of the YTD figures for the eleven months ending November 30, 2007;

- Food and Beverage revenues were \$816K, or 21%, higher than budgeted for the period. The higher revenues related to 24% higher attendance than budgeted for the FIFA U-20 Tournament and 36% higher attendance for TFC games and the Genesis Concert. The average attendance for FIFA U-20 was 17,353 for the 9 Event Days (12 Games) in July compared to a budgeted figure of 14,000. The average season stipe count attendance for TFC was 16,591 and 23,141 for the Genesis Concert. The average F&B per cap was \$12.19 for the FIFA U-20, \$11.62 for TFC Season and \$8.47 for the Genesis Concert (compared to a budgeted figure of \$7.00 for all events).
- Event Merchandise Commissions were \$64K, or 83%, higher than budget. Once again the increased revenues related to higher attendance and higher per cap sales than anticipated. The average per cap for the TFC Season was \$4.03; the first game per cap was \$6.32, \$6.14 for the Genesis Concert (compared to budgeted figure of \$1.50 for all events).
- Suites Revenues were \$137K or 38% higher than budget. The original budget anticipated 70% of the suites to be sold, however the suites were completely sold out.
- Sponsorship Revenues were \$40K or 7% lower than budget due to the pro-rated annual maximum (which was not known when the budget was submitted)
- TFC/Other Usage Fees revenues (which includes Building Cable rental) were \$400K, or 56%, higher than budget due to higher attendance and increased broadcast coverage of TFC games.
- CSA Usage fee was \$122K or 74% under budget due to BMO Field hosting only two CSA games, while six were budgeted.
- TicketMaster Rebates were \$499K for the period, of which \$254K relates to the FIFA U-20 Tournament and \$117K to the Genesis Concert. Rebate revenue was not included in the original budget.
- Other Revenue, which includes FIFA usage and CRF, was \$198K or 60% higher than budgeted due to the higher attendance for FIFA games and Genesis Concert.
- Cost of Goods Sold were \$475K higher than budget, as a result of increased Food & Beverage sales, along with increased waste due to the shut-down of the stadium for winter season. The Royalty expense was \$110K or 12% higher than budget due to increased Food & Beverage sales during TFC, FIFA games.
- Part-time labour was \$324K, or 35%, higher than budget as a result of an increase in number of points of distribution to accommodate additional attendees. This increase required additional

supervisors and staff, while supplementary training for alcohol service training was also necessary.

- Supplies & Services were \$166K or 18%, higher than budget due to increased building operation costs related to the shut-down, the bubble setup and other expenses such as servicing of equipment and labour costs.
- Insurance was \$124K or 56% favourable to budget due the actual costs compared to the initial estimated budget.
- Utilities were \$110K or 35% favourable to budget due to the following savings: \$46K on water, \$31K on Hydro and \$33K on gas.
- Capital Reserve and Management Fee was \$100K favourable to budget due entirely to the Capital Reserve not been recorded until the opening of the stadium (versus the full year in the budget), which is consistent with the Management Agreement.
- Other expenses were \$142K or 39%, higher than budgeted mainly due to telephone expenses for the broadcast lines which we received \$290K in related revenue.
- Accounts Receivable for the month ending November 30, 2007 were \$226K. This amount relates to broadcast invoices for the season which have been partially collected, no collection issues anticipated.
- Miscellaneous Receivables for the month ending November 30, 2007 were \$133K. This amount relates to Pinnacle settlement and additional broadcasting charges, which have been partially collected, no collection issues anticipated.
- Accounts Payable and Accrued Liabilities for the month ending November 30, 2007 were \$850K. This amount mainly relates to operating costs.

Event Management Services

During the month of November 2007, the Event Team was involved in the following events:

NOVEMBER	
Sporting Events	Other Events
<ul style="list-style-type: none"> ▪ There were no major sporting events in November 	<ul style="list-style-type: none"> ▪ Vanier Cup Training – November 21 ▪ Exhibition Place Lunch & Learn – November 22nd ▪ High Velocity Sports Training Program – November 23 ▪ Other Rentals (including regular league bookings): 140.5 Hours

Despite the delay of the official opening, the bubble has been operational since November 15th and has received rave reviews from all primary tenants, specifically the Toronto Soccer Association, the Toronto Ultimate Club, and the Toronto Central Sport & Social Club. Our relationship with the Ontario Soccer Association as the scheduler and league coordinator has been a positive one to date. The prime time slots (6 pm to Midnight weekdays and 8 am to 6 pm weekends) have been fully booked for entire bubble season.

The event operations team is now focusing their efforts on building corporate sales rental packages as we maximize potential revenue streams through weekday bookings during the winter months. Field availability, meeting space, and food and beverage options will allow us to become a destination for corporate meeting and team building events.

Building Operations

The building operation team spent the first half of the month completing the winterization of BMO Field and successfully raised the Bubble by the expected completion date of November 15th.

The team also began their work on increasing the environmental efficiency of BMO Field in conjunction with the Greening Team from the Direct Energy Centre as they held a site visit in early December to review current operations. Overall results were that BMO Field is well on its way to environmental efficiency.

In addition, the team will now focus on best practicing other soccer venues with the latest generation Field Turf. They will also enhance skill sets through industry training opportunity for Field Turf and Natural Grass. Our goal is to be Canada's leading experts on soccer facilities.

Food & Beverage

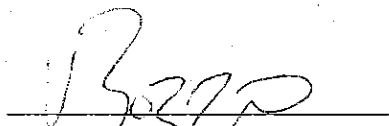
During the month of November the end of season shutdown for the Food & Beverage outdoor operations was completed and the Bubble concession was launched.

During the month of November the Bubble concession generated \$1,588 in revenue over 16 dates. Given the low volume of sales hours of operation will be scaled back to weekends only starting in December and provide snack and beverages through machines at other times.

In addition to the concession a full season review was begun which will lead into an action plan for the upcoming outdoor season. Key areas reviewed were as follows:

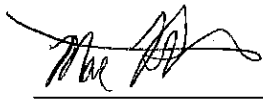
- Capital Plan - New concession on east concourse, new fryer for Concession #4, additional ice machine for beer kiosks are the major initiatives for the off-season.
- Operational Review –Labour Event Plan, Purchasing, transfers and inventory controls
- Menu – Product Mix review
- Third party vendor review
- PT staffing vendor review
- Governmental Compliance process review – AGCO, Toronto Board of Health

Submitted by:



Vince Bozzo
Interim General Manager,
BMO Field and Ricoh Coliseum

And



Marc Petitpas
General Manager/ Interim General Manager
BMO Field and Ricoh Coliseum/GM Centre

BMO Field
Balance Sheet
as at November 30, 2007

	YTD
ASSETS	
Current Assets	
Cash	2,131,589
Accounts Receivable	226,195
Miscellaneous Receivable	132,618
Prepaid, Deposits	29,649
Inventory	17,893
Income and other taxes recoverable	18,462

TOTAL ASSETS	2,556,406
 LIABILITIES AND OPERATING PROFIT	
Current Liabilities	
Accounts Payable and Accrued Liabilities	849,816
Deferred Revenue	221,022

	1,070,838

Long-term Liabilities	
Long-term Suite Deposits	218,125
Operating Profit before Incentives & Rebates	1,267,444

TOTAL LIABILITIES AND OPERATING PROFIT	2,556,406

BMO Field
Income Statement
For the Eleven Months Ending November 30, 2007

	November 07				YTD				2007 Forecast
	Actual	Budget	Variance \$	Variance %	Actual	Budget	Variance \$	Variance %	
Revenues									
Club Fees	0	0	0	0%	78,944	82,500	(3,556)	-4%	
Sponsorship	0	0	0	0%	509,589	550,000	(40,411)	-7%	
Food and Beverage	1,588	0	1,588	0%	4,704,568	3,888,773	815,795	21%	
Event Merchandise Commissions	(2,038)	0	(2,038)	0%	141,496	77,287	64,209	83%	
Suites	9,032	0	9,032	0%	493,025	356,400	136,625	38%	
TFC/Other Usage Fee	150,921	100,000	50,921	51%	1,118,785	718,675	400,110	56%	
CSA Usage Fee	0	0	0	0%	43,877	166,320	(122,443)	-74%	
TicketMaster Rebates	1,243	0	1,243	0%	498,641	0	498,641	0%	
Other Revenue	7,008	0	7,008	0%	529,489	330,750	198,739	60%	
Total Revenues	167,753	100,000	67,753	68%	8,118,412	6,170,705	1,947,707	32%	
Expenses									
Cost of Goods Sold	(8,908)	0	8,908	0%	1,480,520	1,005,420	(475,100)	-47%	
Royalty	0	0	0	0%	1,060,391	950,250	(110,141)	-12%	
Full-Time	54,283	43,000	(11,283)	-26%	707,612	734,047	26,435	4%	
Part-Time	10,108	0	(10,108)	0%	1,264,453	940,068	(324,385)	-35%	
Travel and Entertainment	152	0	(152)	0%	10,558	0	(10,558)	0%	
Supplies and Services	222,949	114,403	(108,546)	-95%	1,070,534	904,597	(165,937)	-18%	
Insurance	(41,710)	27,777	69,487	250%	98,037	222,223	124,186	56%	
Utilities	(11,149)	44,319	55,468	125%	200,428	310,233	109,805	35%	
Capital Reserve & Management Fee	50,001	50,000	(1)	0%	450,001	550,000	99,999	18%	
Other	88,870	7,759	(81,111)	-1045%	508,435	366,565	(141,870)	-39%	
Total Operating Expenses	364,594	287,258	(77,336)	-27%	6,850,969	5,983,403	(867,566)	-14%	
Operating Profit Before the following	(196,840)	(187,258)	(9,582)	-5%	1,267,444	187,302	1,080,142	577%	
Estimated 2007 Incentives & Rebates								522,000	
Net Income after Incentives & Rebates								478,000	