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THE NATIONAL TRADE CENTRE MANAGEMENT REPORT

FOR THE MONTH ENDING
JANUARY 31, 2006



BiZBash.TO Event Style Show

SUBMITTED BY:

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SALES & MARKETING

JANUARY SALES EFFORTS

During the month of January, the Sales & Marketing team secured 5 new events for 2006 increasing our total to 21. The events are categorized as follows:

- 8 consumer show
- 5 trade shows
- 7 special events/film/photo shoots
- 1 corporate/meeting



Trader's Forum

SALES INITIATIVES

Sales & Marketing staff attended a WHMIS (Workplace Hazardous Materials Information System) training session in January. This training introduced our workers to the key elements of WHMIS and was designed to aid workers to be more aware of hazardous materials and how to protect oneself from accidents and illness on the job.

Staff partnered with CAEM and IAEM to confirm The National Trade Centre as the host location for the Attendance Promotion CEM Course on February 21, 2006. This course is part of the CEM (Certified Exhibition Management) Learning Program which is an educational program designed specifically for exhibition industry professionals including those working towards their CEM designation. The course was written about in the February 9th IAEM Insider's e-newsletter which is received by exhibition organizers worldwide.

The NTC participated in the BiZBash.TO Event Style Show, which took place in Heritage Court. This event attracts Canadian business professionals from various industries including fashion, music, film, media, finance and corporate and focuses on new event styles and trends. More than 1,400 event planners attended this year's event to take in two days of idea sharing and education, live speakers, discussion panels and live entertainment. Over 80 exhibitors participated, including the NTC and Centerplate whose sales teams cooperated in managing a booth to promote our venue.

The team continued to work to confirm renewal business for 2006 and to respond to sales leads from Tourism Toronto.

UPCOMING BUSINESS TRAVEL

The NTC will be participating in sales missions with Tourism Toronto in Washington DC and Chicago this spring. In addition, Laura Purdy will be attending the SISO (Society of Independent Show Organizers) CEO Summit in Charlotte, North Carolina in April as part of an SMG sales initiative.

PUBLICITY

The National Trade Centre was included in listing of international facilities entitled "Open for Business" in the January 2006 issue of Expo Magazine.

Events held during this quarter received media attention from local radio/television and print media including CityTV, CP24, The Edge 102.1 FM, CHUM FM and the Toronto Sun.

EVENT SERVICES

During the month of January 2006, Event and Facility Co-ordinators at The National Trade Centre were involved in the following events:

JANUARY

National Trade Centre Trade/Consumer Events

- National Bridal Show
- National Franchise Show
- Toronto International Boat Show
- Toronto Celebrates Lunar New Year
- Trader's Forum

Other Events

- Eid-ul-Adha Prayer and Party
- Mega Sale
- BiZBash TO Event Style Show
- TABIA Board Meeting

NTC EVENTS

The National Franchise Show reported higher attendance over the previous year. The Toronto International Boat Show had excellent weather resulting in an easy move-in, move-out and very high attendance. Toronto Celebrates Lunar New Year had another successful event this year as reflected in increased attendance. The Bizbash Toronto Event Style Show was an extremely successful show and was very well presented and attended. The NTC and Centerplate booth served espresso to visitors and was very well received.

SAFETY

Department staff has stepped up efforts to alert show management of Occupational Health and Safety issues and to encourage compliance with the Act.

STAFF TRAINING

The National Trade Centre in conjunction with SMG offered customer service training and management training to Exhibition Place staff on February 16th and 17th. Customer Services training was attended by 62 staff members and 31 staff attended management training. Both courses were conducted by Pat Schmidt of SMG and were well received.

TELECOMMUNICATIONS

Telecommunications is expecting a busy year with the upcoming stadium project. The Telecom team was involved in consultation with PCL on the relocation of essential telecommunications and data services which the NTC feeds across the campus. The stadium will be built directly in the footprint of the Sports Hall of Fame, which is currently a central data, telephony and cable TV distribution location. Most of the services for the entire campus pass through this location.

Upon the request of PCL, the telecommunications staff members who were instrumental in the design and tendering of the Ricoh Coliseum telecommunications infrastructure are now working on the stadium relocation and outfitting project. Future work for the department should involve assessment and design of the entire stadium telephony and data infrastructure, which appears to be set to operate as an augmentation of the existing Exhibition Place data network.

BUILDING OPERATIONS

- NTC lighting retro-fit project specifications are being finalized and an installation schedule has been provided. The project is anticipated to be completed before the major summer events begin. More details are provided below.
- The Automotive Building tunnel escalators have undergone extensive maintenance due to flooding caused by sump pump failures. Limit switches and terminal boxes required repair. A new sump pump along with additional alarms has been installed to prevent any reoccurrence.
- The HVAC Department is in the process of auditing the Automotive Building heating systems that may not be functional due to the removal of the out-dated heating boiler. All small rooms, meeting rooms and back of house areas are to be addressed.
- Substation maintenance throughout the NTC was completed and the electrical staff continues to monitor all substations, transfer switches and electrical equipment. Lighting maintenance is an ongoing project and the Automotive Building has been the focus for January.
- The Preventative Maintenance Program is ongoing with all departments completing work for both scheduled and unscheduled maintenance. All the data is contained in the current *Angus* program. This system is scheduled for an upgrade by the end of February and all records and data will be transferred to the new system.
- The Tri-Generation project site meetings have begun with contractor site tours and recommendations in anticipation of the tight construction schedule.

LIGHTING RETRO-FIT PROGRAM

The Exhibition Place Environmental Plan includes a number of innovative green projects designed to reduce waste, energy consumption and green house emissions. One of these initiatives being implemented in the NTC for 2006 is a retro-fit program of the lighting in Exhibit Halls A, B, C and D, portions of the Galleria and Heritage Court. The primary objective is to decrease energy consumption, reduce maintenance and improve the overall light levels and color rendition.

In addition to the high energy use, the replacement ballasts/lamps for the existing fixtures do not include a sound rated housing, as the original ones are no longer in production. While these ballasts can still be changed, it is only possible with the loss of sound quality insulation and requires an increase in labour to perform the installation. Therefore, it has been determined that a total fixture replacement of 1261 fixtures is required in order to resolve the existing condition.

Currently the main exhibit Halls are lit using three types of metal halide, high intensity discharge fixtures with lamp wattage of 1000, 400 and 250 respectively. These are to be replaced with a new, lower wattage lamps and ballasts consisting of 400 watts or less. These are ceramic-arc tube lamps and pulse start high intensity discharge ballasts. This will reduce the energy costs by approximately \$255,617 annually while reducing green house gases by an estimated 1,746,326 kilograms. This not only increases the lighting levels at the floor level, provides a 20% longer lamp life and reduces maintenance costs, but produces a short payback period on the project capital costs of only 2.9 years.

FACILITY SERVICES

The Facility Services team now has internal bi-weekly meetings to discuss safety, delivery of services and building maintenance. There is now also a Facility Services meeting with Exhibition Place staff to discuss and improve all show services. The group has been invited to the Exhibition Place maintenance meeting to discuss concerns and learn of other projects on the grounds.

Facility Services staff continues to assist Capital with building improvement projects. The team coordinated numerous maintenance, Capital, and show services projects throughout the month.

SERVICE STARS

Alex Yeung, the organizer of Toronto Celebrates Lunar New Year, returned his Client Satisfaction and Economic Impact Survey with an Outstanding rating for the Event Coordinator, Jim MacGregor.

CENTERPLATE

RETAIL DEPARTMENT

Retail started the year off strongly with the Toronto International Boat Show, Traders Forum and the National Franchise Show. Revenues were up for the Boat Show by 9.5% over last year.

Tracking of special features from last quarter included following the progress of the newly launched Go Gourmet. This retail stand was open for the Boat Show during January and saw an increase in sales revenues of 7.2% from last year. Stand sales and guest reaction continue to be strong for Go Gourmet, which will also be featured in two very important shows next month, PPAC and the Interior Design Show.

Staff training in the culinary department has been completed with the Toronto Board of Health's training program on Proper Food Handling. Centerplate is currently 100% compliant and additional training is scheduled for May for staff whose certificates expire later this year.

CATERING DEPARTMENT

Catering for the month consisted largely of events tied into the shows. Events to note included the opening night Gala for the Boat Show and many repeat clients at the Boat Show doing in-booth services. The repeat events were mostly client appreciation events with food and beverage services. We received many accolades on our services from these repeat clients.

Training in the Banquet Department has continued with customer service taking centre stage in an effort to raise the bar in services offered. Peter Chronopoulos, Banquet Manager, is conducting service training and training on standardized procedures. This training is complimented by a full scale training program in customer service that started in November and is continuing in February. These more formal sessions will include all management and 30 of the top senior line level front-of-house staff.

JANUARY FINANCIALS

Net Operating Income for the month ending January 31, 2006 was \$641,782 compared to a budget of \$608,255 for a favorable variance of \$33,527.

- Rental income was \$1,230,646 compared to a budget of \$1,125,559, for a favourable variance of \$105,087 due to the timing of new business.
- Electrical services of \$72,029 were higher than budget by \$7,433 due to higher demand from Boat Show.
- Telecommunications income at \$50,888 is favourable to budget by \$12,942 due to higher demand for internet services and additional recoveries from Ricoh.
- Direct and indirect expenses are favourable to budget by \$96,651 as a result of lower utility costs and minimal snow clearing costs.
- Food & Beverage concessions of \$137,185 are unfavourable to budget by (\$15,083) due to timing of new business for corporate events.

Accounts receivable for the month ending January 31, 2006 was \$2,628,142 consisting mainly of:

- \$815,800 from Coliseum partners and sub-contractors for Arena-related project and lease costs, of which \$12,500 has been received by February 13, 2006.
- \$1,021,040 for services on completed events, of which \$365,237 is for the RAWF. Post dated cheques for \$142,750 are held. The remaining balance is from the most recent events, of which \$373,188 has been received by February 13th, 2006.
- \$297,021 owed as deposits for future events, of which \$194,954 has been received by February 13, 2006.
- \$245,231 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25th of the following month.
- \$89,713 for accounts with City Legal; amount fully provided for as a bad debt in the statements.

APPENDIX "A"

THE NATIONAL TRADE CENTRE FINANCIAL STATEMENT HIGHLIGHTS JANUARY 2006 and YEAR TO DATE

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	9	4	5	9	4	5
Direct Event Income	1,328,721.12	1,229,024.00	99,697.12	1,328,721.12	1,229,024.00	99,697.12
Ancillary Income	289,592.41	288,938.00	654.41	289,592.41	288,938.00	654.41
Advertising Income	11,567.00	19,992.00	(8,425.00)	11,567.00	13,976.00	(2,409.00)
Ricoh & MLSE Recovery	8,002.00	8,002.00	(0.00)	8,002.00	8,002.00	(0.00)
CNE Recovery	-	-	-	-	-	-
Total Event Income	1,637,882.53	1,545,956.00	91,926.53	1,637,882.53	1,539,940.00	97,942.53
Direct Expenses	615,692.47	555,326.00	(60,366.47)	615,692.47	549,310.00	(66,382.47)
Indirect Expenses	409,799.60	412,040.00	2,240.40	409,799.60	412,040.00	2,240.40
Total Event Expenses	1,025,492.07	967,366.00	(58,126.07)	1,025,492.07	961,350.00	(64,142.07)
NET INCOME BEFORE RICOH	612,390.46	578,590.00	33,800.46	612,390.46	578,590.00	33,800.46
RICOH COLISEUM	29,392.14	29,665.00	(272.86)	29,392.14	29,665.00	(272.86)
NET INCOME BEFORE PSAB	641,782.60	608,255.00	33,527.60	641,782.60	608,255.00	33,527.60
PSAB ADJUSTMENT	-	-	-	-	-	-
NET INCOME	641,782.60	608,255.00	33,527.60	641,782.60	608,255.00	33,527.60

Actuals include 12% markup paid to Exhibition Place on labour and materials. At January 31, 2006 the markup paid to Exhibition Place was a total of \$ 44,049.49 (\$ 34,774.88 expensed against direct event income and the balance of \$ 9,274.61 in direct expense)

NOTE: 1

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT JANUARY 2006 with COMPARISON TO JANUARY 2005**

	2005 YTD JAN ACTUAL	2006 YTD ACTUAL	2006 YTD BUDGET	2006 VARIANCE	VARIANCE TO YTD JAN. 2005 ACTUAL	%
Number of Events	7	9	4	5	2	28.6%
Direct Event Income	1,099,409.03	1,328,721.12	1,229,024.00	99,697.12	229,312.09	20.9%
Ancillary Income	323,634.93	289,592.41	288,938.00	654.41	(34,042.52)	(10.5%)
Advertising Income	12,335.00	11,567.00	13,976.00	(2,409.00)	(768.00)	(6.2%)
Ricoh & MLSE Recovery		8,002.00	8,002	(0.00)	8,002.00	
CNE Recovery		-	-	-	-	0.0%
Total Event Income	1,435,378.96	1,637,882.53	1,539,940.00	97,942.53	202,503.57	14.1%
Direct Expenses	634,113.55	615,692.47	549,310.00	(66,382.47)	18,421.08	2.9%
Indirect Expenses	390,302.40	409,799.60	412,040.00	2,240.40	(19,497.20)	(5.0%)
Total Event Expenses	1,024,415.95	1,025,492.07	961,350.00	(64,142.07)	(1,076.12)	(0.1%)
NET INCOME BEFORE RAWF	410,963.01	612,390.46	578,590.00	33,800.46	201,427.45	49.0%
2003 RAWF ADJUSTMENT		-	-	-	-	0.0%
NET INCOME BEFORE RICOH	410,963.01	612,390.46	578,590.00	162,084.60	201,427.45	49.0%
Ricoh Coliseum	-	29,392.14	29,665.00	(272.86)	29,392.14	100.0%
NET INCOME BEFORE PSAB	410,963.01	641,782.60	608,255.00	33,527.60	230,819.59	56.2%
PSAB ADJUSTMENT	-	-	-	-	-	0.0%
NET INCOME	410,963.01	641,782.60	608,255.00	33,527.60	230,819.59	56.2%

Note: 1

Actuals include 12% markup paid to Exhibition Place on labour and materials. At January 31, 2006 the markup paid to Exhibition Place was a total of \$ 44,049.49 (\$ 34,774.88 expensed against direct event income and the balance of \$ 9,274.61 in direct expense)

THE NATIONAL TRADE CENTRE EVENT STATISTICS

FOR THE MONTH OF JANUARY 2006

	MONTH ACTUAL	YTD ACTUAL	PRIOR YEAR ACTUAL
Attendance [Note:1]	156,895	156,895	169,335

EVENT	ACTUAL # OF PERFORMANCES			(IN THOUSANDS)		REFRESHMENT PER CAP'S ACTUAL [Note: 2]
	2006	2005	2004	NET EVENT INCOME [Note: 3] ACTUAL	BUDGET	
Consumers Show	6	5	5	1,277	1,227	3.43
Trade Show	1	1	0	108	79	6.57
Concert	0	0	0	-	-	
Photo/Film Shoot	1	0	1	2	-	4.97
Meeting/Corporate	1	1	1	15	-	-
	9	7	7	1,402	1,306	

Note: 1 Attendance estimates provided by Show Management.

Note: 2 Refreshment per cap's based on information reported by Centerplate

Note: 3 Net event income includes rent and services, ancillary income includes catering and electrical commissions.

**THE NATIONAL TRADE CENTRE
BALANCE SHEET**
AS AT JANUARY 31, 2006

ASSETS	2006	2005
CURRENT ASSETS		
CASH	412,925.84	1,015,166.90
ADVANCE TO EX PLACE	620,000.00	320,000.00
TERM INVESTMENTS	3,550,000.00	3,150,000.00
AMERICAN EXPRESS	157.70	2,686.88
TRADE ACCOUNTS RECEIVABLE	2,628,141.50	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(98,210.28)	
NET ACCOUNTS RECEIVABLE	2,529,931.22	3,201,014.64
RECEIVABLE FROM EX PLACE	-	-
OTHER RECEIVABLE	128,921.54	68,531.10
PREPAID EXPENSES	115,686.37	122,695.91
TOTAL CURRENT ASSETS	7,357,622.67	7,880,095.43
FIXED ASSETS		
EQUIPMENT - NET	15,824.93	30,346.68
TOTAL ASSETS	7,373,447.60	7,910,442.11
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLES & ACCRUED LIABILITIES	3,143,670.23	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	68,645.61	
DEFERRED REVENUE	5,479,457.33	6,288,158.88
EQUITY		
NET INCOME (LOSS) CURRENT	641,782.60	365,871.69
PRIOR YEAR PSAB ADJUSTMENT	(259,300.80)	(167,422.07)
PRIOR YEAR SURPLUS - 2005	1,397,437.91	
NET INCOME - RICOH	114,070.56	
SUB-TOTAL	1,511,508.47	
DISTRIBUTION TO EX PLACE - '04 BALANCE	1,511,508.47	1,423,833.61
	7,373,447.60	7,910,442.11

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED JANUARY 31, 2006**

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	641,782.60	641,782.60
ADD: EMPLOYEE BENEFITS - VACATION/SICK	-	-
SOURCES (USES) OF CASH		
TERM INVESTMENTS	900,000.00	900,000.00
ACCOUNTS RECEIVABLE - TRADE	(467,613.59)	(467,613.59)
RECEIVABLE FROM EX PLACE B.O.G	-	-
ACCOUNTS RECEIVABLE - OTHER	25,520.82	25,520.82
PREPAID EXPENSES	14,165.82	14,165.82
DEPOSITS AND OTHER ASSETS	1,431.30	1,431.30
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(351,461.39)	(351,461.39)
OTHER PAYABLES	17,587.41	17,587.41
DEFERRED INCOME	(674,077.39)	(674,077.39)
ADVANCE DEPOSITS - Exhibition Place B.O.G	-	-
NET CASH FROM OPERATIONS	107,335.58	107,335.58

OTHER SOURCES (USES) OF CASH	
CAPITAL EXPENDITURES	-
PRIOR YEAR SURPLUS ADJUSTMENT	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	-

NET CASH FROM OTHER SOURCES

NET INCREASE (DECREASE) IN CASH

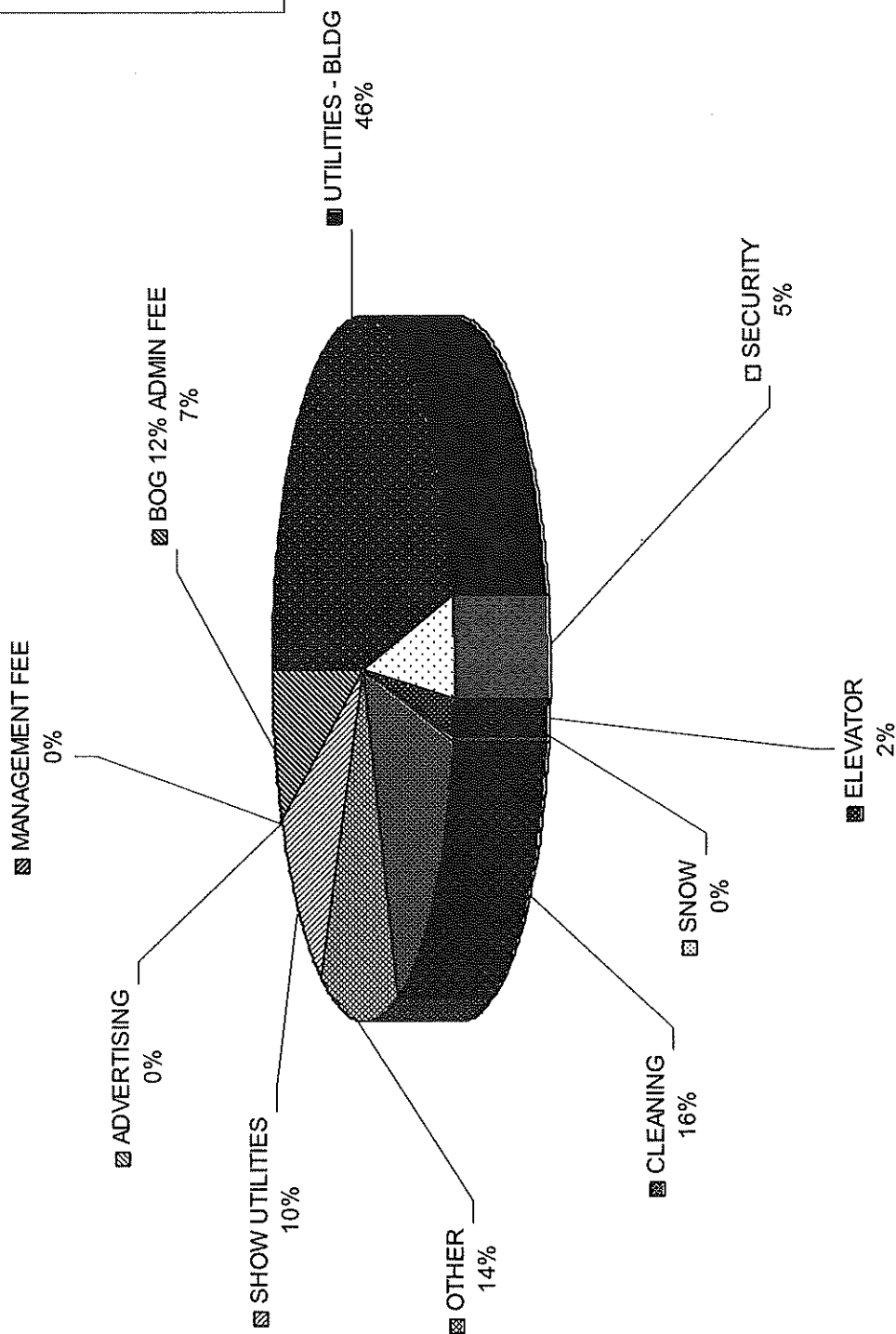
BEGINNING CASH BALANCE

ENDING CASH BALANCE

107,335.58	107,335.58
305,590.26	305,590.26
412,925.84	412,925.84

COMPONENTS OF DIRECT EXPENSE YTD JANUARY 31, 2006

- UTILITIES - BLDG
- SECURITY
- ELEVATOR
- SNOW
- CLEANING
- OTHER
- SHOW UTILITIES
- ADVERTISING
- MANAGEMENT FEE
- BOG 12% ADMIN FEE



THE NATIONAL TRADE CENTRE
CHEQUE DISBURSEMENTS - JANUARY 2006
GREATER THAN \$50,000

Check No	Date		Amount	DESCRIPTION
18559	1/11/2006	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	611,884.09	TIME & MATERIAL - R.A.W.F.'05 & NTC OCT'05 HYDRO
18673	1/24/2006	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	137,501.25	TIME & MATERIAL COST - ISLAMIC EVENT DEC '05
18560	1/11/2006	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	136,892.64	50% ELECTRICAL SHARE TO BOG - VARIOUS EVENTS
18662	1/17/2006	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	95,930.25	WORK ORDERS - JANUARY 2005
18661	1/16/2006	ENBRIDGE GAS	94,757.42	METER 10589 - CONSUMPTION DEC 6-JAN8/06
18587	1/13/2006	CITY OF TORONTO, THE TREASURER	88,273.76	LANSAPING COST - 2005
18675	1/30/2006	ENBRIDGE GAS	80,060.96	METER 76877 - CONSUMPTION DEC 20-JAN23/06
18578	1/13/2006	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	70,725.52	TIME & MATERIAL - VARIOUS EVENTS '05
18671	1/23/2006	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	60,000.00	PROPERTY INSURANCE - 2005
DISBURSEMENTS OVER \$50,000			1,376,025.89	
OTHER DISBURSEMENTS LESS THAN \$50,000.			563,913.46	
TOTAL DISBURSEMENT			1,939,939.35	

