

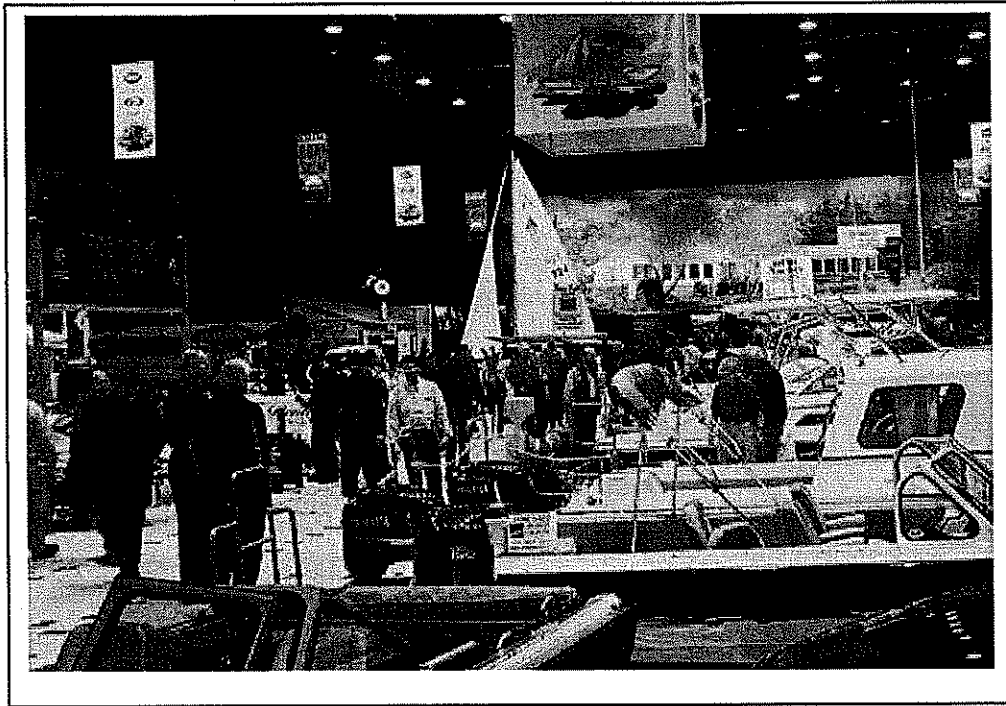
THE NATIONAL TRADE CENTRE
MANAGEMENT REPORT

6



FOR THE MONTH ENDING

JANUARY 31, 2005



Toronto International Boat Show

SUBMITTED BY:

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SALES & MARKETING

JANUARY SALES EFFORTS

During the month of January, our Sales & Marketing team secured 7 new events for 2005 increasing our total to 14. The events are Categorized as follows:

- 2 consumer shows
- 6 trade shows
- 6 special events/film/photo shoots



National Bridal Show & The Cruise Show

SALES INITIATIVES

In January the sales team met with the remaining sales representatives from Tourism Toronto's MC&IT Sales Department and gave a presentation along with a tour of the NTC.

Sales staff met with Dianne Young this month to discuss green initiatives and the Exhibition Place Development Plan. The information will be incorporated into future sales packages to provide NTC clients with useful information highlighting these initiatives.

BUSINESS TRAVEL

The National Trade Centre will be participating in sales missions with Tourism Toronto in Washington DC and Chicago in April, and attending the SISO (Society of Independent Show Organizers) conference in April as part of an SMG sales initiative.

PUBLICITY

In late November, the sales team issued a news release announcing the future facility expansion. In addition to media exposure reported in December 2004, editorial was included in the January 2005 issues of The Meeting Professional, Expo Magazine, Tradeshaw Week (Jan. 10/05) and the February 2005 issue of CAEM's Communiqué.

On January 26, 2005, a news release was issued announcing participation by the City of Toronto and The National Trade Centre at the BIT show in Milan in February. This initiative supports City of Toronto's twinning of Toronto and Milan. This release was issued to local, national and international industry trade media as well as to Italian media through the Italian Chamber of Commerce of Toronto. BIT is the largest exhibition in the world for Italian tourist product and showcases only the finest international travel markets. Through a unique partnership with Fiera Milano, Toronto will be promoted as a top tourist destination and The National Trade Centre as the premier Canadian meeting place for exhibitions, and meeting planners. To date this information has been posted on conworld.net, Guida Viaggi, Corriere Canadese (The Canadian Italian Daily News) and TTG online.

In January, The National Trade Centre confirmed participation in the SMG Family Tree insert which will be included in the April and December 2005 issues of Trade Show Executive

magazine. The insert is a special fold-out section in the centre of the magazine and will showcase editorial and photos of approximately 30 SMG venues.

EVENT SERVICES

JANUARY SUMMARY

During the month of January 2005, Event and Facility co-ordinators at The National Trade Centre were involved in the following events:

JANUARY	
National Trade Centre Trade/Consumer Events	
<ul style="list-style-type: none">• National Franchise Business Opportunities Show• Toronto International Boat Show• National Bridal Show & The Cruise Show• Speedorama	
Other Events	
<ul style="list-style-type: none">• PacEx Packaging Competition• Islamic Society of North America Prayer Assembly	

NTC EVENTS

The National Franchise Show had another successful event in the Automotive Building. The Toronto International Boat Show proved challenging this year due to unseasonably warm temperatures during move in and a major snowstorm during the event which impacted attendance.

The PacEx Competition, small-scale, pre-trade event, was held in the QE Building in January. This competition is in anticipation of the major PacEx trade show coming to the NTC in May.

The Islamic Society of North America once again held their bi-annual prayers at the Automotive Building. As the precise date of this event is determined by the lunar cycles, it was challenging to accommodate last-minute scheduling of labour and set-up by both NTC staff and the Toronto Police.

The Bridal Show/The Cruise Show management was extremely happy with their event.

RICOH COLISEUM

The Toronto International Boat Show again set up 'The Lake' in Ricoh Coliseum. Over one million gallons of water was pumped in from Lake Ontario to fill the arena floor with water, creating a giant indoor 'lake' that was home to numerous docked boats and a floating restaurant.

NTC Management is continuing to work with show management groups regarding security during their events to ensure that suppliers, including Exhibition Place, use designated entrances and wear approved identification for access to the show floor.

TELECOMMUNICATIONS

January was a busy month with internet sales increasing as exhibitors take advantage of converged services. Telecom also worked with General Services in order to accommodate renovations. SolutionsIP software has been upgraded to the latest version which will hopefully enable us to reduce broadcast storms from exhibitors that are using computers on the internet. Due to a water leak above the main telecom room a critical piece of telecom equipment was damaged during the Boat Show. Staff were able to expedite procurement of replacement equipment that is no longer in regular production and ensure uninterrupted service to the event.

BUILDING OPERATIONS

- O&Y/SMG Operations staff has initiated meetings to review the effectiveness and possible upgrades or alternatives of the *Angus* Preventative Maintenance Program for recommendation to Exhibition Place.
- The Operations Department has obtained pricing for the 2005 departmental Capital projects and, in preparation for this years projects, has submitted proposals to the Capital Works Department.
- The HVAC Department has been working diligently to ensure maximum output from the Coliseum complex heating system in preparation for upcoming events.
- Electrical maintenance has completed burnout replacements throughout the underground garage areas as part of our regularly scheduled maintenance.
- The Automotive Building fire pump has been repacked and serviced to ensure effective fire safety.
- CCTV system upgrades are ongoing with new cameras being added to secure sensitive areas, RAWF and management office access.

FACILITY SERVICES

The following facility maintenance projects were in progress throughout January:

- Cleaned and re-painted floor ports throughout Halls C & D.
- Cleaned all mechanical rooms per scheduled maintenance.
- Plaster repairs and paint touch-ups to 3rd floor mechanical hallway.
- Paint & plaster touch-ups throughout halls, salons and meeting rooms.
- Maintenance to all exit doors and hardware where necessary.
- Scheduled mechanical maintenance and vinyl wall covering repairs to Hufcore partitions where necessary.
- Completed fleet maintenance & repairs per the *Angus* program.
- Planning stages to install door alarms at specific locations to improve show security.
- Roof maintenance & repairs to various areas throughout facility.
- Wash down and cleaning of underground entrances.
- Injection of cracks in concrete slab over telecom room.
- Changed flags where necessary.
- Installed & ordered replacement chair parts to maintain our inventory.
- Ordered new front entrance mats for Galleria.
- Planning stages to improve galleria plants.
- Calculating watering times for irrigation system at NTC exterior.

- Repairs to dasher inserts & ordered in necessary conversion parts at Ricoh Coliseum.
- Assisted with an equipment audit for Ricoh Coliseum

SERVICE STARS

Marti Milks of The National Bridal Show & The Cruise Show wrote the following in her Client Satisfaction Survey: "This was a very challenging show but with the assistance of Jamie Needler helping me in all aspects of the pre-planning, the show execution was exceptional... The move in and move out process was of a concern,(running the same weekend as Speedorama), but Jeff Gay and his team worked with me every step of the way to insure a seamless and smooth move in and out... Eastlea security assisted in marshalling and with all the features and events taking place at this show (live wedding, launch Cruise Show), Eastlea kept everything orderly and safe."

CENTERPLATE

RETAIL DEPARTMENT

The Toronto International Boat Show continues to be one of Centreplate's highest grossing shows. Retail operations included some very upscale services for this event, which included a partnership with a Georgian Bay fish restaurant that is becoming a staple at the show. While food sales for the sub were strong, bar sales in the area also showed improvement over last years numbers. Unfortunately the final weekend's attendance was impacted by a snowstorm. This kept Centreplate from achieving its original projections.

Another shortfall on projected revenue happened at this years' Speedorama Show due to a lack of space. The usual set up includes a beer garden at the stage on the show floor, which was not available this year.

CATERING DEPARTMENT

Catering for the month consisted only of show catering this month. Leads on events for the coming month as well as the holidays have begun to pick up.

JANUARY FINANCIALS

Net Operating Income for the month ending January 31, 2005 was \$410,963 compared to a budget of \$559,612 for an unfavourable variance of (\$148,649).

- Rental income was \$1,026,536 compared to a budget of \$993,819, a favourable variance of \$32,717 due to increased rent for the Boat Show and Bridal Show.
- Electrical services of \$57,896 exceeded budget by \$1,476.
- Direct and indirect expenses are unfavourable to budget by (\$7,079) as a result of increased utility costs for January 2005.
- Food & Beverage concessions of \$147,853 are unfavourable to budget by (\$37,833) due to the timing of new business.

Accounts receivable for the month ending January 31, 2005 was \$3,273,645 consisting mainly of:

- \$1,325,856 for services on completed events, of which \$260,130 has been received by February 11, 2005.
- \$604,780 owed as deposits for future events, of which \$327,956 has been received by February 11, 2005.
- \$241,555 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25th of the following month.
- \$12,632 for Coliseum partners and sub-contractors for Arena-related project costs.

APPENDIX "A"

THE NATIONAL TRADE CENTRE FINANCIAL STATEMENT HIGHLIGHTS JANUARY 2005 and YEAR TO DATE

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	7	5	2	7	5	2
Direct Event Income	1,099,409.03	1,225,578.00	(126,168.97)	1,099,409.03	1,225,578.00	(126,168.97)
Ancillary Income	323,634.93	318,457.00	5,177.93	323,634.93	318,457.00	5,177.93
Advertising Income	12,335.00	40,246.00	(27,911.00)	12,335.00	32,913.00	(20,578.00)
CNE Recovery	-	-	-	-	-	-
Total Event Income	<u>1,435,378.96</u>	<u>1,584,281.00</u>	<u>(148,902.04)</u>	<u>1,435,378.96</u>	<u>1,576,948.00</u>	<u>(141,569.04)</u>
Direct Expenses	634,113.55	626,078.00	(8,035.55)	634,113.55	618,745.00	(5,368.55)
Indirect Expenses	390,302.40	398,591.00	8,288.60	390,302.40	398,591.00	8,288.60
Total Event Expenses	<u>1,024,415.95</u>	<u>1,024,669.00</u>	<u>253.05</u>	<u>1,024,415.95</u>	<u>1,017,336.00</u>	<u>(7,079.95)</u>
NET INCOME (LOSS)	<u>410,963.01</u>	<u>559,612.00</u>	<u>(148,648.99)</u>	<u>410,963.01</u>	<u>559,612.00</u>	<u>(148,648.99)</u>

NOTE: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At January 31, 2005 the markup paid to Exhibition Place was a total of \$ 45,791.38 (\$ 35,766.28 expensed against direct event income and the balance of \$ 10,025.10 in direct expense)



**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT JANUARY 31, 2005 with COMPARISON TO JANUARY 2004**

	2004 YTD JANUARY ACTUAL	2005 YTD ACTUAL	2005 YTD BUDGET	2005 VARIANCE	VARIANCE TO YTD JANUARY, 2004 ACTUAL	%
Number of Events	7	7	5	2	-	0.0%
Direct Event Income	1,176,715.50	1,099,409.03	1,225,578.00	(126,168.97)	(77,306.47)	(6.6%)
Ancillary Income	398,644.38	323,634.93	318,457.00	5,177.93	(75,009.45)	(18.8%)
Advertising Income	25,838.00	12,335.00	32,913.00	(20,578.00)	(13,503.00)	(52.3%)
CNE Recovery	1,601,197.88	-	-	-	-	
Total Event Income	1,435,378.96	1,435,378.96	1,576,948.00	(141,569.04)	(165,818.92)	(10.4%)
Direct Expenses	591,351.37	634,113.55	618,745.00	(15,368.55)	(42,762.18)	(7.2%)
Indirect Expenses	365,581.35	390,302.40	398,591.00	8,288.60	(24,721.05)	(6.8%)
Total Event Expenses	956,932.72	1,024,415.95	1,017,336.00	(7,079.95)	(67,483.23)	(7.1%)
NET INCOME (LOSS)	644,265.16	410,963.01	559,612.00	(148,648.99)	(233,302.15)	(36.2%)

Note: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At January 31, 2005 the markup paid to Exhibition Place was a total of \$ 45,791.38 (\$ 35,766.28 expensed against direct event income and the balance of \$ 10,025.10 in direct expense)

**THE NATIONAL TRADE CENTRE
EVENT STATISTICS**

FOR THE MONTH OF JANUARY 31, 2005

MONTH ACTUAL	169,335	YTD ACTUAL	169,335	PRIOR YEAR ACTUAL	194,245
Attendance [Note:1]					

EVENT	ACTUAL # OF PERFORMANCES			(IN THOUSANDS)		REFRESHMENT PER CAP'S ACTUAL [Note: 2]
	2005	2004	2003	NET EVENT INCOME [Note: 3] ACTUAL	BUDGET	
Consumers Show	5	5	5	1,136	1,139	3.49
Trade Show	1	0	0	6	17	-
Concert	0	0	0	-	-	-
Photo/Film Shoot	0	1	0	-	-	-
Meeting/Corporate	1	1	1	13	-	-
	7	7	6	1,155	1,156	

Note: 1 Lunar New Year attendance included in January 2004's attendance totals. Event held in February for 2005.

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.



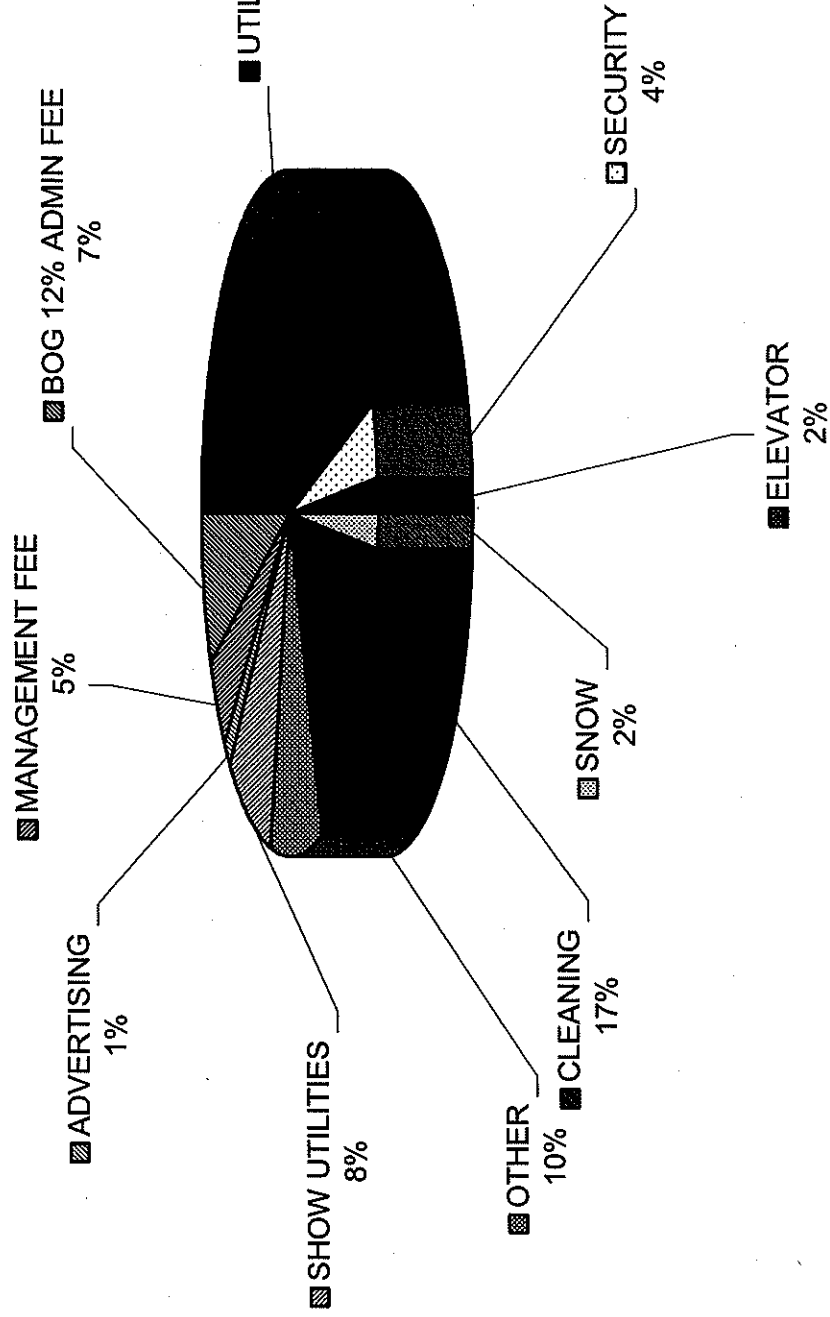
**THE NATIONAL TRADE CENTRE
BALANCE SHEET
AS AT JANUARY 31, 2005**

ASSETS	2005	2004
CURRENT ASSETS		
CASH	1,101,498.07	239,568.45
ADVANCE TO EX PLACE	320,000.00	250,000.00
TERM INVESTMENTS	3,150,000.00	4,650,000.00
AMERICAN EXPRESS	2,686.88	10,622.42
TRADE ACCOUNTS RECEIVABLE	3,273,644.65	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(72,630.01)</u>	
NET ACCOUNTS RECEIVABLE	3,201,014.64	2,598,425.97
RECEIVABLE FROM EX PLACE	-	8,503.47
OTHER RECEIVABLE	226,560.01	44,962.33
PREPAID EXPENSES	149,362.59	145,015.95
TOTAL CURRENT ASSETS	8,151,122.19	7,947,098.59
FIXED ASSETS		
EQUIPMENT - NET	30,346.68	43,154.31
TOTAL ASSETS	8,181,468.87	7,990,252.90
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCRUED LIABILITIES	3,379,331.45	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	60,297.57	
DEFERRED REVENUE	<u>3,102,018.09</u>	6,362,730.76
EQUITY		
NET INCOME (LOSS) CURRENT	410,963.01	644,265.16
PRIOR YEAR PSAB ADJUSTMENT	(167,422.07)	(167,422.07)
PRIOR YEAR SURPLUS	1,896,280.82	
DISTRIBUTION TO EXHIBITION PLACE	<u>(500,000.00)</u>	1,150,679.05
	8,181,468.87	7,990,252.90

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED JANUARY 31, 2005**

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	410,963.01	410,963.01
ADD: EMPLOYEE BENEFITS - VACATION/SICK	-	-
SOURCES (USES) OF CASH		
TERM INVESTMENTS	1,000,000.00	1,000,000.00
ACCOUNTS RECEIVABLE - TRADE	162,777.63	162,777.63
RECEIVABLE FROM EX PLACE B.O.G	-	-
ACCOUNTS RECEIVABLE - OTHER	(109,143.29)	(161,489.05)
PREPAID EXPENSES	43,475.28	13,154.14
DEPOSITS AND OTHER ASSETS	71.95	71.95
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(130,709.38)	107,658.66
OTHER PAYABLES	(78,356.45)	(78,356.45)
DEFERRED INCOME	(758,681.88)	(664,664.53)
ADVANCE DEPOSITS - Exhibition Place B.O.G	-	-
NET CASH FROM OPERATIONS	540,396.87	790,115.36
OTHER SOURCES (USES) OF CASH		
CAPITAL EXPENDITURES	-	-
PAYMENTS OF DEBT	-	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	(500,000.00)	(500,000.00)
NET CASH FROM OTHER SOURCES	(500,000.00)	(500,000.00)
NET INCREASE (DECREASE) IN CASH	40,396.87	290,115.36
BEGINNING CASH BALANCE	1,061,101.20	811,382.71
ENDING CASH BALANCE	1,101,498.07	1,101,498.07

**COMPONENTS OF DIRECT EXPENSE
YTD JANUARY 31, 2005**



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

**THE NATIONAL TRADE CENTRE
CHEQUE DISBURSEMENTS - JANUARY 2005
GREATER THAN \$50,000**

DESCRIPTION

Amount

Check No Date

Check No	Date	Description	Amount
16962	1/26/2005	THE BOARD OF GOVERNORS OF EXHIBI	500,000.00
16967	1/19/2005	ENBRIDGE GAS	76,554.18
16977	1/19/2005	CANADA CUSTOMS AND REVENUE AGENC	82,116.08
16989	1/19/2005	THE BOARD OF GOVERNORS OF EXHIBI	353,715.90
16908	1/12/2005	THE BOARD OF GOVERNORS OF EXHIBI	61,224.27
16901	1/12/2005	THE BOARD OF GOVERNORS OF EXHIBI	57,330.74
16891	1/5/2005	ENBRIDGE GAS	54,819.45
16890	1/5/2005	THE BOARD OF GOVERNORS OF EXHIBI	257,787.58
16887	1/5/2005	THE BOARD OF GOVERNORS OF EXHIBI	294,894.45

ADVANCE SURPLUS Y2004
GAS CONSUMPTION - DEC.04
GST REMITTANCE - DEC.04
BI-WEEKLY SALARIES - JAN.05
DEC.WORK ORDER
50% ELECTRICAL REVENUES FOR SHOWS
GAS CONSUMPTION - DEC.04
WEEKLY PAYROLL FOR VARIOUS EVENTS
HYDRO EXPENSE - AUG.& SEP., 2004

**DISBURSEMENTS OVER \$50,000
OTHER DISBURSEMENTS LESS THAN \$50,000.
TOTAL DISBURSEMENT**

**1,738,442.65
466,744.20
2,205,186.85**



