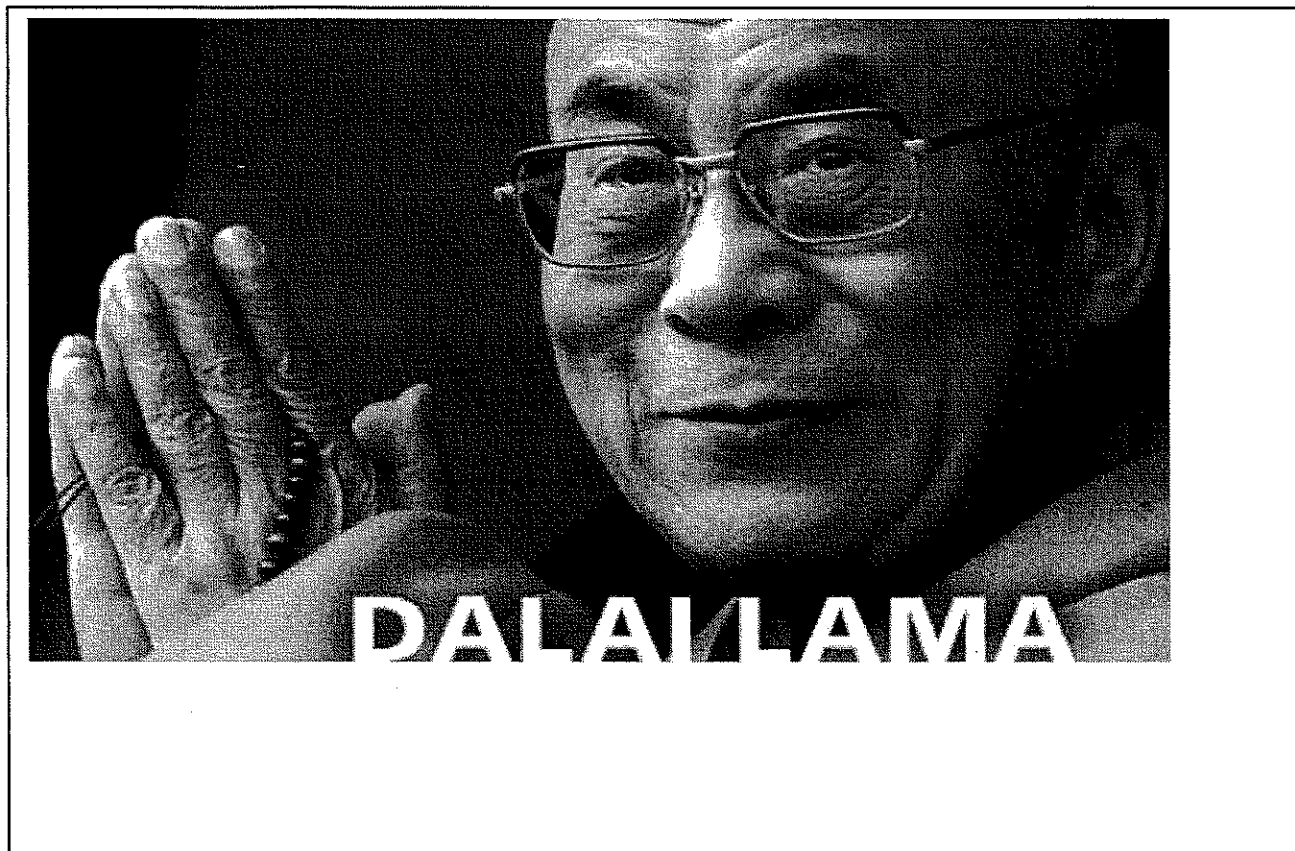


THE NATIONAL TRADE CENTRE
MANAGEMENT REPORT

7



FOR THE MONTH ENDING
APRIL 30, 2004



SUBMITTED BY:

RON TAYLOR
MANAGING DIRECTOR/O&Y/SMG CANADA

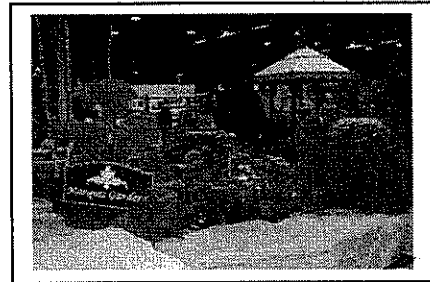
ARLENE CAMPBELL
GENERAL MANAGER/NTC

SALES & MARKETING

APRIL SALES EFFORTS

During the month of April, our Sales & Marketing team secured 5 new events for 2004 increasing our total to 35 new events. The events are categorized as follows:

- 7 consumer shows
- 6 trade shows
- 13 special events/film/photo shoots
- 9 corporate bookings / meetings / holiday parties / miscellaneous events



National Home Show

SALES INITIATIVES

- Sales staff continued to work aggressively to contract the remaining annual renewals.
- Efforts continued to work with Exhibition Place to update the Filming Policy document.
- Research and preparation continued on a power-point presentation and sales blitz to key national automotive manufacturers to promote ride and drives, product launches and meetings.
- The Sales & Marketing team continued to devote efforts towards booking business for Ricoh Coliseum.

BUSINESS TRAVEL

In April, the Director of Sales & Marketing attended the Society of Independent Show Organizers CEO Summit in Scottsdale, Arizona as part of the SMG corporate sales initiative. At the meeting, the Director of Sales met with prospective clients from the US and Europe and had the opportunity to spend time with the Presidents and CEOs of some new NTC clients including those secured from previous industry conferences and sales missions, and our most recent client - the organizers of the upcoming international tradeshow Pan Asian Food & Beverage show in October 2004.

In May, the Senior Sales Manager will participate in a sales mission with Tourism Toronto in Montreal. A follow-up report will be included in the May report.

PUBLICITY

Events held during this month received media attention from several newspapers and radio/television media including Toronto Star, Toronto Sun, National Post, CITYTV, CP24 and Global.

On April 25, the Kalachakra for World Peace event commenced in The National Trade Centre. An extensive list of media were in attendance during this event including local & national television stations as well as national and international print media.

EVENT SERVICES

APRIL SUMMARY

During the month of April of 2004, Event and Facility co-ordinators at The National Trade Centre were involved in the following events:

APRIL EVENTS
Consumer
<ul style="list-style-type: none">• One of a Kind Spring Craft Show & Sale• National Home Show• \$99 Used Car Supersale• Postage Stamp Show• Canadian National Marsville• The Ultimate Guys Show• Pharmasave• Kalachakra for World Peace• Spring School Library Resource Fair• Toronto Police Tattoo
Other
<ul style="list-style-type: none">• Four (4) Toronto Roadrunners Hockey Games• Peters & Co. Corporate Skate• RBC Corporate Skate• A Perfect Circle Concert• An Evening with Kraftwerk Concert• The Songbird & The Songwriter

NTC EVENTS

The One of a Kind Spring Craft Show & Sale went well with similar attendance to that in 2003. Show management was permitted to use the Industry Building for move-out as it worked very well for that purpose given the tight turnover of the facility for the National Home Show. Marshalling went well, but the individual exhibitors are difficult to monitor as they tend to move-out through the front doors. Attendance at the Home Show was much higher than during 2003, which was impacted last year by both the labour disruption and SARS. Show management expressed concerns about Local 506 jurisdiction and it's effect on show exhibitors.

Pharmasave Show management were extremely happy with all aspects of their event. There were no problems reported. Canadian National Marsville had about 500 in attendance and show management was quite pleased with the event.

By all accounts the Dali Lama's visit (Kalachakra for World Peace) was a significant success. Organizers had to add seating and increased the capacity to accommodate attendees. Most Toronto Media outlets gave this event and the NTC considerable exposure.

Attendance at the Ultimate Guys Show was lower than anticipated, but for a first time show it was a considerable success with a good presentation. Staff recommended the show obtain additional move-out time due to the large number of exhibitors.

RICOH EVENTS

Four hockey games took place during the month of April.

The Toronto Police Tattoo took place in the Ricoh Coliseum for the first time. They incurred additional expenses as they required the removal and replacement of seating.

Two House of Blues Concerts, 'A Perfect Circle' and 'An Evening with Kraftwerk', went very smoothly. Additional entrance capacity was gained a peak times through the use of the two sets of double doors just east of the main West Annex entrance. This allowed management to move ticket holders through the entrances and conduct the required security checks more efficiently. The concerts proceeded very smoothly and alcohol was restricted to designated areas as required. Outdoor speakers are now installed and recorded announcements are being used to advise attendees of gate opening and security procedures.

TRAINING

O&Y SMG Canada and Exhibition Place staff have been trained in first aid and the operation of a defibrillator, which was installed in the National Trade Centre and Ricoh Coliseum on May 6, 2004.

Ron Mills, Facility Manager, will be attending his second year of the International Association of Assembly Managers (IAAM) Public Assembly Facility Management Training Course in June 2004.

TELECOMMUNICATIONS

Telecommunications delivered a variety of services during the month of April and is tracking on budget. Sales of internet services continue to increase as patrons of the Exhibition Place grounds utilize Web based services more frequently.

Staff have been busy with a variety of IT related issues including re-numbering our computer network domain, building and deploying a new e-mail server and creating a connection between the Animal Services City of Toronto data POP and the NTC data center. This connection will provide staff of the Exhibition Place grounds with a 10MB feed to the entire City data intranet.

Marketnews.ca has published an article entitled *Exhibition Place and T.O. Hotels go Wi-Fi.*:

"Halifax, NS & Toronto, ON, May 18, 2004: SolutionInc Ltd. has announced that the National Trade Centre and the Ricoh Coliseum in Toronto, both part of the 23-building Canadian National Exhibition (CNE) Place complex, are the first to deploy SolutionIP Enterprise software to provide Wi-Fi and wired high-speed Internet access for patrons and exhibitors. Exhibition Place plans to continue the deployment to include all of the remaining buildings."

The remainder of the article may be viewed at
http://www.marketnews.ca/news_wireless.cgi#1084895154.

BUILDING OPERATIONS

- Maintenance of the NTC chillers has been the primary focus this month with all tubes being cleaned and chiller maintenance initiated to ensure proper functioning for the summer event season.
- The chemical treatment system for Clayton Boilers have been upgraded and the complete system will be addressed once boilers are shutdown for the summer.
- Electrical maintenance is ongoing with our lamp replacement in full swing. Constant attention is required to keep up with the lamp replacement demands throughout the facility and additional staff has been requested.
- Plumbing and gas services have been successfully delivered to all shows this month including the National Home Show, The Ultimate Guys Show, and the visit from the Dalai Lama. The operational staff have overseen numerous installations and modifications of existing services to ensure successful delivery of all services to these events.

FACILITY SERVICES

- Scheduled maintenance of mechanical doors and dock plates throughout complex.
- Repairs to Hufcore wall partitions throughout complex including vinyl.
- Maintenance to all exit door hardware per Angus Program.
- Re-pinning of locks on salons and offices to improve security.
- Completed fleet maintenance & repairs.
- Painting touch-ups throughout the complex.
- Installed maple 1" X 4" boarder in Salons 103 & 105.
- Roof repairs to various areas throughout facility.
- In process of ordering fabric chair seat parts for installation.
- Steam cleaning chair inventory.
- Installed "No Smoking" signs throughout Arena.
- Staff continue to liaise with PCL over deficiencies at Ricoh Coliseum.
- Staff scheduled and supervised turnovers for concerts & events at Ricoh.
- Tennant completed maintenance on Ricoh cleaning equipment

FINANCIALS

Net Operating Income for the four months ending April 30, 2004 was \$1,818,864 compared to a budget of \$1,746,353 for a favourable variance of \$72,512.

- Rental income at \$3,419,199 is favourable to budget by \$3,022 mainly due new business.
- Electrical services of \$307,944 were below budget by (\$59,340) due to higher delivery costs for the Boat Show and Chinese Lunar New Year event. Exhibition Place took over the delivery of electrical show services effective March 1, 2004; NTC Finance continues to be responsible for invoicing and collections.
- Direct and indirect expenses are favourable to budget by \$231,191 partly as a result of timing on marketing dollars and savings in salaries for the Finance and Operations Departments due to vacant positions in the first quarter of 2004.
- Food & Beverage concessions of \$643,353 are unfavourable to budget by (\$78,172) due to lower attendance for consumer shows.

- Telecommunications at \$178,493 is favourable to budget by \$28,384 due to higher demand for internet services for the Boat Show and Sportsmen's Show.

Accounts receivable for the month ending April 30, 2004 were \$2,099,757 consisting mainly of:

- \$1,244,590 for services on completed events, of which \$76,618 has been received by May 21, 2004.
- \$240,390 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25th of the following month.
- \$155,339 owed as deposits for future events, of which \$12,175 has been received by May 21, 2004.
- \$95,298 for Coliseum partners and sub-contractors for Arena-related project costs.
- \$86,670 for Sponsorship agreements.

The Finance Department continues to provide extensive accounting support to the Ricoh Coliseum Owners Group.

SERVICE STARS

Erin Vanderham of the Toronto Construction Association, who participated in the Future Building Show, wrote to Jim MacGregor via e-mail on April 7th to say "It was truly an enjoyable experience due to working with professional people at the NTC. I know John has made many comments about how much of a pleasure it was working with you and your well trained staff."

CENTERPLATE

RETAIL DEPARTMENT

Revenues for the month were up considerably from last year with the addition of new business.

CATERING DEPARTMENT

A large portion of catering revenue for the month is attributable to the Pharmasave event. Catered lunches and beverage service were offered by Pharmasave during the two day event. The show was very successful and the client seemed very pleased with the services provided. Other catering during the month consisted of small catered event for the other in-house shows.

APPENDIX "A"

THE NATIONAL TRADE CENTRE FINANCIAL STATEMENT HIGHLIGHTS APRIL 2004 and YEAR TO DATE

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	8	6	2	32	25	7
Direct Event Income	1,197,919.28	1,237,454.00	(39,534.72)	3,627,102.18	3,707,046.00	(79,943.82)
Ancillary Income	559,172.58	579,867.00	(20,694.42)	1,770,470.54	1,833,585.00	(63,114.46)
Advertising Income	10,949.80	32,129.00	(21,179.20)	76,628.80	92,250.00	(15,621.20)
CNE Recovery	-	-	-	-	-	-
Total Event Income	<u>1,768,041.66</u>	<u>1,849,450.00</u>	<u>(81,408.34)</u>	<u>5,474,201.52</u>	<u>5,632,881.00</u>	<u>(158,679.48)</u>
Direct Expenses	437,224.74	528,676.00	91,451.26	2,104,500.53	2,160,044.00	55,543.47
Indirect Expenses	407,757.64	433,529.00	25,771.36	1,550,836.15	1,726,484.00	175,647.85
Total Event Expenses	<u>844,982.38</u>	<u>962,205.00</u>	<u>117,222.62</u>	<u>3,655,336.68</u>	<u>3,886,528.00</u>	<u>231,191.32</u>
NET INCOME (LOSS)	<u>923,059.28</u>	<u>887,245.00</u>	<u>35,814.28</u>	<u>1,818,864.84</u>	<u>1,746,353.00</u>	<u>72,511.84</u>

NOTE: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At April 30, 2004 the markup paid to Exhibition Place was a total of \$ 170,116.00 (\$ 141,339.38 expensed against direct event income and the balance of \$ 28,776.62 in direct expense)

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT APRIL 30, 2004 with COMPARISON TO APRIL 2003**

	2003 YTD APRIL ACTUAL	2004 YTD ACTUAL	2004 YTD BUDGET	2004 VARIANCE	VARIANCE TO YTD APRIL, 2003 ACTUAL	%
Number of Events	33	32	25	7	(1)	(3.0%)
Direct Event Income	3,540,083.63	3,627,102.18	3,707,046.00	(79,943.82)	87,018.55	2.5%
Ancillary Income	1,263,438.73	1,770,470.54	1,833,585.00	(63,114.46)	507,031.81	40.1%
Advertising Income	97,185.95	76,628.80	92,250.00	(15,621.20)	(20,557.15)	(21.2%)
CNE Recovery	-	-	-	-	-	
Total Event Income	4,900,708.31	5,474,201.52	5,632,881.00	(158,679.48)	573,493.21	11.7%
Direct Expenses	2,007,706.92	2,104,500.53	2,160,044.00	55,543.47	(96,793.61)	(4.8%)
Indirect Expenses	1,547,280.76	1,550,836.15	1,726,484.00	175,647.85	(3,555.39)	(0.2%)
Total Event Expenses	3,554,987.68	3,655,336.68	3,886,528.00	231,191.32	(100,349.00)	(2.8%)
NET INCOME (LOSS)	1,345,720.63	1,818,864.84	1,746,353.00	72,511.84	473,144.21	35.2%

Note: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At April 30, 2004 the markup paid to Exhibition Place was a total of \$ 170,116.00 (\$ 141,339.38 expensed against direct event income and the balance of \$ 28,776.62 in direct expense)



THE NATIONAL TRADE CENTRE EVENT STATISTICS

FOR THE MONTH OF APRIL 30, 2004

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	183,000	675,760	731,264

<u>EVENT</u>	<u>ACTUAL # OF PERFORMANCES</u>		(IN THOUSANDS)			<u>REFRESHMENT PER CAP'S ACTUAL [Note: 2]</u>
	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL [Note: 2]</u>
Consumers Show	21	20	17	3,244	3,423	3.67
Trade Show	7	5	2	626	812	4.89
Concert	0	0	1	-	-	
Photo/Film Shoot	1	3	1	16	-	15.80
Meeting/Corporate	3	5	15	104	-	5.99
	<u>32</u>	<u>33</u>	<u>36</u>	<u>3,990</u>	<u>4,235</u>	

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

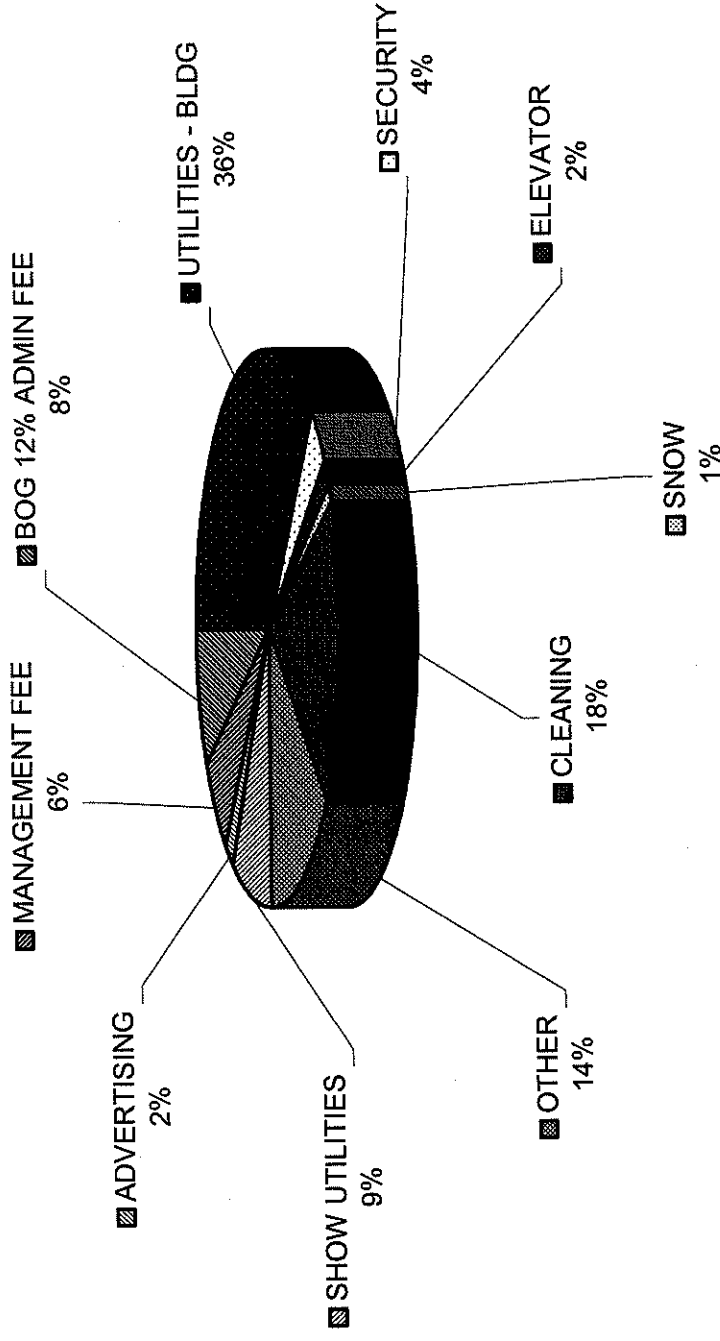
**THE NATIONAL TRADE CENTRE
BALANCE SHEET**
AS AT APRIL 30, 2004

	2004	2003
ASSETS		
CURRENT ASSETS		
CASH	48,724.99	466,136.74
ADVANCE TO EX PLACE	320,000.00	250,000.00
TERM INVESTMENTS	4,250,000.00	2,600,000.00
AMERICAN EXPRESS	1,081.92	-
TRADE ACCOUNTS RECEIVABLE	2,099,757.26	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(16,632.63)</u>	
NET ACCOUNTS RECEIVABLE	2,083,124.63	1,731,028.20
RECEIVABLE FROM EX PLACE	20,419.26	26,559.17
OTHER RECEIVABLE	18,970.22	68,082.34
PREPAID EXPENSES	<u>73,006.45</u>	<u>111,466.10</u>
TOTAL CURRENT ASSETS	<u>6,815,327.47</u>	<u>5,253,272.55</u>
FIXED ASSETS		
EQUIPMENT - NET	42,498.15	60,702.13
TOTAL ASSETS	<u><u>6,857,825.62</u></u>	<u><u>5,313,974.68</u></u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCRUED LIABILITIES	3,394,340.66	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	111,091.04	
DEFERRED REVENUE	<u>1,050,272.10</u>	
EQUITY		
NET INCOME (LOSS) CURRENT	1,818,864.84	1,345,720.63
PRIOR YEAR PSAB ADJUSTMENT	(167,422.07)	(167,422.07)
PRIOR YEAR SURPLUS	1,150,679.05	-
DISTRIBUTION TO EXHIBITION PLACE	<u>(500,000.00)</u>	
	<u>650,679.05</u>	<u>-</u>
	<u><u>6,857,825.62</u></u>	<u><u>5,313,974.68</u></u>

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED APRIL 30, 2004**

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	923,059.28	1,818,864.84
ADD: EMPLOYEE BENEFITS - VACATION/SICK	-	
SOURCES (USES) OF CASH		
TERM INVESTMENTS	400,000.00	400,000.00
ACCOUNTS RECEIVABLE - TRADE	(271,608.44)	619,007.80
RECEIVABLE FROM EX PLACE B.O.G	(4,929.96)	(20,379.15)
ACCOUNTS RECEIVABLE - OTHER	(8,230.89)	59,203.73
PREPAID EXPENSES	13,607.61	76,872.37
DEPOSITS AND OTHER ASSETS	(505.67)	(5,564.56)
ACCOUNTS PAYABLE & ACCRUED EXPENSES	361,460.10	(501,232.85)
OTHER PAYABLES	36,861.79	(48,278.05)
DEFERRED INCOME	(1,089,973.38)	(2,325,318.73)
ADVANCE DEPOSITS - Exhibition Place B.O.G	-	(70,000.00)
NET CASH FROM OPERATIONS	359,740.44	3,175.40
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	(140,259.56)	(496,824.60)
BEGINNING CASH BALANCE	188,984.55	545,549.59
ENDING CASH BALANCE	48,724.99	48,724.99

**COMPONENTS OF DIRECT EXPENSE
YTD APRIL 30, 2004**



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

**THE NATIONAL TRADE CENTRE
CHEQUE DISBURSEMENTS - APRIL - 2004
GREATER THAN \$50,000**

Check No	Date	Description	Amount
000015	04/14/2004	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	\$500,000.00
000019	04/19/2004	CITY OF TORONTO	500,000.00
015754	04/08/2004	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	102,834.66
015794	04/29/2004	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	178,796.61
		FIRST INSTALLMENT YEAR 2003 SURPLUS	
		TERM DEPOSIT	
		JANUARY 2004 WORK ORDER	
		FEBRUARY 2004 WORK ORDER/SALARIES TO FEB21/04	
DISBURSEMENTS OVER \$50,000			1,281,631.27
OTHER DISBURSEMENTS LESS THAN \$50,000.			653,968.44
TOTAL DISBURSEMENT			1,935,599.71



