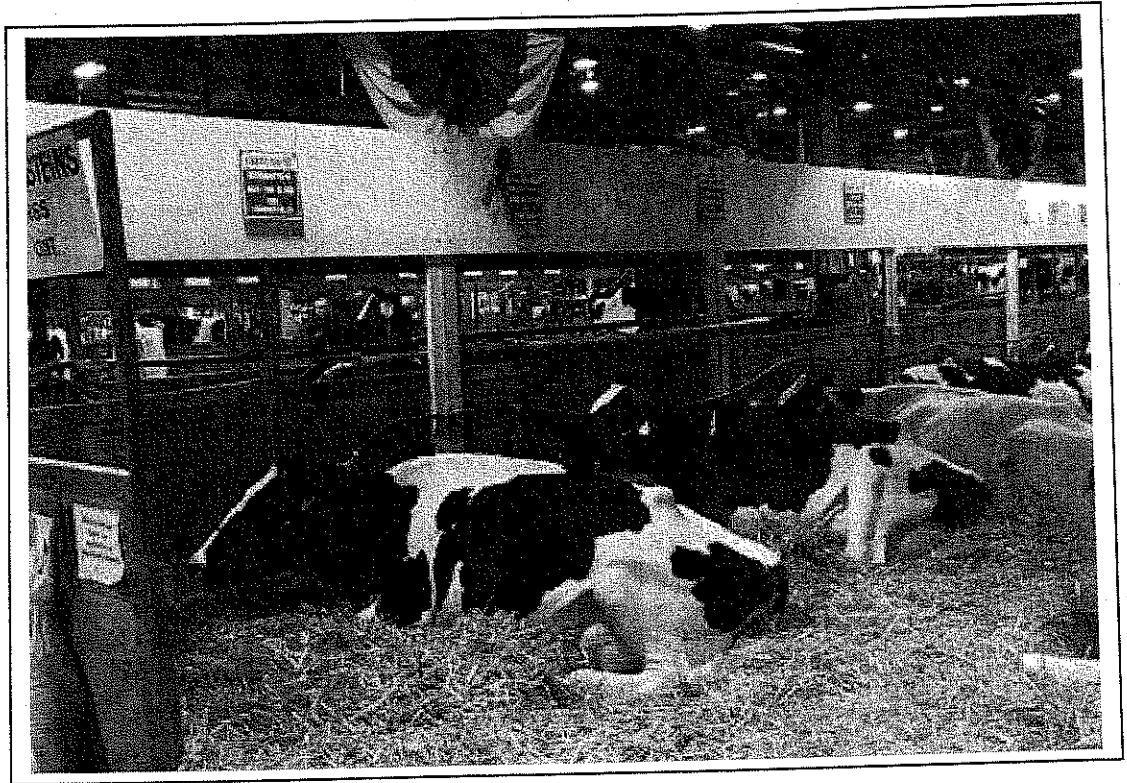


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THE NATIONAL TRADE CENTRE
MANAGEMENT REPORT

FOR THE MONTH ENDING
NOVEMBER 30, 2002



SUBMITTED BY:

RON TAYLOR
MANAGING DIRECTOR/O&Y/SMG CANADA

ERNEST VINCENT
GENERAL MANAGER/NTC



SALES & MARKETING

NOVEMBER SALES ACTIVITY

Results of our November sales efforts are as follows:

- 8 new 2002 events were contracted this month thereby increasing our total to 74 new events for 2002.

The events are categorized as follows:

- 11 consumer shows
- 9 trade shows
- 29 special events/film/photo shoots
- 25 corporate bookings/ meetings /misc.
- 9 license agreements have been issued to clients for new 2003 events.



BUSINESS TRAVEL

- In December, Laura Purdy will attend the annual meeting and exhibition for the International Association for Exhibition Management (I.A.E.M.) in Orlando. A follow-up summary will be included in the December report.

PUBLICITY

- Events held in November received significant media attention including coverage in the Toronto Star, National Post, CITYTV, CP24, CBC, CTV, Omni, Global, HGTV.
- As a result of a media release issued in October by our department, an article on Weld Expo 2002 was printed in the November 21, 2002 issue of m+a Newsline

EVENT SERVICES

During the month of November 30, 2002, Event and Facility Co-ordinators were involved in the following events:

NOVEMBER	
National Trade Centre Events	Exhibition Place Events
Trade	
• Print Ontario	
Consumer	
• School Library Book Resource Fair	
• Royal Agricultural Winter Fair	
• Northern Shop Warehouse Sale	
• Eddie Bauer warehouse Sale	

Other	
• TD Bank Children's' Holiday Party	

- Print Ontario was reportedly the smoothest show to date. There were a few minor glitches that were promptly dealt with. The use of the marshalling area greatly improved the move-in.
- The Royal Agricultural Winter Fair was very successful in terms of attendance, which was approximately 350,000. Moving the animals to the old part of the building was a success and also saved the client some expenses. We would like to consider moving the petting zoo there in 2003.
- Two new events, the Northern Shop Warehouse Sale and the Eddie Bauer Warehouse Sale had mixed reviews, with the former being disappointed in their attendance and the latter pleased enough to want to return in 2003. The School Library Book Resource Fair also reported better attendance than in 2001.

TELECOMMUNICATIONS

- Telecommunications provided a variety of services in the month of November and Internet access demand continues to increase.
- Telecommunications is working with Bell Mobility on a potential antenna placement deal, which would create an annual revenue stream for the National Trade Centre. This enhancement to mobile wireless devices would allow for increased cell density for mobile phone subscribers.

BUILDING OPERATIONS

- Maintenance has been on going and the facility was well prepared for the tight move-in show schedule during the month of November.
- The equipment Filter Replacement Program along with additional HVAC run-time has assisted in addressing odour management concerns with very favourable results.
- All Building Systems are functioning with satisfactory performance and continuous attention to on-going maintenance and upgrades continue to ensure a top-notch facility for our clients.

FACILITY SERVICES

- The preventative maintenance program is operating successfully.
- The trades completed tasks on most equipment within the facility.
- Various contractors were called on an as required basis.
- Staff achieved great success facilitating the RAWF. Cleaning was a priority after the fair and once again proved worthy of the challenge.

FINANCIALS

Net Operating Income for the eleven months ending November 30, 2002 was \$2,162,112 compared to a budget of \$1,716,226 a favourable variance of \$445,886.

- Rental income at \$6,479,723 is unfavourable to budget by (\$157,513) mainly due to the shrinkage of corporate business.
- Electrical services of \$766,382 have fallen below budget. The reason for this is a reduced demand from exhibitors at certain shows for this service as well as higher costs to deliver the service for the Boat Show, Canadian Hardware and Building Materials Show, Toronto Sportsmen's Show and IIDEX/Neocon. Staff are addressing these issues.
- Direct and indirect expenses are favourable to budget by \$405,654 partly as a result of lower utilities cost and minimal snow cleaning.
- Food & Beverage concessions of \$1,070,498 are unfavourable to budget by (\$94,121) due to the reduced corporate events that are not allowing new business targets to be achieved.

Accounts receivables November 30, 2002 were \$1,914,249 consisting mainly of:

- \$829,906 owed as deposits for future events of which \$130,840 has been received by December 18, 2002.
- \$661,646 for services on completed events of which \$255,209 has been received by December 18, 2002.
- \$171,049 from Exhibition Place of which \$81,000 is from sponsorship and \$90,049 for event support services.
- \$160,698 of Food & Beverage Concessions is owed by Servo Canada contractually due on the 25th of the following month.

SERVO-CANADA

RETAIL DEPARTMENT

- November shows really proved the diversity of the events that we do here every year. The beginning of the month saw us in full swing with the Everything to do with Sex Show and ISH North America and the end of the month saw the kick off of The One Of A Kind Christmas Craft Show. If those shows weren't at opposite ends of the spectrum, in between was a show that is of vast contrast to both, The Royal Agricultural Winter Fair.
- The foods that we offered were also diverse. Whether it was Asian walk away noodles for the Sex and the One of A Kind shows or scrambled eggs on croissants at the Royal, we were up for the challenge.

CATERING DEPARTMENT

Catering this month included the first weekend of Holiday Parties as well as booth and show catering for the One of A Kind and ISH. The Holiday Parties included repeat business with The Bank of Montreal and Toronto Hydro. Both events marked a smooth beginning to the holiday season.

APPENDIX "A"

THE NATIONAL TRADE CENTRE FINANCIAL STATEMENT HIGHLIGHTS NOVEMBER 2002 and YEAR TO DATE

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	17	7	10	99	48	51
Direct Event Income	1,514,351.54	1,371,064.80	143,286.74	7,282,254.38	7,209,896.80	72,357.58
Ancillary Income	476,130.25	358,665.11	117,465.14	2,405,808.49	2,571,398.11	(165,589.62)
Advertising Income	24,609.81	30,215.00	(5,605.19)	284,527.71	255,156.00	29,371.71
Utility Recovery - WYD	-	-	-	86,938.25	-	86,938.25
CNE Recovery	-	-	-	391,812.00	383,613.00	8,199.00
Total Event Income	2,015,091.60	1,759,944.91	255,146.69	10,451,340.83	10,420,063.91	31,276.92
Direct Expenses	500,397.39	571,916.00	71,518.61	4,575,004.44	4,961,430.00	386,425.56
Indirect Expenses	371,033.27	335,715.00	(35,318.27)	3,723,179.94	3,742,408.00	19,228.06
Total Event Expenses	871,430.66	907,631.00	36,200.34	8,298,184.38	8,703,838.00	405,653.62
NET INCOME (LOSS)	1,143,660.93	852,313.91	291,347.02	2,153,156.44	1,716,225.91	436,930.53

NOTE: 1

Actuals include 12% markup paid to Exhibition Place on labour and materials. At November 30, 2002 the markup paid to Exhibition Place was a total of \$ 373,156.94 (\$ 308,001.42 expensed against direct event income & balance of \$ 65,155.52 in direct expense)

NOTE: 2

Rental income for three events booked by the NTC for Ride & Drive events in the amount of \$32,564 remitted to Exhibition Place is not included here



**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT NOVEMBER 30, 2002 with COMPARISON TO NOVEMBER 2001**

	2001 YTD NOV ACTUAL	2002 YTD ACTUAL	2002 YTD BUDGET	2002 VARIANCE	VARIANCE TO YTD NOV 2001 ACTUAL	%
Number of Events	94	99	48	51	5	5.3%
Direct Event Income	6,255,827.91	7,282,254.38	7,209,896.80	72,357.58	1,026,426.47	16.4%
Ancillary Income	2,310,162.22	2,405,808.49	2,571,398.11	(165,589.62)	95,646.27	4.1%
Advertising Income	207,099.05	284,527.71	255,156.00	29,371.71	77,428.66	37.4%
WYD Utility Recovery	-	86,938.25	-	86,938.25	86,938.25	N/A
CNE Recovery	393,948.00	391,812.00	383,613.00	8,199.00	(2,136.00)	0.0%
Total Event Income	9,167,037.18	10,451,340.83	10,420,063.91	31,276.92	1,284,303.65	14.0%
Direct Expenses	4,257,517.89	4,575,004.44	4,961,430.00	386,425.56	(317,486.55)	(7.5%)
Indirect Expenses	3,352,966.17	3,723,179.94	3,742,408.00	19,228.06	(370,213.77)	(11.0%)
Total Event Expenses	7,610,484.06	8,298,184.38	8,703,838.00	405,653.62	(687,700.32)	(9.0%)
NET INCOME (LOSS)	1,556,553.12	2,153,156.44	1,716,225.91	436,930.53	596,603.32	38.3%

NOTE: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At November 30, 2002 the markup paid to Exhibition Place was a total of \$ 373,156.94 (\$ 308,001.42 expensed against direct event income & balance of \$ 65,155.52 in direct expense)

NOTE: 2 Rental income for three events booked by the NTC for Ride & Drive events in the amount of \$32,564 remitted to Exhibition Place is not included here

**THE NATIONAL TRADE CENTRE
EVENT STATISTICS**

FOR THE MONTH OF NOVEMBER 2002

MONTH ACTUAL	YTD ACTUAL	PRIOR YEAR ACTUAL
423,475	1,503,369	1,371,955

Attendance [Note: 1]

EVENT	ACTUAL # OF PERFORMANCES		(IN THOUSANDS)		REFRESHMENT PER CAP'S ACTUAL [Note: 2]	
	2002	2001	2000	NET EVENT INCOME [Note: 3] ACTUAL BUDGET		
Consumers Show	45	36	41	5,121	5,348	2.38
Trade Show	17	10	14	2,203	2,270	5.85
Concert	1	2	3	24	7	5.88
Photo/Film Shoot	3	5	6	74	-	7.19
Meeting/Corporate	33	41	27	631	431	6.13
	99	94	91	8,053	8,056	

Note: 1 Attendance estimates provided by Show Management.

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

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



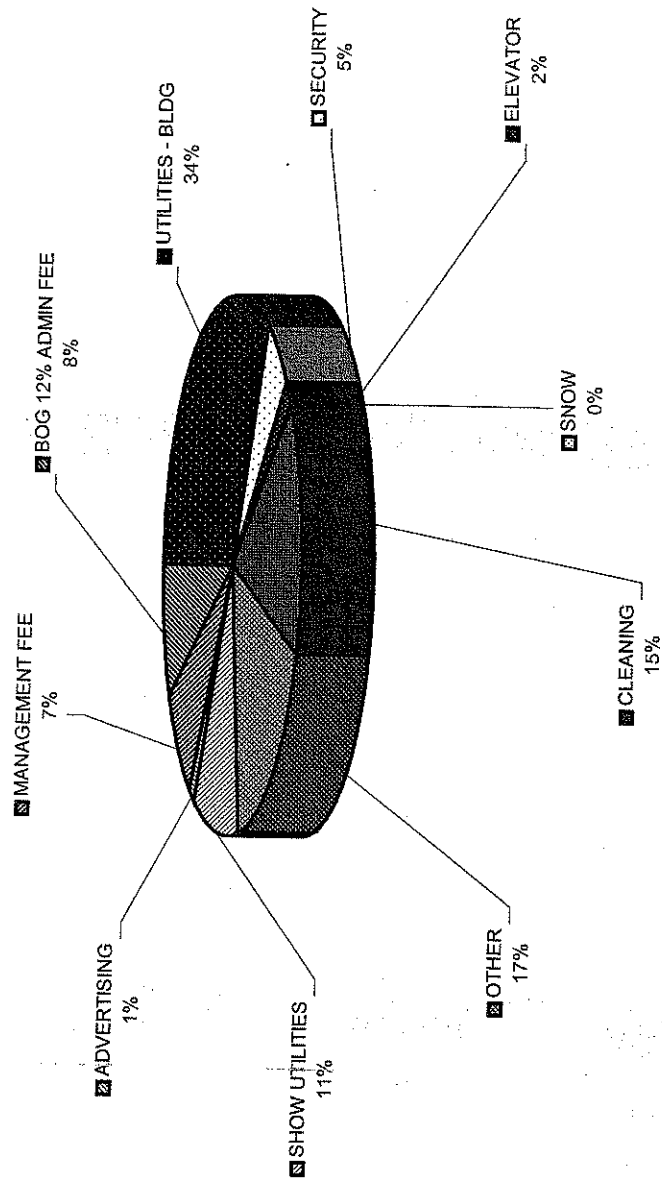
**THE NATIONAL TRADE CENTRE
BALANCE SHEET
AS AT NOVEMBER 30, 2002**

ASSETS	2002	2001
CURRENT ASSETS		
CASH	278,740.94	353,146.04
ADVANCE TO EX PLACE	250,000.00	250,000.00
TERM INVESTMENTS	6,550,000.00	4,500,000.00
AMERICAN EXPRESS	8,034.16	2,239.32
TRADE ACCOUNTS RECEIVABLE	1,914,249.31	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(67,290.37)</u>	
NET ACCOUNTS RECEIVABLE	1,846,958.94	1,509,622.49
RECEIVABLE FROM EX PLACE	48.97	65.18
OTHER RECEIVABLE	159,669.74	95,641.31
PREPAID EXPENSES	303,342.50	174,929.79
TOTAL CURRENT ASSETS	9,396,795.25	6,885,644.13
FIXED ASSETS		
EQUIPMENT - NET	81,964.91	128,478.23
TOTAL ASSETS	9,478,760.16	7,014,122.36
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCRUED LIABILITIES	3,486,749.60	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	168,636.94	
DEFERRED REVENUE	<u>3,871,023.22</u>	
EQUITY		
NET INCOME (LOSS) CURRENT	2,162,111.67	1,556,553.12
PRIOR YEAR PSAB ADJUSTMENT	(209,761.27)	55,705.94
PRIOR YEAR SURPLUS	1,811,909.44	
DISTRIBUTION TO EXHIBITION PLACE	(1,811,909.44)	
	9,478,760.16	7,014,122.36

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED OCTOBER 31, 2002**

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	1,152,616.16	2,162,111.67
ADD: EMPLOYEE BENEFITS - VACATION/SICK		
SOURCES (USES) OF CASH		
TERM INVESTMENTS	(2,050,000.00)	(2,250,000.00)
ACCOUNTS RECEIVABLE - TRADE	350,439.56	(258,237.88)
RECEIVABLE FROM EX PLACE B.O.G	48,176.41	(48.97)
ACCOUNTS RECEIVABLE - OTHER	(16,380.48)	(16,626.40)
PREPAID EXPENSES	(205,535.52)	(247,630.99)
DEPOSITS AND OTHER ASSETS	18,698.94	28,215.16
ACCOUNTS PAYABLE & ACCRUED EXPENSES	717,414.08	1,631,833.72
OTHER PAYABLES	(22,676.96)	81,594.74
DEFERRED INCOME	(784,889.08)	129,010.20
ADVANCE DEPOSITS - Exhibition Place B.O.G		
NET CASH FROM OPERATIONS	(792,136.89)	1,260,221.25
OTHER SOURCES (USES) OF CASH		
CAPITAL EXPENDITURES		
PAYMENTS OF DEBT		
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.		(1,819,603.15)
NET CASH FROM OTHER SOURCES		(1,819,603.15)
NET INCREASE (DECREASE) IN CASH	(792,136.89)	(559,381.90)
BEGINNING CASH BALANCE	1,070,877.84	838,122.85
ENDING CASH BALANCE	278,740.95	278,740.95

**COMPONENTS OF DIRECT EXPENSE
YTD NOVEMBER 30, 2002**



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



**THE NATIONAL TRADE CENTRE
CHEQUE DISBURSEMENTS - NOVEMBER 2002
GREATER THAN \$50,000**

Check No	Date	DESCRIPTION	Amount
13736	11/29/02	CITY OF TORONTO	500,000.00
13679	11/25/02	CITY OF TORONTO	500,000.00
13628	11/12/02	CITY OF TORONTO	400,000.00
13658	11/19/02	CITY OF TORONTO	350,000.00
13737	11/29/02	CITY OF TORONTO	300,000.00
13629	11/13/02	CITY OF TORONTO	300,000.00
13598	11/8/02	THE BOARD OF GOVERNORS OF EXHIBITION	259,058.52
13746	11/29/02	HEATH LAMBERT CORPORATE RISK	214,353.00
13630	11/13/02	THE BOARD OF GOVERNORS OF EXHIBITION	207,102.51
13688	11/27/02	THE BOARD OF GOVERNORS OF EXHIBITION	154,066.42
13657	11/18/02	RECEIVER GENERAL FOR CANADA	152,718.88
13636	11/15/02	THE BOARD OF GOVERNORS OF EXHIBITION	90,268.02
13655	11/18/02	O&Y SMG CANADA	65,923.66
13571	11/4/02	CITY OF TORONTO	64,500.30
		TERM INVESTMENT	
		TERM INVESTMENT	
		TERM INVESTMENT	
		TERM INVESTMENT	
		TERM INVESTMENT	
		TERM INVESTMENT	
		HOURLY PAYROLL WEEKS OC	
		INSURANCE OCT.02 - SEP.03	
		CNE SERVICES REVENUES	
		HOURLY PAYROLL WEEK OC	
		OCT.G.S.T. REMITTANCE	
		OCT. MATERIALS & WORK OF	
		OCT.PAYROLL DISBURSEMEN	
		LANDSCAPING JAN-SEP/02	
DISBURSEMENTS OVER \$50,000			3,557,991.31
OTHER DISBURSEMENTS LESS THAN \$50,000			432,263.28
TOTAL DISBURSEMENTS FOR NOV. 2002			3,990,254.59



