

MANAGEMENT REPORT

FOR THE MONTH ENDING
JANUARY 31, 2000



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SUBMITTED TO: THE BOARD OF GOVERNORS OF EXHIBITION PLACE

SUBMITTED BY: O&Y/SMG CANADA

SUBMITTED BY: *RON TAYLOR* – MANAGING DIRECTOR - O&Y/SMG CANADA

Ernest Vincent

ERNEST VINCENT – GENERAL MANAGER – NTC

EXECUTIVE SUMMARY

The month of January was a very successful month - 8 new bookings and as well we achieved our budget for January 2000.

SALES & MARKETING REPORT

During the month of January, the Sales & Marketing Department secured 8 new bookings for 2000: Crate Marina, GM Goodwrench, Automotive Marketing, Choral Competition, Daimler Chrysler, Saigon Show, Ontario Produce Marketing Association and Morris Studio. Of the 8 pieces of new business contracted for 2000, 2 are consumer shows, 3 are corporate bookings and 3 are special events/film shoots.

In January, O&Y/SMG Regional Sales Director, US, for The National Trade Centre, participated in the 2000 PCMA (Professional Convention Management Association) Annual Meeting and the 2000 MPI (Meeting Planners International) Conference. By attending these two meetings, our Regional Sales Director succeeded in making contacts with over 35 key business representatives from the association and corporate business markets.

EVENT SERVICES

Metro Home Show and Speedorama experienced an increase in attendance. The Toronto International Boat Show was extremely successful with a 9% increase in attendance compared to the average of the last 3 years.

On January 17 & 18 O&Y SMG Canada provided customer service and emergency response training for 70 NTC and Exhibition Place staff. Further training that includes occupational health and safety will be conducted for supervisors, foremen and other staff in April this year.

OPERATIONS REPORT

The Utility Services Manager in co-operation with O&Y/SMG Management Team are jointly involved in introducing a professional brochure displaying The National Trade Centre's Rental Lighting Inventory. The new brochure will be included in the Show Management and Exhibitor Manuals and will also be incorporated into The National Trade Centre's Web Site. With the new rental brochure, exhibitors will have the opportunity to visually view The National Trade Centre rental lighting inventory without having to place telephone inquiries requesting a description of items they wish to rent. With the introduction of the new brochure it is anticipated that The National Trade Centre will experience an increase in rental revenue.

The Utility Services Department plan to build a prototype light stand that will create a diverse lighting product that will attract exhibitor rental requirements, again yielding increase revenue to The National Trade Centre.

FACILITY SERVICES

Training in High Reach Equipment is scheduled for the Event Co-ordinators and Telecommunications personnel. Safety vests have been purchased for Security to use during marshalling services.

Touch up painting was completed throughout the facility. The carpenters have checked and repaired all man doors throughout the facility. New flags have been added to all flagpoles around the footprint of the facility.

FINANCIAL REPORT

Net Operating Income for the one month ended January 31, 2000 was \$568,058 compared to a budget of \$524,469, a favourable variance of \$43,589. The majority of the improvement was due to growth in the Boat Show and a new Auto Marketing Research event.

Accounts receivable at January 31, 2000 were \$1,783,470 consisting of \$353,072 owed for services for The Royal Agricultural Winter Fair, deposits owing for future events of \$379,612 of which \$127,932 was received by February 15th, \$290,912 owed by Servo Canada contractually due on the 25th of the following month, \$194,123 due from Exhibition Place for inter-company services, \$172,886 for services for The Toronto Boat Show of which 157,514 was received March 8. As of March 17, 2000 of the 1,783,470.00 outstanding as at January 31, 2000 1,413,287 has been received.

SERVO CANADA

January highlights include The Boat Show, The Metro Home Show, Speedorama and a catered event at the Titanic for Investor's Group. All in all it was a very successful month.

The Boat Show was quite busy the first weekend and ended up a little weaker towards the end of the show. This was the exact opposite of last year's show, which may be a direct reflection on the Snow we received last winter. Overall sales were up over last year.

Investor's Group reception at the Titanic was a great way to close out some very successful events at the exhibit. Over the time that the exhibit was open we did close to \$200,000 of catering revenues.

SALES HIGHLIGHTS

The highlights of the sales department for the month has to be the response that we got on holiday events and interest in rebooking for next holiday season as well as the booking of Bombardier. Bombardier is a holiday party for 5000 persons in Heritage Court on December 2, 2000. It will no doubt add to a very successful holiday season. Other groups interested in returning from this past year's success are AGF and Price Waterhouse.

FINANCIAL REPORTS

APPENDIX "A"

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT JANUARY 31, 2000**

	1999 JANUARY ACTUAL	2000 YTD ACTUAL	2000 YTD BUDGET	2000 VARIANCE	VARIANCE TO JANUARY 1999 ACTUAL	%
Number of Events	4	9	5	4	5	125.0%
Direct Event Income	863,167.77	1,056,586.90	1,008,422.00	48,164.90	193,419.13	22.4%
Ancillary Income	297,394.87	363,850.06	358,111.00	5,739.06	66,455.19	22.3%
Advertising Income	17,199.00	22,466.33	24,717.00	(2,250.67)	5,267.33	30.6%
CNE Recovery	-	-	-	-	-	0.0%
Total Event Income	1,177,761.64	1,442,903.29	1,391,250.00	51,653.29	265,141.65	22.5%
Direct Expenses	519,234.17	573,716.33	521,658.00	(52,058.33)	(54,482.16)	(10.5%)
Indirect Expenses	357,439.50	301,128.61	345,123.00	43,994.39	56,310.89	15.8%
Total Event Expenses	876,673.67	874,844.94	866,781.00	(8,063.94)	1,828.73	0.2%
NET INCOME (LOSS)	301,087.97	568,058.35	524,469.00	43,589.35	266,970.38	88.7%
EX PLACE PARKING ESTIMATE						
PARKING INCOME	483,130.45	509,862.83	474,622.00	35,240.83	26,732.38	5.5%
PARKING EXPENSE	101,457.39	107,071.19	99,670.62	(7,400.57)	(5,613.80)	(5.5%)
NET PARKING	381,673.06	402,791.64	374,951.38	42,641.40	21,118.58	5.5%

NOTE 1 Actuals include 12% markup paid to Exhibition Place on labour & materials. At January 31, 2000 the markup paid to Exhibition Place was a total of \$ 40,381.92 (\$ 30,234.29 expensed against direct event income and the balance of \$ 10,147.63 in direct expense)



**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT JANUARY 31, 2000**

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	9	5	4	9	5	4
Direct Event Income	1,056,586.90	1,008,422.00	48,164.90	1,056,586.90	1,008,422.00	48,164.90
Ancillary Income	363,850.06	358,111.00	5,739.06	363,850.06	358,111.00	5,739.06
Advertising Income	22,466.33	36,858.00	(14,391.67)	22,466.33	24,717.00	(2,250.67)
CNE Recovery	-	-	-	-	-	-
Total Event Income	1,442,903.29	1,403,391.00	39,512.29	1,442,903.29	1,391,250.00	51,653.29
Direct Expenses	573,716.33	533,799.00	(39,917.33)	573,716.33	521,658.00	(52,058.33)
Indirect Expenses	301,128.61	345,123.00	43,994.39	301,128.61	345,123.00	43,994.39
Total Event Expenses	874,844.94	878,922.00	4,077.06	874,844.94	866,781.00	(8,063.94)
NET INCOME (LOSS)	568,058.35	524,469.00	43,589.35	568,058.35	524,469.00	43,589.35
EX PLACE PARKING ESTIMATE						
PARKING INCOME	509,862.83	474,622.00	35,240.83	509,862.83	474,622.00	35,240.83
PARKING EXPENSE	107,071.19	99,670.62	(7,400.57)	107,071.19	99,670.62	(7,400.57)
NET PARKING	402,791.64	374,951.38	27,840.26	402,791.64	374,951.38	27,840.26

NOTE: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At January 31, 2000 the markup paid to Exhibition Place was a total of \$ 40,381.92 (\$ 30,234.29 expensed against direct event income and the balance of \$ 10,147.63 in direct expense)

THE NATIONAL TRADE CENTRE
BALANCE SHEET
AS AT JANUARY 31, 2000

ASSETS	2000	1999
CURRENT ASSETS		
CASH	926,068.68	207,182.77
ADVANCE TO EX PLACE	250,000.00	250,000.00
TERM INVESTMENTS	4,100,000.00	3,050,000.00
AMERICAN EXPRESS	-	9,486.29
TRADE ACCOUNTS RECEIVABLE	1,783,470.18	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(56,320.10)</u>	
NET ACCOUNTS RECEIVABLE	1,727,150.08	1,965,536.75
RECEIVABLE FROM EX PLACE	-	92,449.97
OTHER RECEIVABLE	124,210.46	175,260.28
PREPAID EXPENSES	130,327.04	208,269.28
TOTAL CURRENT ASSETS	<u>7,257,756.26</u>	<u>5,958,185.34</u>
FIXED ASSETS		
EQUIPMENT - NET	166,349.96	-
TOTAL ASSETS	<u><u>7,424,106.22</u></u>	<u><u>5,958,185.34</u></u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCRUED LIABILITIES	2,017,391.25	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	139,429.67	
DEFERRED REVENUE	<u>2,816,003.34</u>	4,650,175.31
EQUITY		
NET INCOME (LOSS) CURRENT	568,058.35	301,087.97
PRIOR YEAR SURPLUS	1,883,223.61	1,006,922.06
DISTRIBUTION TO EXHIBITION PLACE	<u>7,424,106.22</u>	<u>5,958,185.34</u>



THE NATIONAL TRADE CENTRE
 FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
 FOR THE PERIOD ENDED JANUARY 31, 2000

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	568,058.35	568,058.35
ADD: DEPRECIATION & AMORTIZATION	-	-
SOURCES (USES) OF CASH		
TERM INVESTMENTS	(250,000.00)	(250,000.00)
ACCOUNTS RECEIVABLE - TRADE	32,300.15	32,300.15
RECEIVABLE FROM EX PLACE B.O.G	41,114.39	41,114.39
ACCOUNTS RECEIVABLE - OTHER	111,703.96	111,703.96
PREPAID EXPENSES	(8,413.56)	(8,413.56)
DEPOSITS AND OTHER ASSETS	14,350.19	14,350.19
ACCOUNTS PAYABLE & ACCRUED EXPENSES	463,259.68	463,259.68
OTHER PAYABLES	11,371.46	11,371.46
DEFERRED INCOME	(390,378.78)	(390,378.78)
ADVANCE DEPOSITS - Exhibition Place B.O.G	-	-
NET CASH FROM OPERATIONS	593,365.84	593,365.84
OTHER SOURCES (USES) OF CASH		
CAPITAL EXPENDITURES	-	-
PAYMENTS OF DEBT	-	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.C	-	-
NET CASH FROM OTHER SOURCES	-	-
NET INCREASE (DECREASE) IN CASH	593,365.84	593,365.84
BEGINNING CASH BALANCE	332,702.84	332,702.84
ENDING CASH BALANCE	926,068.68	926,068.68

THE NATIONAL TRADE CENTRE
ACCOUNTS RECEIVABLE AGING

AS AT JANUARY 31, 2000

CUSTOMER NAME	AMOUNT OUTSTANDING	CURRENT	30 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	COMMENTS
COMPLETED EVENTS						
ROYAL AGRICULTURAL WINTER FAIR	353,072.47	12,734.45	340,338.02			EVENT SERVICES FOR 1999 RAMF + TELECOM & UTILITIES CHARGES
NATIONAL MARINE MANUFACTURERS ASSOC.	172,885.80	172,885.80				EVENT SERVICES - 2000 TORONTO INTL BOAT SHOW
CANADIAN CRAFT SHOW LTD.	97,944.58	1,390.64	96,553.94			EVENT SERVICES - CHRISTMAS CRAFT SHOW- REC'D \$86,553.94 ON FEB. 7/2000
HOLMAN DESIGN LTD.	48,813.35	2,175.26	13,888.01	32,740.08		EVENT SERVICES - TITANIC EXHIBITION + BOAT SHOW EXHIBITOR SERVICES
SOUTHTEX EXHIBITIONS INC.	34,153.57	34,153.57				EVENT SERVICES - 2000 METRO HOME SHOW
MERCHANDISE MART ENTERPRISES (USA)	33,311.46				33,311.46	EVENT SERVICES - IDEXNEOCON SHOW- EVENT SETTLEMENT FINALIZED
EAST MEETS WEST PRODUCTIONS	25,020.99				25,020.99	ACCOUNT IN DISPUTE - LETTER SENT WITH RECOMMENDATION TO ACCEPT SETTLEMENT OFFER BEFORE COMMENCING PERSONAL LITIGATION IF OFFER REFUSED- RESERVE FOR BAD DEBT SET UP
O&Y SMG CANADA	12,953.14	12,953.14				SERVICES RELATING TO CORPORATE ISSUES FOR 1999 - REC'D \$12,749.09 ON FEB. 23/00
AL MADON PRODUCTIONS	11,322.97				11,322.97	BUILDING RENTAL - SWING MAGIC - EVENT CANCELLED, COMPANY FILE FOR BANKRUPTCY CLAIM SUBMITTED TO BANKRUPTCY TRUSTEE
WORDEN WATSON LTD.	10,996.11	10,996.11				EXHIBITOR SERVICES FOR BOAT SHOW & METRO HOME SHOW
GES CANADA EXPOSITIONS	18,409.94	9,430.45	8,979.49			OFFICIAL SUPPLIER & SERVICES FOR VARIOUS SHOWS - SEPT '98 / JAN. '00
MERCHANDISE MART ENTERPRISES (CANADA)	10,228.03				10,228.03	EVENT SERVICES - IDEXNEOCON SHOW- EVENT SETTLEMENT FINALIZED
CUSTOMER ACCOUNTS - LESS THAN \$10,000	73,660.63	46,835.23	21,460.32	5,365.08		
SUB-TOTAL	902,773.04	303,554.65	481,229.78	38,105.16	79,883.45	
FUTURE EVENTS						
CANADIAN NATIONAL SPORTSMENS SHOWS	133,724.37					BUILDING RENT - SPORTSMENS SHOW - MAR. 2000 - RECEIVED \$133,209.74 ON FEB. 18/00
NATIONAL HOCKEY LEAGUE	78,900.59	78,900.59				EVENT ESTIMATES - NHL ALL STAR RECEPTION - FEB.5 - PAID IN FULL ON FEB.2/00
SFX FAMILY ENTERTAINMENT	34,842.20			67.20		BUILDING RENT (10%) TITANIC EXHIBITION + COSTS OF BUILDING WALL
CITY OF TORONTO ECONOMIC DEVELOPMENT	32,798.67				32,798.67	SECONDMENT OF J. KOPFERMAN FOR Y2K PROJECT- PAID IN FULL FEB.32/000
CANADIAN CRAFT SHOWS - SPRING 2000	29,147.35					BUILDING RENT - ONE OF A KIND - SPRING 2000
MOONGLOW PRODUCTIONS	17,208.78	29,147.35				BUILDING RENT - MAIDEN MOTHER SHOW - MAR. 2000
SHOWFEST PRODUCTIONS	16,234.58			11,470.90		BUILDING RENT - COMPUTERFEST & MAC EXPO - FEB. 2000 - PAID IN FULL FEB.10/2000
INTERNATIONAL SHOWCASE ASSOCIATES	14,128.60	14,128.60				BUILDING RENT - CREATIVE SEWING & NEEDLEWORK - APR. 2000
ASSOCIATION FOR INVESTMENT MANAGEMENT	12,488.67	12,488.67				BUILDING RENT - A.I.M.R. EXAMINATIONS - JUNE 2000
B. MARTIN PROMOTIONS	10,138.25	10,138.25				BUILDING RENT - BRITISH ISLES SHOW - FEB. 2000 - PAID IN FULL FEB. 18/00
SUB-TOTAL	379,612.06	144,803.46	190,471.83	11,538.70	32,798.67	
SPONSORSHIP						
NESTLE CANADA INC.	16,050.00		16,050.00			3RD YEAR OF SPONSORSHIP AS OFFICIAL COFFEE SUPPLIER
SERVOMATION						
SERVO CANADA	290,911.93	274,730.07	16,181.86			CATERING COMMISSIONS + VARIOUS SERVICES - RECEIVED \$186,210.22 ON FEB. 24/00
BOARD OF GOVERNORS						
BOARD OF GOVERNORS	194,123.15	83,498.01	77,350.28	33,234.86		CHRYSLER SPONSORSHIP, MOLSON INDY RELATED ITEMS + TELECOM CHARGES - RECEIVED \$95,761.20 ON FEB. 10/2000 & \$45,691.15 ON FEB. 23/2000
TOTAL	1,783,470.18	806,586.19	781,323.75	82,878.12	112,682.12	
	100%	45%	44%	5%	6%	



THE NATIONAL TRADE CENTRE
ACCOUNTS RECEIVABLE AGING
 ADDITIONAL INFORMATION ON A/R GREATER THAN 60 DAYS
 AS AT JANUARY 31, 2000

CUSTOMER NAME	AMOUNT OUTSTANDING	61 - 90 DAYS	OVER 90 DAYS	COMMENTS
CITY OF TORONTO ECONOMIC DEVELOPMENT DEPARTMENT	32,798.67		32,798.67	Secondment of John Koperwas for the Y2K Project for Exhibition Place for the period of August '99 - December 31/99. Paid in full on February 3, 2000
BOARD OF GOVERNORS	33,234.86	33,234.86		Event facility services provided for Exhibition Place events for July 1999, plus charges for invoices paid on behalf of the Board of Governors.
EAST MEETS WEST PRODUCTIONS	25,020.99		25,020.99	Feb 1998 event. Total billings \$ 100,020.99, payment received \$75,000. City Legal Department has written letter on our behalf to demand payment. Reserve for bad debt has been set up.
HOLMAN DESIGN LTD.	32,740.08	32,740.08		Event services for the Titanic Exhibition
MERCHANDISE MART ENTERPRISES (USA)	33,311.46		33,311.46	Event services for the IDEX/Neocoon show in September 1999.
MERCHANDISE MART ENTERPRISES (CANADA)	10,228.03		10,228.03	Event services for the IDEX/Neocoon show in September 1999.
MOONGLOW PRODUCTIONS	11,538.10	11,538.10		
ALMADON PRODUCTIONS	11,322.97		11,322.97	Building rental fee for Swing Magic event. The event was cancelled and the company filed for bankruptcy. A claim has been submitted to the bankruptcy trustee.
CUSTOMER ACCOUNTS - LESS THAN \$10,000	5,365.08	5,365.08		Services for various 1999 shows. Collection attempts are in progress.
	195,560.24	82,878.12	112,682.12	





COMPONENTS OF DIRECT EXPENSE



