

MANAGEMENT REPORT

FOR THE MONTH ENDING
JANUARY 31, 2001



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 - GENERAL MANAGER - NTC



EXECUTIVE SUMMARY

The Metro Home Show and Speedorama experienced an increase in overall attendance for 2001.

O&Y/SMG Canada's Quality Assurance Program has taken further initiative by placing interactive kiosks through out The National Trade Centre and Exhibition Place. These kiosks will gather survey information from both exhibitors and event attendees on the quality of services provided.

In January 2001 our O&Y/SMG Canada Regional Sales Director, U.S., (Susan Richardson) of the National Trade Centre, travelled to attend the PCMA (Professional Convention Management Association) meeting. Contact was made with several tradeshow organizers plus many association clients that have meetings booked into the city but may require space for off site special events.

SALES & MARKETING REPORT

JANUARY SALES ACTIVITY

In January, the Sales & Marketing Department secured 3 events increasing our total to 6 new events confirmed for 2001. Of the 6 pieces of new business contracted for 2001, 2 are consumer shows, 2 are trade shows and 2 are corporate bookings. Contracts have been issued for additional 7 events.

The Director of Sales & Marketing, Laura Purdy, commences her 3-year term on the International Association of Exhibition Management (IAEM) Global Protocol Committee. Laura Purdy was among 18 IAEM members from around the world, selected by IAEM's Chairman of the Board to serve on this committee to focus on Global exhibition and cultural issues for the membership at large.

PUBLICITY

The January 15, 2001 issue of Tradeshow Week and the December 2000 issue of Report, a magazine distributed by m+a Publishers, both contained articles outlining the acceptance of The National Trade Centre into UFI membership.

The January 13, 15 and 22, 2001 issues of The Toronto Star contained media coverage of the Toronto International Boat Show which was held from January 13 – 21, 2001.

EVENT SERVICES

During the month of January, Event & Facility Co-ordinators were involved in the following events:

JANUARY	
National Trade Centre Events	Exhibition Place Events
Consumer	
Toronto International Boat Show	
Metro Home Show	
Speedorama	

JANUARY SUMMARY

Metro Home Show and Speedorama experienced an increase in attendance again this year. The Toronto International Boat Show had a slight decrease in attendance from the record attendance achieved in 2000.

As the next step of the Quality Assurance Program, interactive kiosks will be set up in The National Trade Centre for events from February to April they will gather survey information from both exhibitors and event attendees. More in-depth information will be gathered on visitor reactions to food & beverage and venue parking. Items surveyed will include quality, presentation, price and service. Results will be compared to other similar venues both in Canada and the US.

OPERATIONS REPORT

FACILITY SERVICES

Annual high voltage maintenance performed by Black & McDonald was completed in the East Annex and Coliseum. Dock lights were installed at the East and West Loading Docks as recommended by the Health & Safety Committee. We successfully completed electrical services for the Boat Show, Home Show and Speedorama.

Preventative maintenance has been completed to the H.V.A.C.(Heating Ventilation and Air Conditioning) system through out the Facility for the month of January.

The Director of Operations for both The National Trade Centre and Exhibition Place are planning to attend Manufacturer's Week in Chicago, which takes place in March. From Chicago we will be travelling to Orlando to meet with representative of the Orange County Convention Centre.

FINANCIAL REPORT

Net Operating Income for the month ended January 31, 2001 was \$443,332 compared to a budget of \$512,577, an unfavourable variance of (\$69,245). Rental income is unfavourable to budget by (\$90,729) at \$990,380, mainly due to the timing of new business. Catering and concession commissions is \$196,563, negative to budget by (\$40,691), due to timing on new catered events.

Accounts receivable at January 31, 2001 were \$1,475,680 consisting mainly of, 1) 450,258 owed as deposits for future events, of which \$347,947 was collected by February 8, 2001. 2) \$275,973 owed by Servo Canada contractually due on the 25th of the following month; 3) partial payment for show services of \$99,912 was also received leaving a balance outstanding of \$460,962.

TELECOMMUNICATIONS

Telecommunications serviced a variety of events during the month of January. Show demand was fairly consistent with the previous year. On the Information Technology side The National Trade Centre currently backs up over 1.5 million files across the entire grounds of Exhibition Place. As such additional hard drives have been purchased to ensure redundant backup procedures as well as implementing quicker recoveries. These hard drives are constantly being updated with data on an incremental basis to ensure that the latest information is captured on an almost "real time basis" without the inherent network congestion of typical full or copy type backups. Information Technology is also working on creating stricter file security measures as well as real type data encryption for additional system integrity.

SERVO CANADA

JANUARY 2001 FOOD AND BEVERAGE REPORT

Shows this month included The Toronto International Boat Show, The Metro Home Show and Speedorama. The majority of the revenues for the month were derived from retail sales during these shows as catering had little volume at each.

The Toronto International Boat Show had a decline in food and beverage revenues of 1.2%, due to reduced attendance.

The Metro Home Show and Speedorama saw a marked increase in food and beverage revenues, both up approximately 18% over last year's figures.

At the request of the Board of Governors at their meeting of January 26, 2001 the following details the appointment of Joel Gelwarg:

Joel Gelwarg joined The National Trade Centre as Assistant General Manager in early September 1999 to be assisted by Jim Thomas for an undisclosed period of time. That time expired as of March 1, 2000. Notification to the National Trade Centre at that time that Joel Gelwarg was appointed to General Manager for The National Trade Centre.

Joel joined Servo Canada and Volume Services America in 1992 at Liberty Science Center as Assistant General Manager in charge of Catering and Restaurants. Promoted to General Manager in 1994. Prior experience included a position with The Continental Companies as Food and Beverage Director of three properties over a span of six years.

FINANCIAL REPORTS

APPENDIX "A"

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
JANUARY 2001 and YEAR TO DATE**

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL		YTD BUDGET	VARIANCE
				4	4		
Number of Events	4						
Direct Event Income	961,224.71	1,028,538.00	(67,303.29)	961,224.71	1,028,538.00	(67,303.29)	
Ancillary Income	334,255.09	389,642.00	(55,386.91)	334,255.09	389,642.00	(55,386.91)	
Advertising Income	19,084.67	28,547.00	(9,462.33)	15,928.67	28,196.00	(7,267.33)	
CNE Recovery							
Total Event Income	1,314,564.47	1,446,717.00	(132,152.53)	1,311,408.47	1,441,386.00	(129,957.53)	
Direct Expenses	572,966.15	580,885.00	7,918.85	569,810.15	575,584.00	5,723.85	
Indirect Expenses	286,266.86	353,255.00	54,988.34	298,266.66	353,255.00	54,988.34	
Total Event Expenses	871,232.81	934,140.00	62,907.19	858,076.81	928,789.00	60,712.19	
NET INCOME (LOSS)	443,331.66	512,577.00	(69,245.34)	443,331.66	512,577.00	(69,245.34)	
EX PLACE PARKING ESTIMATE							
PARKING INCOME	497,631.27	520,127.00	(22,495.73)	497,631.27	520,127.00	(22,495.73)	
PARKING EXPENSE	104,562.57	109,226.67	4,724.10	104,562.57	109,226.67	4,724.10	
NET PARKING	393,128.70	410,900.33	(17,771.63)	393,128.70	410,900.33	(17,771.63)	

Actuals include 12% markup paid to Exhibition Place on labour and materials. At January 31, 2001 the markup paid to Exhibition Place was a total of \$ 40,450.47 (\$ 31,064.44 expensed against direct event income and the balance of \$ 9,934.44 in direct expense)

NOTE: 1

THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT JANUARY 31, 2001 with COMPARISON TO 2000

	2000 YTD JAN ACTUAL	2001 YTD ACTUAL	2001 YTD BUDGET	VARIANCE	VARIANCE TO YTD JAN 2000 ACTUAL	%
Number of Events	9	4			(5)	(55.6%)
Direct Event Income	1,056,586.90	961,224.71	1,028,528.00	(67,303.29)	(95,362.19)	(9.0%)
Ancillary Income	363,850.06	334,255.09	389,642.00	(55,386.91)	(25,594.97)	(6.1%)
Advertising Income	22,466.33	15,928.67	23,196.00	(7,267.33)	(6,537.66)	(29.1%)
CNE Recovery	-				0.0%	0.0%
Total Event Income	1,442,803.29	1,311,408.47	1,441,366.00	(129,937.53)	(131,494.82)	(9.1%)
Direct Expenses	573,716.33	569,810.15	575,534.00	5,723.85	3,906.18	0.7%
Indirect Expenses	301,128.61	298,266.66	353,255.00	54,988.34	2,861.95	1.0%
Total Event Expenses	874,844.94	868,076.81	928,789.00	60,712.19	6,768.13	0.8%
NET INCOME (LOSS)	568,058.35	443,331.66	512,577.00	(69,245.34)	(124,726.59)	(22.0%)
EX PLACE PARKING ESTIMATE						
PARKING INCOME	509,882.83	497,631.27	520,127.00	(22,495.73)	(12,231.56)	(2.4%)
PARKING EXPENSE	107,071.19	104,502.57	108,226.67	4,724.10	2,558.62	2.4%
NET PARKING	402,711.64	393,128.70	410,900.33	(17,771.63)	(9,652.94)	(2.4%)

NOTE: 1

Actuals include 12% markup paid to Exhibition Place on labour & materials. At January 31, 2001 the markup paid to Exhibition Place was a total of \$ 40,450.47 (\$ 31,064.44 expensed against direct event income and the balance of \$ 9,334.44 in direct expense)

**THE NATIONAL TRADE CENTRE
EVENT STATISTICS**

FOR THE MONTH OF JANUARY 2001

	MONTH ACTUAL		YTD ACTUAL		PRIOR YEAR ACTUAL	
	2001	2000	1999	ACTUAL	BUDGET	ACTUAL
Attendance [Note: 1]	209,050			209,050		211,100

EVENT	# OF PERFORMANCES			(IN THOUSANDS)			REFRESHMENT PER CAP'S ACTUAL [Note: 2]
	2001	2000	1999	NET EVENT INCOME [Note: 3] ACTUAL	BUDGET	3.74	
Consumers Show	3	4	3	1,105	1,170	-	-
Trade Show	0	0	0	-	33	-	-
Concert	0	0	0	-	-	-	-
Photo/Film Shoot	0	0	0	-	-	-	-
Meeting/Corporate	1	5	1	3	1,203	-	-
	4	9	4	1,107	1,203	-	-

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 JANUARY 31, 2001

ASSETS	2001	2000
CURRENT ASSETS		
CASH	553,570.12	\$26,068.68
ADVANCE TO EX PLACE	250,000.00	250,000.00
TERM INVESTMENTS	4,700,000.00	4,100,000.00
AMERICAN EXPRESS	15,331.97	
TRADE ACCOUNTS RECEIVABLE	1,475,678.57	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(16,698.47)	
NET ACCOUNTS RECEIVABLE	1,458,981.10	1,727,150.08
RECEIVABLE FROM EX PLACE		
OTHER RECEIVABLE	155,232.81	124,210.46
PREPAID EXPENSES	86,888.77	130,327.04
TOTAL CURRENT ASSETS	7,220,014.77	7,257,755.26
FIXED ASSETS		
EQUIPMENT - NET	124,402.22	166,349.96
TOTAL ASSETS	7,344,416.99	7,424,106.22
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCRUED LIABILITIES	1,670,123.04	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	57,510.35	
DEFERRED REVENUE	2,891,319.10	
EQUITY		
NET INCOME (LOSS) CURRENT	443,331.66	568,056.35
PRIOR YEAR SURPLUS	2,282,132.84	1,883,223.61
DISTRIBUTION TO EXHIBITION PLACE		
	7,344,416.99	7,424,106.22

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS**
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED JANUARY 31, 2001

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	443,331.66	443,331.66
ADD: DEPRECIATION & AMORTIZATION		
SOURCES (USES) OF CASH		
TERM INVESTMENTS	(300,000.00)	(300,000.00)
ACCOUNTS RECEIVABLE - TRADE	814,285.69	814,285.69
RECEIVABLE FROM EX PLACE B.O.G		
ACCOUNTS RECEIVABLE - OTHER	55,809.35	55,809.35
PREPAID EXPENSES	45,915.29	45,915.29
DEPOSITS AND OTHER ASSETS	(11,734.42)	(11,734.42)
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(300,932.60)	(300,932.60)
OTHER PAYABLES	(93,772.38)	(93,772.38)
DEFERRED INCOME	(474,981.14)	(474,981.14)
ADVANCE DEPOSITS - Exhibition Place B.O.G		
NET CASH FROM OPERATIONS	<u>177,921.45</u>	<u>177,921.45</u>
OTHER SOURCES (USES) OF CASH		
CAPITAL EXPENDITURES		
PAYMENTS OF DEBT		
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.		
NET CASH FROM OTHER SOURCES		
NET INCREASE (DECREASE) IN CASH	177,921.45	177,921.45
BEGINNING CASH BALANCE	375,648.67	375,648.67
ENDING CASH BALANCE	<u>553,570.12</u>	<u>553,570.12</u>

THE NATIONAL TRADE CENTRE
ACCOUNTS RECEIVABLE AGING

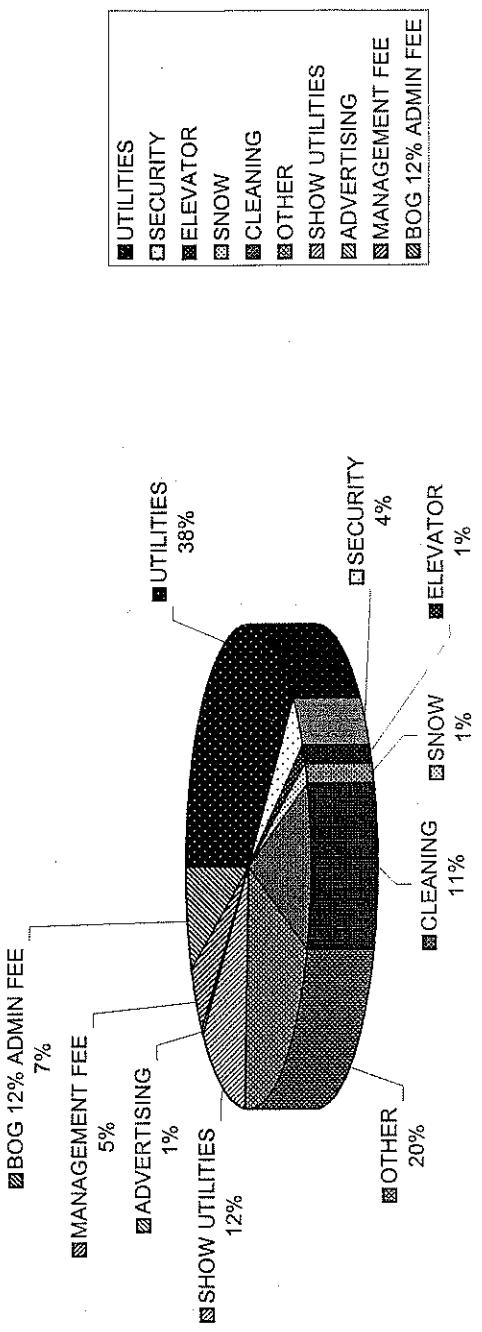
AS AT JANUARY 31, 2001

CUSTOMER NAME	AMOUNT OUTSTANDING	CURRENT	30 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	COMMENTS
COMPLETED EVENTS						
ROYAL AGRICULTURAL WINTER FAIR	180,262.58	27,111.28	153,151.30			
NATIONAL MARINE MANUFACTURERS	151,052.98	151,052.98				
PARALLEL PRODUCTION SERVICES	73,247.91	35,854.97	37,392.94			
DMG WORLD MEDIA (CANADA) - METRO HOME	44,853.48	44,853.48				
GES CANADA EXPOSITIONS	20,221.36	12,493.43	7,787.93			
KELLY ALEXANDER COMMUNICATIONS	17,065.24	17,065.24				
WORDEN WATSON LTD.	10,670.59	10,670.59				
CUSTOMER ACCOUNTS - LESS THAN \$10,000	63,500.02	18,873.42	8,088.61	9,630.35	27,007.64	Paid in full.
SUB-TOTAL	\$60,874.16	317,915.39	206,420.78	9,530.35	27,007.64	
FUTURE EVENTS						
DMG WORLD MEDIA (CANADA) - NATL HOME	250,089.17	164,069.73	86,019.44			
CANADIAN NAT'L SPORTSMEN'S SHOW	122,798.92	122,798.92				
COLISEUM ENTERTAINMENT CORP.	48,149.91	43,261.71	4,888.20			
CANADIAN SANITATION SUPPLY ASSN.	19,081.85	19,081.85				
B. MARTIN PROMOTIONS	10,158.25	10,158.25				
SUB-TOTAL	450,258.10	359,350.46	86,019.44	4,888.20	-	
SERVONOMATION						
SERVO CANADA	275,973.19	257,325.04	18,648.15			
SUB-TOTAL	275,973.19	257,325.04	18,648.15	-	-	
BOARD OF GOVERNORS						
CANADIAN NATIONAL EXHIBITION ASSOC.	131,507.84	-	131,507.84			
EXHIBITION PLACE						
SUB-TOTAL	131,507.84	-	131,507.84	-	-	
SPONSORSHIP						
BUSINESS DEPOT LTD.	39,857.50	39,857.50	39,857.50			
	39,857.50	39,857.50	39,857.50			
SUB-TOTAL	39,857.50	39,857.50	39,857.50	-	-	
LITIGATION / RECEIVERSHIP						
MOONGLOW PRODUCTIONS	17,208.78				17,208.78	BUILDING RENT - MAIDEN MOTHER SHOW - MAR. 2000 - EVENT CANCELLED - LETTER SENT REQUESTING FULL PYMT BY MAR. 24, 2000 OTHERWISE LEGAL ACTION WILL BE TAKEN
SUB-TOTAL	17,208.78	-	-	-	17,208.78	
1,475,679.57	974,448.39	442,596.21	14,418.55	44,216.42		
100%	66%	30%	1%	3%		

THE NATIONAL TRADE CENTRE
ACCOUNTS RECEIVABLE AGING
 ADDITIONAL INFORMATION ON AIR GREATER THAN 60 DAYS
 AS AT JANUARY 31, 2001

CUSTOMER NAME	AMOUNT OUTSTANDING	61 - 90 DAYS	OVER 90 DAYS	COMMENTS
MOONGLOW PRODUCTIONS	17,208.78		17,208.78	Building rent for the Maiden Mother Crone event. Event has been cancelled.
CUSTOMER ACCOUNTS - LESS THAN \$10,000	41,426.19	14,418.55	27,007.64	Services for various shows. Collection attempts are in progress.
	58,634.97	14,418.55	44,216.42	

COMPONENTS OF DIRECT EXPENSE



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

**THE NATIONAL TRADE CENTRE
CHEQUE DISBURSEMENTS - JANUARY 2001
GREATER THAN \$50,000**

CHQ NO	DATE	SUPPLIER	AMOUNT	DESCRIPTION
10724	1/18/01	CITY OF TORONTO	300,000.00	TERM INVESTMENTS
10721	1/18/01	BOARD OF GOVERNORS OF EX PLACE	179,105.72	PAYROLL REIMBURSEMENT
10711	1/12/01	BOARD OF GOVERNORS OF EX PLACE	124,646.27	PAYROLL REIMBURSEMENT
10803	1/30/01	BOARD OF GOVERNORS OF EX PLACE	96,943.08	PAYROLL REIMBURSEMENT
10801	1/26/01	RECEIVER GENERAL FOR CANADA	96,831.20	GST
10669	1/8/01	BOARD OF GOVERNORS OF EX PLACE	75,736.58	PAYROLL REIMBURSEMENT
10726	1/22/01	O&Y SMG CANADA	72,292.02	PAYROLL REIMBURSEMENT
10715	1/15/01	CITY OF TORONTO	71,145.78	LANDSCAPING - 2000
10719	1/16/01	BOARD OF GOVERNORS OF EX PLACE	60,648.95	PAYROLL REIMBURSEMENT
10712	1/12/01	ENBRIDGE GAS	59,237.11	GAS
10723	1/18/01	BOARD OF GOVERNORS OF EX PLACE	56,440.10	PAYROLL REIMBURSEMENT
10714	1/15/01	BOARD OF GOVERNORS OF EX PLACE	56,332.10	PAYROLL REIMBURSEMENT
10725	1/18/01	BOARD OF GOVERNORS OF EX PLACE	50,452.99	PAYROLL REIMBURSEMENT

DISBURSEMENTS OVER \$50,000
OTHER DISBURSEMENTS LESS THAN \$50,000.00
TOTAL DISBURSEMENTS FOR JANUARY 2001

1,299,811.90
601,238.00
<u>1,901,049.90</u>