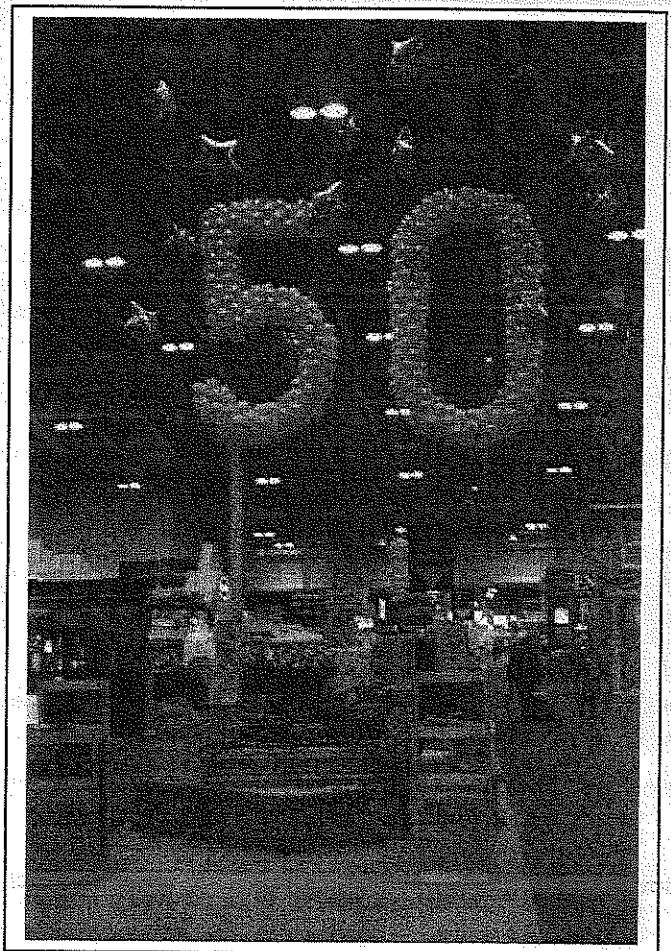


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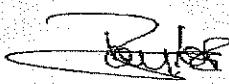
THE NATIONAL TRADE CENTRE  
MANAGEMENT REPORT

FOR THE MONTH ENDING  
APRIL 2001

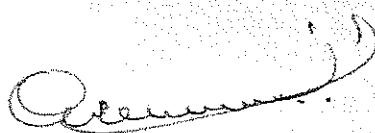


SIGNED BY:

**RON TAYLOR**  
**MANAGING DIRECTOR-O&Y/SMG CANADA**



**ERNEST VINCENT**  
**GENERAL MANAGER/NTC**



## MARKETING

- In early April, Laura Purdy, Director of Sales & Marketing commenced her maternity leave after giving birth to a baby boy. Barbara Outschoorn of the Sales & Marketing Department has been appointed the Interim Director of Sales for the term of Laura Purdy's maternity leave. As part of her appointed position, Barbara will lead Canadian sales and incoming U.S. leads. Ernest Vincent will support the international promotion programs.

## APRIL SALES ACTIVITY

- 5 new 2001 events were contracted which increased our total to 20 new events for this year. The events are categorized as follows:
  - 6 consumer shows
  - 3 trade shows
  - 7 special events/film/photo shoots
  - 4 corporate bookings
- Contracts were issued for an additional 6 new events

## PUBLICITY

April events contracted by The National Trade Centre received extensive media coverage.

- On-site media coverage from newspapers included the Toronto Star and the National Post.
- Local radio coverage included CHFI, CHUM, CFNY, 680 News, EZ Rock
- Television coverage included CFTO, CITYTV, CP24, Rogers Community 10, HGTV



The National Home Show

## EVENT SERVICES

During the month of April 2001, Event & Facility Co-ordinators at The National Trade Centre were involved in the following events:

APRIL	
Trade	Exhibition Place Events
<ul style="list-style-type: none"><li>• Toronto &amp; Area School Library Resource Show</li></ul>	
<ul style="list-style-type: none"><li>• Consumer</li></ul>	
<ul style="list-style-type: none"><li>• National Home Show</li><li>• Canadian Fly Fishing Forum</li><li>• Toronto Postage Stamp Show</li><li>• National Franchise and Business Opportunities Show</li><li>• Canadian National Marsville</li><li>• The Clothing Show</li></ul>	
<ul style="list-style-type: none"><li>• Other</li></ul>	
<ul style="list-style-type: none"><li>• Greek Orthodox Church Services</li><li>• Mackenzie Banquet</li><li>• COA Dinner</li><li>• Miller Thompson</li><li>• Kraft Canada Banquet</li></ul>	

## EVENTS

- National Home Show had steady attendance this year. The show celebrated its 50<sup>th</sup> anniversary with five full size model homes built inside The National Trade Centre.
- Canadian Fly-Fishing Forum was a new event to The National Trade Centre that moved to the Automotive Building in April. Show attendance was very good and exceeded show management's expectations.
- Event Co-ordinators finalized the 2001 Molson Indy move in/out schedules.

## TELECOMMUNICATIONS

- An additional DSL circuit (for internet connectivity) was installed. With this circuit the National Trade Centre will have redundant high speed internet with a reduction in the cost to bandwidth ratio compared to the backup ISDN.
- A full enclosure of the ACX telecommunications distribution was installed to provide additional security to this major, grounds wide, data junction.
- The National Trade Centre Telecommunications department has been working in conjunction with Exhibition Place staff to plan additional service locations in the Better Living Centre, Food Building and World Sub (Old Stadium Location).

## BUILDING OPERATIONS

Scheduled and unscheduled maintenance continued throughout the month of April. The following is a synopsis of work in progress that was completed:

- Extensive replacement of lamps within the TradeLink theatre and the Automotive building basement.
- New batteries replaced the depleted ones in all the battery packs throughout the Automotive building and repairs were made to non-functioning battery pack units as required.
- Completed the installation of the new dock lights at doors 22,23 & 24.
- Air Con Systems provided contractual maintenance to the air conditioning system throughout the facility.
- The Parks department commenced work on the exterior flowerbeds.
- Exterior hanging planters have been ordered for each beacon location.
- The glass to the main entrance of the Automotive building was cleaned.
- Work continued on the building electrical infrastructure through Capital Works to provide better electrical service for our customers.

## FINANCIALS

Net Operating Income for the three months ending April 30, 2001 was \$1,697,527 compared to a budget of \$1,913,695, a variance of (\$216,168).

- Rental income is unfavourable to budget by (\$277,176) at \$3,268,256, due to show shrinkage and softness in new corporate events.
- Catering and concession commissions at \$733,022 fell short by (\$147,873), due to reduced new catered events and scheduling of new business.
- Electrical service at \$344,648 is unfavourable to budget by (\$106,445) mainly due to reduction of new business and reduced electrical services for the Hardware and Spring Gift show.
- Direct and indirect expenses are favourable to budget by \$171,208 partly as a result of positive efforts to further control expenditures.

Accounts receivables at April 30, 2001 were \$1,320,898 consisting mainly of:

- \$254,670 of Food & Beverage Concessions is owed by Servo Canada contractually due on the 25<sup>th</sup> of the following month;
- \$318,623 owed as deposits for future events.

## SERVO-CANADA

- Business activity for the month continues the slow trend experienced through the first quarter.
- The major contributors to our shortfall this past month are two large shows, which underperformed, and two raves which were cancelled.
- While the shows under-performed to expectations for this year, they did perform comparable to last years numbers. The lack of growth in sales for this year can be attributed to lack of growth in attendance to the shows as well as locations we operated in at each of the shows.
- As discussed in previous reports, Servo will continue to combat this fall off in revenues with increased sales efforts and new revenue streams. We will continue to work on alternative sources of revenues and commissions. We will also continue to work with our Show clients to maximise our presence on their respective show floors.
- We will continue to move ahead and be aggressive in our sales efforts throughout the year. As an example of such, we catered The Canadian Olympic Association's Hall of Fame Induction Ceremonies on April 20. The fundraising event was for 700 guests in Heritage Court. Servo Canada purchased a table to entertain clients, past, present and perspective. We were able to book an event that was considering four other facilities and us, as the client was able to see our services in action. The net effect is \$63,000 in food revenue for this September or approximately \$17,600 in commissions to the Board.

## APPENDIX "A"

### THE NATIONAL TRADE CENTRE FINANCIAL STATEMENT HIGHLIGHTS APRIL 2001 and YEAR TO DATE

MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL		YTD BUDGET	VARIANCE
			ACTUAL	BUDGET		
Number of Events	15		35			
Direct Event Income	1,153,801.65		45,415.65	3,611,105.81	3,756,084.00	(144,978.19)
Ancillary Income	433,332.23		(16,291.77)	1,380,378.45	1,603,034.00	(221,155.55)
Advertising Income	19,408.00		(7,056.00)	77,150.00	88,618.00	(11,468.00)
CNE Recovery	-		-	-	-	-
<b>Total Event Income</b>	<b>1,606,541.88</b>		<b>1,584,474.00</b>	<b>22,067.88</b>	<b>5,447,736.00</b>	<b>(378,601.74)</b>
Direct Expenses:						
454,841.71	450,645.00		(4,196.71)	2,148,472.53	2,137,198.00	(11,274.53)
284,088.31	350,428.00		66,339.58	1,223,135.20	1,396,843.00	173,707.80
<b>Total Event Expenses</b>	<b>738,930.02</b>		<b>801,073.00</b>	<b>62,142.98</b>	<b>3,371,607.73</b>	<b>162,433.27</b>
<b>NET INCOME (LOSS)</b>	<b>867,611.86</b>		<b>783,401.00</b>	<b>84,210.86</b>	<b>1,697,526.53</b>	<b>(216,168.47)</b>
EX PLACE PARKING ESTIMATE						
PARKING INCOME	431,457.90		430,823.00	634.90	1,581,440.69	1,697,346.00
PARKING EXPENSE	90,606.15		90,472.66	(133.49)	332,102.54	356,442.66
NET PARKING	340,851.75		340,350.34	501.41	1,249,338.15	1,340,903.34
Actuals include 12% markup paid to Exhibition Place on labour and materials. At April 30, 2001 the markup paid to Exhibition Place was a total of \$ 171,943.75 (\$138,072 expensed against direct event income and the balance of \$33,872 in direct expense).						

NOTE: 1

Actuals include 12% markup paid to Exhibition Place on labour and materials. At April 30, 2001 the markup paid to Exhibition Place was a total of \$ 171,943.75 (\$138,072 expensed against direct event income and the balance of \$33,872 in direct expense).



**THE NATIONAL TRADE CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
AS AT APRIL 30, 2001 with COMPARISON TO 2000**

	2000 YTD APRIL ACTUAL	2001 YTD ACTUAL	2001 YTD BUDGET	2001 VARIANCE	VARIANCE TO YTD APR 2000 ACTUAL
Number of Events	35	35		~	0.0%
Direct Event Income	3,872,047.15	3,611,105.81	3,756,084.00	(144,978.19)	(6.7%)
Ancillary Income	1,572,335.78	1,380,878.45	1,603,034.00	(222,155.55)	(12.2%)
Advertising Income	101,328.27	77,150.00	88,618.00	(11,468.00)	(24.2%)
CNE Recovery	-	-	-	-	0.0%
<b>Total Event Income</b>	<b>5,546,211.20</b>	<b>5,069,134.26</b>	<b">5,447,736.00</b">	<b>(378,601.74)</b>	<b>(8.6%)</b>
Direct Expenses (Note 2)	2,068,332.09	2,148,472.53	2,137,198.00	(11,274.53)	(3.8%)
Indirect Expenses	1,290,550.82	1,223,135.20	1,396,843.00	173,707.80	5.2%
<b>Total Event Expenses</b>	<b>3,359,482.91</b>	<b>3,371,607.73</b>	<b>3,534,041.00</b>	<b">162,433.27</b">	<b">(12,124.82)</b">
<b>NET INCOME (LOSS)</b>	<b>2,186,728.29</b>	<b>1,697,526.53</b>	<b">1,913,695.00</b">	<b>(216,168.47)</b>	<b>(22.4%)</b>
EX PLACE PARKING ESTIMATE					
PARKING INCOME	1,653,885.42	1,581,440.69	1,687,346.00	(115,905.31)	(4.4%)
PARKING EXPENSE	347,315.94	332,102.54	356,442.66	24,340.12	4.4%
<b>NET PARKING</b>	<b">1,306,569.48</b">	<b">1,249,338.15</b">	<b">1,340,903.34</b">	<b">(91,565.19)</b">	<b">(4.4%)</b">

Note: 1      Actuals include 12% markup paid to Exhibition Place on labour & materials. At April 30, 2001 the markup paid to Exhibition Place was a total of \$ 171,943.75 (\$138,072 expensed against direct event income and the balance of \$33,872 in direct expense)

Note: 2      Retroactive salary increase of \$20,250 resulting from increases of 2% for 1999, 2.17% for 2000, and increases as a result of the interim compensation plan which were not reflected in the 2000 numbers until November 2000.



**THE NATIONAL TRADE CENTRE  
EVENT STATISTICS**

FOR THE MONTH OF APRIL 2001

MONTH ACTUAL	YTD ACTUAL	PRIOR YEAR ACTUAL
Attendance [Note: 1]	269,100	779,153

EVENT	# OF PERFORMANCES		(IN THOUSANDS)		REFRESHMENT PER CAPS ACTUAL [Note: 2]
	2001	2000	NET EVENT INCOME [Note: 3] ACTUAL	BUDGET	
Consumers Show	19	19	22	3,235	3.501
Trade Show	4	4	6	831	9.22
Concert	0	0	1	20	-
Photo/Film Shoot	1	1	1	22	53.35
Meeting/Corporate	11	11	4	72	53
	<b>35</b>	<b>35</b>	<b>34</b>	<b>4,180</b>	<b>4,461</b>

Note: 1

Attendance estimates provided by Show Management.  
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 APRIL 30, 2001

	2001	2000
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH	586,131.30	622,839.35
ADVANCE TO EX PLACE	250,000.00	250,000.00
TERM INVESTMENTS	3,800,000.00	2,950,000.00
AMERICAN EXPRESS	4,270.99	36,786.34
TRADE ACCOUNTS RECEIVABLE	1,320,896.35	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(14,628.36)	
NET ACCOUNTS RECEIVABLE	1,306,268.99	1,261,945.75
RECEIVABLE FROM EX PLACE	2,906.60	6,552.45
OTHER RECEIVABLE	119,198.86	34,564.70
PREPAID EXPENSES	98,700.24	132,335.13
<b>TOTAL CURRENT ASSETS</b>	<b>6,167,477.98</b>	<b>5,295,023.72</b>
<b>FIXED ASSETS</b>		
EQUIPMENT : NET	153,672.09	164,855.47
<b>TOTAL ASSETS</b>	<b><u>6,321,150.07</u></b>	<b><u>5,459,879.19</u></b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
ACCRUED LIABILITIES	1,684,585.28	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	71,966.17	
DEFERRED REVENUE	1,205,422.91	
<b>EQUITY</b>		
NET INCOME/(LOSS) CURRENT	1,697,576.53	2,186,728.29
PRIOR YEAR SURPLUS	2,261,649.18	
DISTRIBUTION TO EXHIBITION PLACE	(600,000.00)	1,661,649.18
	<b><u>6,321,150.07</u></b>	<b><u>5,459,879.19</u></b>



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April 2001

THE NATIONAL TRADE CENTRE  
 FINANCIAL STATEMENT HIGHLIGHTS  
**STATEMENT OF CASH FLOW**  
 FOR THE PERIOD ENDED APRIL 30, 2001

	<u>MONTH</u>	<u>YTD</u>
<b>CASH FLOW FROM OPERATIONS</b>		
NET INCOME (LOSS)	867,611.86	1,697,526.53
ADD: EMPLOYEE BENEFITS - VACATION/SICK		257,773.49
<b>SOURCES (USES) OF CASH</b>		
TERM INVESTMENTS	600,000.00	600,000.00
ACCOUNTS RECEIVABLE - TRADE	(273,426.15)	966,996.80
RECEIVABLE FROM EX PLACE B.O.G.	(1,506.60)	(2,906.60)
ACCOUNTS RECEIVABLE - OTHER	70,412.57	99,309.64
PREPAID EXPENSES	17,965.99	34,113.82
DEPOSITS AND OTHER ASSETS	15,713.74	15,835.37
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(157,559.17)	(617,971.73)
OTHER PAYABLES	(4,994.99)	(79,316.56)
DEFERRED INCOME	(942,099.56)	(2,160,877.33)
ADVANCE DEPOSITS - Exhibition Place B.O.G.	-	-
<b>NET CASH FROM OPERATIONS</b>	<b>192,117.69</b>	<b>810,483.43</b>
<b>OTHER SOURCES (USES) OF CASH</b>		
CAPITAL EXPENDITURES	-	-
PAYMENTS OF DEBT	-	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	-	(600,000.00)
<b>NET CASH FROM OTHER SOURCES</b>	<b>-</b>	<b>(600,000.00)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>192,117.69</b>	<b>210,483.43</b>
BEGINNING CASH BALANCE	394,013.61	375,647.87
<b>ENDING CASH BALANCE</b>	<b>586,131.30</b>	<b>586,131.30</b>

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 April 2001



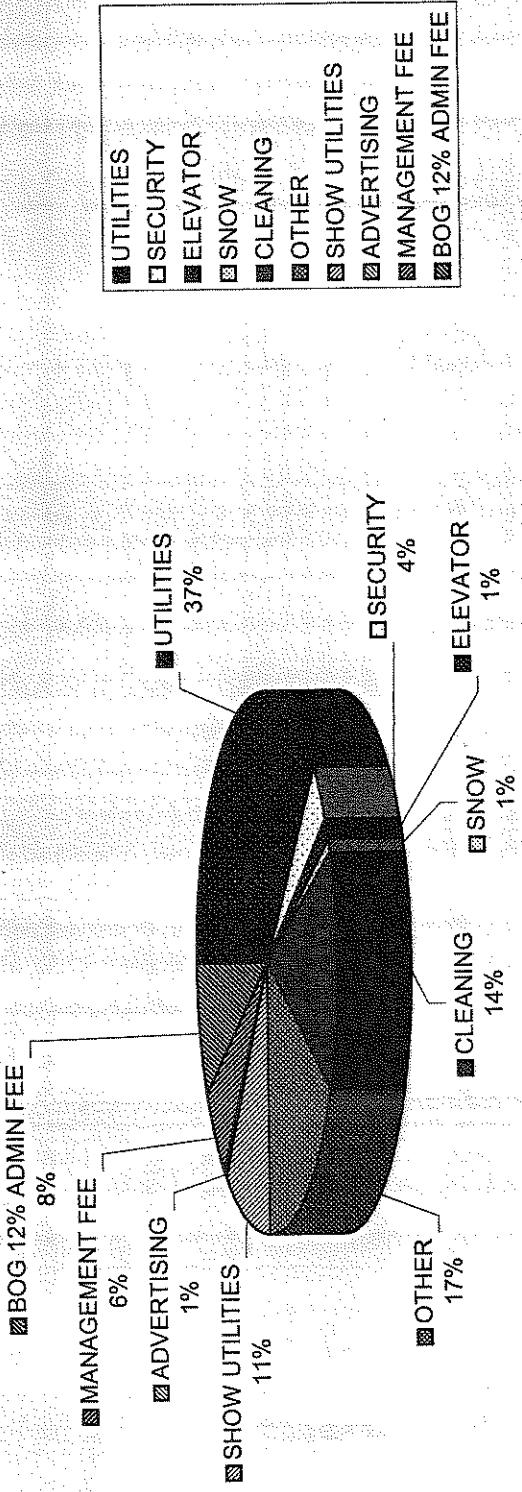
**THE NATIONAL TRADE CENTRE  
ACCOUNTS RECEIVABLE AGING**

AS AT APRIL 30, 2001

CUSTOMER NAME	AMOUNT OUTSTANDING	CURRENT	30 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	COMMENTS
<b>COMPLETED EVENTS</b>						
DMG WORLD MEDIA (CANADA) INC.	274,108.77	246,975.71	27,133.06			
CANADIAN NATL SPORTSMEN'S SHOWS	75,410.51	75,410.51				EVENT SERVICES PROVIDED DURING NATIONAL HOME SHOW - APR. 8/15
GES CANADA EXPOSITIONS	63,352.49	8,517.81	54,834.68			EVENT SERVICES PROVIDED DURING SPORTSMEN'S SHOW - MAR. 10/18
CANADIAN CRAFT SHOWS LTD. (SPRING)	43,526.38	43,526.38				VARIOUS SERVICES - JAN/APR. 2001 EVENTS
PARALLEL PRODUCTION SERVICES	39,813.30	22,500.24	17,313.06			EVENT SERVICES PROVIDED DURING SPRING CRAFT SHOW - MAR. 20/APR. 1
TORONTO INT'L QUARTERHORSE SHOW	35,982.69	32,915.71	3,066.98			VARIOUS SERVICES - FEB/APR. 2001 EVENTS RECD \$6,735.16 ON MAY 3/01
GREEK ORTHODOX CHURCH	12,622.44	12,622.44				EVENT SERVICES PROVIDED DURING QUARTERHORSE SHOW - MAR. 21/01
SHOPPERS DRUG MART	16,854.96	3,888.71	12,756.25			EVENT SERVICES PROVIDED - PAYMENT TO COME FROM INSURANCE COMPANY
CUSTOMER ACCOUNTS - LESS THAN \$10,000	121,806.32	71,918.22	26,082.72			EVENT SERVICES PROVIDED DURING SHOPPERS DRUG MART SHOW - FEB. 26, 2001
<b>SUB-TOTAL</b>	<b>683,277.86</b>	<b>438,977.51</b>	<b>207,719.72</b>	<b>12,756.25</b>	<b>23,824.38</b>	
<b>FUTURE EVENTS</b>						
REFED EXHIBITION COMPANIES	126,929.10	126,929.10				BUILDING RENT - CONN. MACHINE TOOL SHOW - OCT. 2001
CANADIAN CRAFT SHOWS LTD. (FALL)	87,543.92	87,543.92				BUILDING RENT - CHRISTMAS CRAFT SHOW - DEC. 2001
CANADIAN CRAFT SHOWS LTD. (SPRING)	34,131.08	34,131.08				BUILDING RENT - SPRING CRAFT SHOW - MAR. 2002
FREE LAND MARKETING INC.	34,098.71	19,098.50	12,733.00			BUILDING RENT - EVERYTHING ABOUT SEX - OCT. 2001 + ADD'L 2000 SERVICES
NATIONAL NATIONAL SPORTSMEN'S SHOW	15,380.88	15,380.88				BUILDING RENT - TORONTO SKI & SNOWBOARD SHOW - OCT. 2001
NATIONAL ADVERTISING BENEVOLENT SOCIETY	10,674.14	10,674.14				EVENT SERVICES TO BE PROVIDED FOR N.A.B.S. GALA DINNER - MAY 4
COLISEUM ENTERTAINMENT CORP.	9,854.86	3,199.85	1,161.44			LONG DISTANCE & TELECOM SERVICES 2000 + JAN/MAR 2001 REC'D \$3,199.85
<b>SUB-TOTAL</b>	<b>318,522.69</b>	<b>170,939.37</b>	<b>126,090.54</b>	<b>12,733.00</b>	<b>7,759.78</b>	
SERVOMATION	254,689.76	236,775.50	17,884.26			- CATERING COMMISSIONS FOR APRIL CONTRACTUALLY DUE MAY 25/2001
SERVO CANADA						CLEANING & UTILITIES FOR THE MONTH OF APRIL
<b>BOARD OF GOVERNORS</b>						
CANADIAN NATIONAL EXHIBITION ASSOC.	45,228.54	43,270.72	1,937.82			MOLSON INDY OIL SPONSORSHIP , MR. CHEMICAL SIGNING BONUS - VARIOUS SERVICES
EXHIBITION PLACE		43,270.72	1,937.82			
<b>SUB-TOTAL</b>	<b>45,228.54</b>	<b>43,270.72</b>	<b>1,937.82</b>			
<b>SPONSORSHIP</b>						
SPORTSWORLD EXPO PRODUCTIONS	19,099.50					9,549.75
<b>SUB-TOTAL</b>	<b>19,099.50</b>					<b>9,549.75</b>
LITIGATION / RECEIVERSHIP	1,200,898.35	889,063.10	335,662.34	35,039.00	41,133.91	
	100%	68%	26%	3%	3%	

SMG  
CANADA

## COMPONENTS OF DIRECT EXPENSE



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

Check No	Date	Amount	Description
11199	4/30/2001	82,517.16	HYDRO
11198	4/30/2001	143,140.86	PAYROLL DISBURSEMENT
11197	4/30/2001	98,538.84	PAYROLL DISBURSEMENT
11140	4/17/2001	98,953.60	WORK ORDERS
11139	4/17/2001	57,702.21	GAS
11138	4/11/2001	79,240.99	PAYROLL DISBURSEMENT
11137	4/11/2001	76,612.31	PAYROLL DISBURSEMENT
11127	4/4/2001	60,025.20	GAS
 <b>DISBURSEMENTS OVER \$50,000</b>			
<b>OTHER DISBURSEMENTS LESS THAN \$50,000</b>			
<b>TOTAL DISBURSEMENTS FOR APR 2001</b>			
		696,731.17	
		260,909.33	
		957,640.50	



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