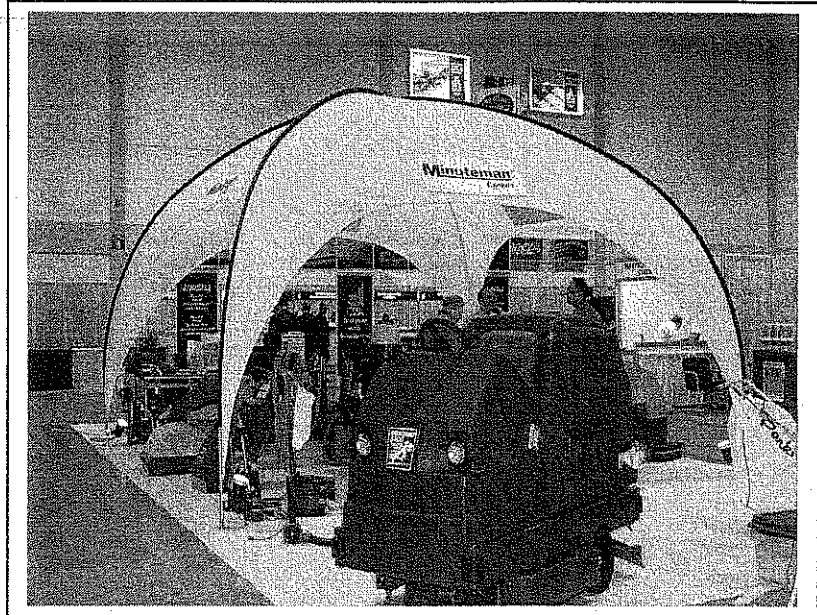


THE NATIONAL TRADE CENTRE  
MANAGEMENT REPORT

10

FOR THE MONTH ENDING  
MAY 2001



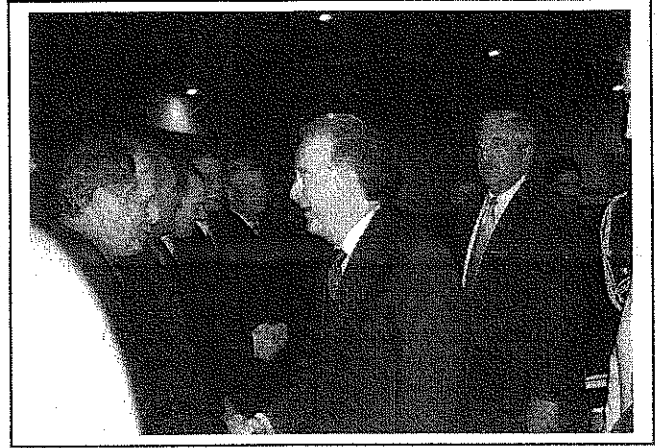
SIGNED BY:

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

**ERNEST VINCENT**  
GENERAL MANAGER/NTC

# MARKETING

During the month of May, The National Trade Centre hosted several new exciting meetings and events including Vaisakhi-Mela, No. 1 Sound Electronics Warehouse Sale, CUPE 4400 Meeting, CISCO Systems, RushCon, Toronto Bid Youth Gathering, Ararat Film Shoot and the Portuguese Presidential Reception. All these events were very successful.



Portuguese President Jorge Sampaio

## NEW BUSINESS

7 new 2001 events were contracted which increased our total to 27 new events for this year. The events are categorized as follows:

- 8 consumer shows
- 4 trade shows
- 9 special events/film/photo shoots
- 6 corporate bookings

Contracts were issued for an additional 5 new events

## UPCOMING BUSINESS TRAVEL

In June, Barbara Outschoorn and Ellen de Boer will attend the annual conference held by the Canadian Association of Exposition Management (C.A.E.M.) at the Deerhurst Resort in Huntsville, Ontario. This is a meeting at which many of the NTC's existing and potential clients will gather. A follow-up report will be included in the June summary.

## PUBLICITY

- On-site television media coverage on CITY TV, CP24, Channel 47, CTV
- Print media coverage included the Toronto Star, Toronto Sun, National Post and the Globe & Mail.
- The broadcaster Larry King was present on site for the Israel Bonds dinner.

# EVENT SERVICES

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

MAY	
<b>Trade</b>	<b>Exhibition Place Events</b>
<ul style="list-style-type: none"> <li>▪ Can Clean Trade Show</li> </ul>	<ul style="list-style-type: none"> <li>▪ Molson Indy</li> </ul>
<b>Consumer</b>	
<ul style="list-style-type: none"> <li>▪ Good Food Festival</li> <li>▪ Number 1 Sound Electronics Warehouse Sale</li> <li>▪ RushCon Tribute</li> <li>▪ People in Motion</li> </ul>	
<b>Other</b>	
<ul style="list-style-type: none"> <li>▪ Vaisakhi Mela Concert</li> <li>▪ Toronto Bid Youth Gathering</li> <li>▪ BAD Ride for Charity</li> <li>▪ CUPE Meeting</li> <li>▪ CISCO AWID</li> <li>▪ Mediacom (NABS)</li> </ul>	

- Good Food Festival had a very successful event this year with an increase in attendance of around 7%. Show management was very pleased with cleaning, electrical and plumbing services provided by the NTC.
- Short-term booking, Number 1 Sound Electronics Warehouse Sale, had a successful event in Hall E.
- RushCon Tribute had to be moved from the QE Theatre to Hall E as the client wished to reduce IATSE labour costs.
- Event and Facility coordination stepped up in May with the planning of the CHIN Picnic and move in of the Molson Indy.

## TELECOMMUNICATIONS

- The Telecommunications department moved the Backup Services that archive the entire Exhibition Place NT data pool onto an independent server. This change will allow for more fault tolerance as well as quicker, less bandwidth intrusive data archival on a daily basis. The Backup Services archive approximately 100 gigabytes of data daily.
- Telecommunications has been working with the City of Toronto IT department in order to speed up Exhibition Place internet access. Ann Vadakkan from the City of Toronto IT department was on premise to examine certain connectivity issues.

- Telecommunication is in the process of changing the complete telephony connectivity map in the Main PBX Telecommunications room. This change will enable quicker, easier deployment of services with less chance of service interruption for permanent clients. The changes will basically segregate temporary and permanent lines onto separate telecommunications interconnection fields.

## BUILDING OPERATIONS

Necessary building and equipment maintenance continued throughout May. The following major work is completed or is in progress:

- Safety edges on all dock sectional and rolling steel doors were inspected, adjusted and/or repaired; roof repairs in Hall E; concrete floor repairs completed in Hall D; exterior walkways were inspected and repaired where necessary.
- Under a Capital Works electrical program, the assembly of jumper cables, cam-lock cable ends were done in the floor ports throughout Halls A, B, C & D.
- Electrical staff completed pulling the main cables to feed the floor ports throughout Halls A, B, C & D. The upgrade of power from 30-amp 600 volt now provides 200 amp 600 volts or 208volt 3 phases. Previously to this new initiative, larger power had to be provided from the ceiling, and fed into the floor ports.
- Commenced installation of a plug system to accommodate high bay lights on columns throughout Halls A, B, C, & D. This initiative eliminates the use of temporary cable installation and additional manpower, thus increasing cable supplies that provide power to exhibitors.
- The sheet metal contractor installed access doors on the transformer and chiller rooms exhaust system to allow access to the automatic dampers for servicing.

## FINANCIALS

Net Operating Income for the five months ending May 31, 2001 was \$1,415,194 compared to a budget of \$1,709,077, a variance of (\$293,883).

- Rental income is unfavourable to budget by (\$440,842) at \$3,394,081, due to show shrinkage and softness in the market for new corporate events.
- Catering and concession commissions at \$764,891 fell short by (\$162,690), due to reduced new catered events and scheduling of new business.
- Electrical service at \$380,788 is unfavourable to budget by (\$122,747) 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 \$286,358 partly as a result of positive efforts to further control expenditures.

Accounts receivables at May 31, 2001 were \$733,088 consisting mainly of:

- \$88,197 of Food & Beverage Concessions is owed by Servo Canada contractually due on the 25<sup>th</sup> of the following month;
- \$153,742 owed as deposits for future events, of which \$118,408 was received in June.
- \$415,213 for services on completed events of which \$157,780 has been received in June.

## **SERVO-CANADA**

### **RETAIL SALES**

- Shows for the month included Can Clean, Good Foods Festival and Rushcon. All are very small with limited food and beverage opportunity. Commission's payable for the above shows for the month of May compared to last years were up for Can Clean, whereas the Good Food Festival and Rushcon stayed the same.

### **CATERING SALES**

- Catering for the month hosted some very successful events. Most importantly the visit of the Portuguese President attended by the local community. This event went very smooth and was a great shot in the arm during a typically slow month. It produced over \$13,000 of commission. Other events for the month included Ararat Productions for a film shoot, The Royal Regiment Annual Dinner and The Consul General of Belgium.

# APPENDIX "A"

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

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	14			48		
Direct Event Income	176,305.04	318,837.00	(142,531.96)	3,787,410.85	4,074,921.00	(287,510.15)
Ancillary Income	87,044.84	133,735.00	(46,690.16)	1,467,923.29	1,736,769.00	(268,845.71)
Advertising Income	20,543.00	26,464.00	(5,921.00)	97,693.00	109,731.00	(12,038.00)
CNE Recovery	283,892.88	479,036.00	(195,143.12)	5,353,027.14	5,921,421.00	(568,393.86)
<b>Total Event Income</b>						
Direct Expenses	257,192.63	343,203.00	86,010.37	2,405,665.16	2,475,050.00	69,384.84
Indirect Expenses	309,032.39	340,451.00	31,418.61	1,532,167.59	1,737,294.00	205,126.41
<b>Total Event Expenses</b>	566,225.02	683,654.00	117,428.98	3,937,832.75	4,212,344.00	274,511.25
<b>NET INCOME (LOSS)</b>	<b>(282,332.14)</b>	<b>(204,618.00)</b>	<b>(77,714.14)</b>	<b>1,415,194.39</b>	<b>1,709,077.00</b>	<b>(293,882.61)</b>
<b>EX PLACE PARKING ESTIMATE</b>						
PARKING INCOME	70,570.12	106,412.00	(35,841.88)	1,652,010.81	1,803,758.00	(151,747.19)
PARKING EXPENSE	14,819.73	22,346.18	7,526.45	346,922.27	378,789.18	31,866.91
<b>NET PARKING</b>	<b>55,750.39</b>	<b>84,065.82</b>	<b>(28,315.43)</b>	<b>1,305,088.54</b>	<b>1,424,968.82</b>	<b>(119,880.28)</b>

NOTE: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At May 31, 2001 the markup paid to Exhibition Place was a total of \$ 194,125.85 (\$ 156,981.65 expensed against direct event income and the balance of \$ 37,144.20 in direct expense)



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

	2000 YTD MAY ACTUAL	2001 YTD ACTUAL	2001 YTD BUDGET	2001 VARIANCE	VARIANCE TO YTD APR 2000 ACTUAL	%
Number of Events	48	48				0.0%
Direct Event Income	4,283,053.78	3,787,410.85	4,074,921.00	(287,510.15)	(495,642.93)	(11.6%)
Ancillary Income	1,728,154.41	1,487,923.29	1,736,769.00	(268,845.71)	(260,231.12)	(15.1%)
Advertising Income	122,601.95	97,693.00	109,731.00	(12,038.00)	(24,908.95)	(20.3%)
CNE Recovery						0.0%
<b>Total Event Income</b>	<b>6,133,810.14</b>	<b>5,353,027.14</b>	<b>5,921,421.00</b>	<b>(568,393.86)</b>	<b>(780,783.00)</b>	<b>(12.7%)</b>
Direct Expenses (Note 2)	2,409,322.14	2,405,665.16	2,475,850.00	69,384.84	3,656.98	0.2%
Indirect Expenses	1,598,030.19	1,532,167.59	1,737,294.00	205,126.41	65,862.60	4.1%
<b>Total Event Expenses</b>	<b>4,007,352.33</b>	<b>3,937,832.75</b>	<b>4,212,344.00</b>	<b>274,511.25</b>	<b>69,519.58</b>	<b>1.7%</b>
<b>NET INCOME (LOSS)</b>	<b>2,126,457.81</b>	<b>1,415,194.39</b>	<b>1,709,077.00</b>	<b>(293,882.61)</b>	<b>(711,263.42)</b>	<b>(33.4%)</b>
<b>EX PLACE PARKING ESTIMATE</b>						
PARKING INCOME	1,759,896.80	1,652,010.81	1,803,758.00	(151,747.19)	(107,885.99)	(6.1%)
PARKING EXPENSE	369,578.33	346,922.27	378,789.18	31,866.91	22,656.06	6.1%
<b>NET PARKING</b>	<b>1,390,318.47</b>	<b>1,305,088.54</b>	<b>1,424,968.82</b>	<b>(119,880.28)</b>	<b>(85,229.93)</b>	<b>(6.1%)</b>

Note: 1 Actuals include 12% markup paid to Exhibition Place on labour & materials. At May 31, 2001 the markup paid to Exhibition Place was a total of \$ 194,125.85 (\$ 156,981.65 expensed against direct event income and the balance of \$ 37,144.20 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 MAY 2001

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note: 1]	48,970	828,123	814,872

<u>EVENT</u>	<u># OF PERFORMANCES</u>		<u>NET EVENT INCOME [Note: 3]</u>		<u>REFRESHMENT PER CAP'S</u>
	<u>2001</u>	<u>2000</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL [Note: 2]</u>
Consumers Show	22	25	23	3,684	3.21
Trade Show	5	6	7	1,089	8.73
Concert	1	1	1	57	-
Photo/Film Shoot	2	2	1	31	36.93
Meeting/Corporate	18	14	7	53	20.88
	<u>48</u>	<u>48</u>	<u>39</u>	<u>4,364</u>	
				<u>4,827</u>	

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 MAY 31, 2001

ASSETS	2001	2000
<b>CURRENT ASSETS</b>		
CASH	540,832.45	618,595.55
ADVANCE TO EX PLACE	250,000.00	250,000.00
TERM INVESTMENTS	2,100,000.00	2,950,000.00
AMERICAN EXPRESS	472.19	43,243.33
TRADE ACCOUNTS RECEIVABLE	733,088.29	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(14,628.36)</u>	
NET ACCOUNTS RECEIVABLE	718,459.93	549,988.72
RECEIVABLE FROM EX PLACE		552.45
OTHER RECEIVABLE	32,731.68	135,240.67
PREPAID EXPENSES	90,952.36	80,119.03
<b>TOTAL CURRENT ASSETS</b>	<u>3,733,448.61</u>	<u>4,627,739.75</u>
<b>FIXED ASSETS</b>		
EQUIPMENT - NET	154,726.02	160,711.80
<b>TOTAL ASSETS</b>	<u><u>3,888,174.63</u></u>	<u><u>4,788,451.55</u></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
ACCRUED LIABILITIES	804,406.36	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	61,305.13	
DEFERRED REVENUE	<u>1,555,469.81</u>	2,421,181.30
<b>EQUITY</b>		2,661,983.74
NET INCOME (LOSS) CURRENT	1,415,194.39	2,126,457.81
PRIOR YEAR PSAB ADJUSTMENT	51,798.94	
PRIOR YEAR SURPLUS	2,209,850.24	
DISTRIBUTION TO EXHIBITION PLACE	<u>(2,209,850.24)</u>	
	<u><u>3,888,174.63</u></u>	<u><u>4,788,451.55</u></u>



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

	MONTH	YTD
<b>CASH FLOW FROM OPERATIONS</b>		
NET INCOME (LOSS)	(282,332.14)	1,415,194.39
ADD: EMPLOYEE BENEFITS - VACATION/SICK		257,773.49
<b>SOURCES (USES) OF CASH</b>		
TERM INVESTMENTS	1,700,000.00	2,300,000.00
ACCOUNTS RECEIVABLE - TRADE	587,810.06	1,554,806.86
RECEIVABLE FROM EX PLACE B.O.G	2,906.60	
ACCOUNTS RECEIVABLE - OTHER	86,467.18	185,776.82
PREPAID EXPENSES	7,747.88	41,861.70
DEPOSITS AND OTHER ASSETS	2,744.87	18,580.24
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(880,178.92)	(1,498,150.65)
OTHER PAYABLES	(10,661.04)	(89,977.60)
DEFERRED INCOME	350,046.90	(1,810,830.43)
ADVANCE DEPOSITS - Exhibition Place B.O.G		
<b>NET CASH FROM OPERATIONS</b>	<b>1,564,551.39</b>	<b>2,375,034.82</b>
<b>OTHER SOURCES (USES) OF CASH</b>		
CAPITAL EXPENDITURES		
PAYMENTS OF DEBT		
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	(1,609,850.24)	(2,209,850.24)
<b>NET CASH FROM OTHER SOURCES</b>	<b>(1,609,850.24)</b>	<b>(2,209,850.24)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(45,298.85)</b>	<b>165,184.58</b>
<b>BEGINNING CASH BALANCE</b>	<b>586,131.30</b>	<b>375,647.87</b>
<b>ENDING CASH BALANCE</b>	<b>540,832.45</b>	<b>540,832.45</b>



THE NATIONAL TRADE CENTRE  
ACCOUNTS RECEIVABLE AGING

AS AT MAY 31, 2001

CUSTOMER NAME	AMOUNT OUTSTANDING	CURRENT	30 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	COMMENTS
<b>COMPLETED EVENTS</b>						
CANADIAN NAT'L SPORTSMEN'S SHOWS	75,327.85	-11,305.09	75,327.85			PAID IN FULL
GES CANADA EXPOSITIONS	60,528.61	9,600.88	9,600.88	39,622.64		VARIOUS SERVICES - MARCH/MAY 2001 EVENTS
PARALLEL PRODUCTION SERVICES	80,766.22	57,464.50	23,301.72			VARIOUS SERVICES - MARCH/MAY 2001 EVENTS REC'D \$68,078.26 ON JUNE 9/01
TORONTO INT'L QUARTERHORSE SHOW	31,482.69		31,482.69			EVENT SERVICES PROVIDED DURING QUARTERHORSE SHOW - MAR. 21-26 - MET WITH SHOW MANAGEMENT MAY 23, 2001. BALANCE TO BE PAID IN FULL THROUGH MONTHLY INSTALLMENTS BY SEPTEMBER 5, 2001.
GREEK COMMUNITY OF METRO TORONTO	14,373.31	14,373.31				PAID IN FULL
ROYAL AGRICULTURAL WINTER FAIR	14,014.74	9,810.52	1,382.65		2,821.57	UTILITIES & CLEANING JAN-MAY 2001 + BALANCE OF 2000 CHARGES
CUSTOMER ACCOUNTS - LESS THAN \$10,000	138,719.81	86,511.71	33,513.52		18,694.58	
<b>SUB-TOTAL</b>	<b>415,213.23</b>	<b>179,465.13</b>	<b>174,609.31</b>	<b>39,622.64</b>	<b>21,516.15</b>	
<b>FUTURE EVENTS</b>						
STATE OF ISRAEL BOND FUNDRAISER	100,648.11	100,648.11				PAID IN FULL
FREE LAND MARKETING INC.	19,099.50	19,099.50				BUILDING RENT - EVERYTHING ABOUT SEX SHOW - OCT. 2001
ASSOC. FOR INVESTMENT MANAGERS	17,759.92	17,759.92				PAID IN FULL
SHOWFEST PRODUCTIONS INC.	16,234.58	16,234.58				BUILDING RENT - COMPUTERFEST & IMAC EXPO - SEPT. 2001
<b>SUB-TOTAL</b>	<b>153,742.11</b>	<b>153,742.11</b>				
<b>SERVOMATION</b>						
SERVO CANADA	88,196.86	70,853.98	17,342.68			CATERING COMMISSIONS FOR MAY CONTRACTUALLY DUE JUNE 25/2001
<b>BOARD OF GOVERNORS</b>						
CANADIAN NATIONAL EXHIBITION ASSOC.	56,836.79	14,835.25	42,001.54			CLEANING & UTILITIES FOR THE MONTH OF MAY
EXHIBITION PLACE						
<b>SUB-TOTAL</b>	<b>56,836.79</b>	<b>14,835.25</b>	<b>42,001.54</b>			MOLSON INDY OIL SPONSORSHIP, MR. CHEMICAL SIGNING BONUS + VARIOUS SERVICES
<b>SPONSORSHIP</b>						
<b>LITIGATION / RECEIVERSHIP</b>						
SPORTSWORLD EXPO PRODUCTIONS	19,099.50				19,099.50	BUILDING RENTAL FEE FOR CANCELLED APRIL 2001 EVENT - CURRENTLY IN COLLECTIONS
<b>SUB-TOTAL</b>	<b>19,099.50</b>				<b>19,099.50</b>	
	<b>733,988.29</b>	<b>418,696.47</b>	<b>233,953.53</b>	<b>39,622.64</b>	<b>40,615.65</b>	
	100%	57%	32%	5%	6%	



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

Check No	Date	Amount	DESCRIPTION
11356	5/28/2001	66,101.24	PAYROLL DISBURSEMENT
11355	5/28/2001	57,890.08	PAYROLL DISBURSEMENT
11353	5/25/2001	258,021.00	2000 INCENTIVE FEES
11352	5/24/2001	85,100.12	PAYROLL DISBURSEMENT
11351	5/24/2001	70,335.54	HYDRO - APRIL
11318	5/18/2001	1,609,850.24	2000 SURPLUS PAYMENT
11294	5/16/2001	61,561.40	CLEANING SUPPLIES
11255	5/9/2001	71,128.97	WORK ORDERS - APRIL
11250	5/8/2001	136,962.60	PAYROLL DISBURSEMENT
11249	5/8/2001	65,641.52	PAYROLL DISBURSEMENT
11243	5/3/2001	90,073.83	PAYROLL DISBURSEMENT
11242	5/3/2001	73,871.72	PAYROLL DISBURSEMENT
		<b>2,646,538.26</b>	
		<b>402,630.85</b>	
		<b>3,049,169.11</b>	
			<b>DISBURSEMENTS OVER \$50,000</b>
			<b>OTHER DISBURSEMENTS LESS THAN \$50,000</b>
			<b>TOTAL DISBURSEMENTS FOR MAY 2001</b>

