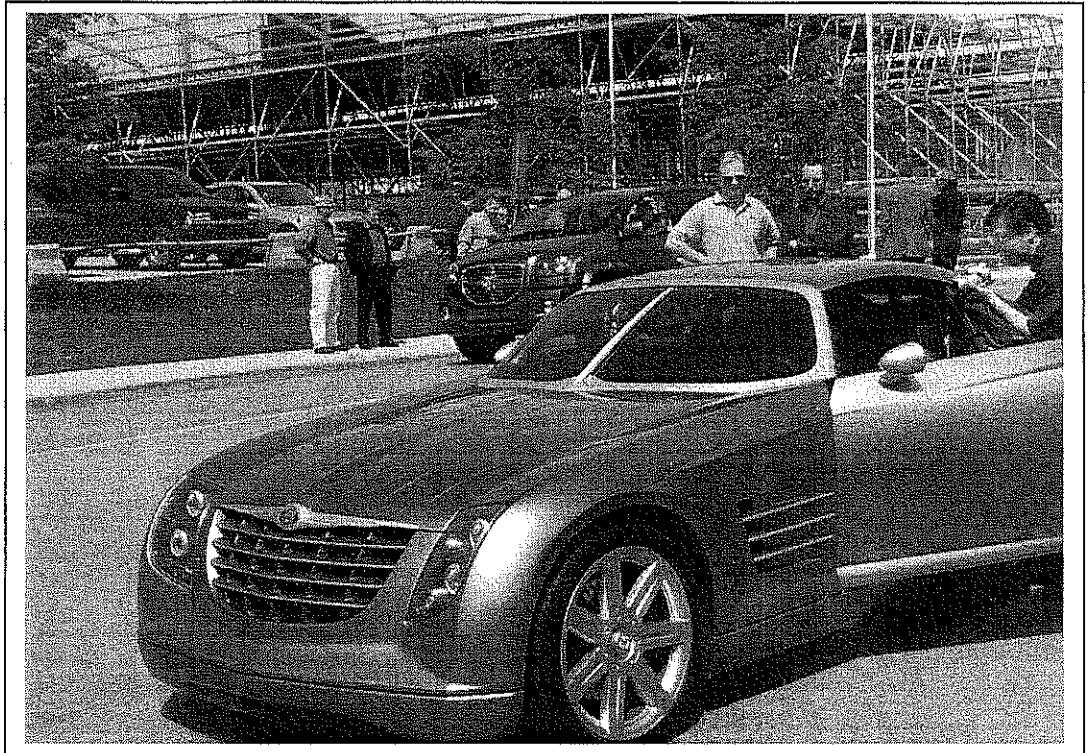


THE NATIONAL TRADE CENTRE  
MANAGEMENT REPORT

7



FOR THE MONTH ENDING  
MAY 31, 2002



Daimler Chrysler Ride & Drive Event

**SUBMITTED BY:**

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

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

# SALES & MARKETING

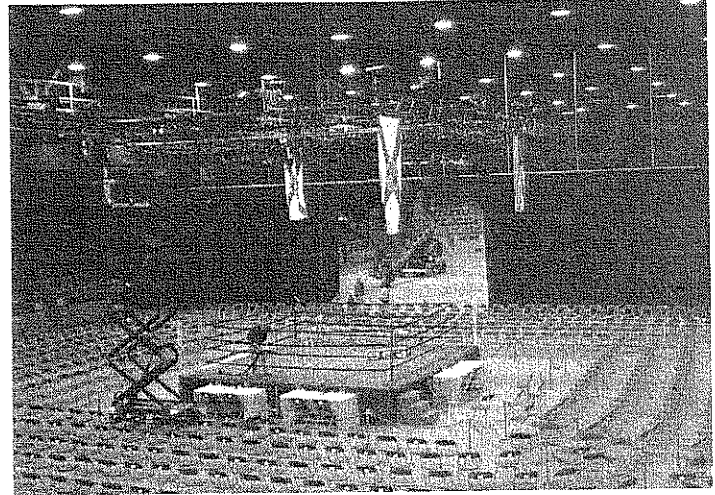
## MAY SALES ACTIVITY

Results of our May sales efforts are as follows:

- 3 new 2002 events were contracted this month thereby increasing our total to 43 new events for 2002.

The events are categorized as follows:

- 7 consumer shows
- 7 trade shows
- 12 special events/film/photo shoots
- 17 corporate bookings/meetings/misc.



Set-up for "Against the Ropes" Film Shoot

- 3 license agreements have been issued to clients for new 2002 events.
- 2 license agreements have been issued to clients for new 2003 events

## PUBLICITY

Events held during the month of May received media coverage including CITY TV, CTV, CBC, CFMT, the Toronto Star, Toronto Sun and the Globe & Mail.

## EVENT SERVICES

During the month of May of 2002, Event & Facility Co-ordinators at The National Trade Centre were involved in the following events:

MAY	
National Trade Centre Events	Exhibition Place Events
<b>Trade</b>	<b>Other</b>
<ul style="list-style-type: none"> <li>• Can Clean</li> <li>• Traders Forum</li> </ul>	<ul style="list-style-type: none"> <li>• Big Brothers &amp; Sisters</li> <li>• Princess Margaret Hospital Fundraiser</li> </ul>
<b>Consumer</b>	
<ul style="list-style-type: none"> <li>• Good Food Festival</li> <li>• Toronto District &amp; Area School Board Spring Library Book Fair</li> <li>• Arena Cross</li> <li>• The Clothing Show</li> <li>• Caribbean Music Expo</li> <li>• People in Motion</li> </ul>	

Other	
<ul style="list-style-type: none"> <li>• Against the Ropes Film Shoot</li> <li>• World Youth Days Group Assembly</li> <li>• Arato Meeting</li> <li>• Mount Sinai Fundraiser</li> <li>• Daimler Chrysler Ride &amp; Drive</li> <li>• Diversity Job Fair</li> </ul>	

## EVENTS

- Traders Forum reported a good attendance and wishes to expand in 2003. Arena Cross, however, had extremely low attendance. Can Clean was very happy with their show and services provided by The NTC. Good Food Festival had anticipated attendance but were concerned about cleaning services provided.

## TELECOMMUNICATIONS

Telecommunications services for the month of May:

- Set up Casino Training School lines in BLC.
- Set up one set in the Queen Elizabeth and General Services Buildings
- Set up Offices in QE theatre for World Youth Days Office.
- Coordinated with Bell Canada to provide information for routing and deployment for Hall D media services for the World Youth Days. Worked with Adflow on deployment of Video kiosks throughout the NTC.

## BUILDING OPERATIONS

- The Operations department continues to schedule manpower and ensure delivery of utility services to all shows during the month of May.
- Building power improvements have focused on the Automotive Building this month and improvements to washroom fixtures through the ANGUS scheduled maintenance was initiated. The Automotive Air Conditioning project continues.
- Johnson Controls are in the process of completing the installation of the electrical/HVAC equipment controls.
- Mechanical equipment and ductwork progress continues.
- Scheduled building maintenance is ongoing and scheduled floor port hardware upgrades to resolve safety concerns.

## FACILITY SERVICES

- The facility service department continued to provide estimates for various summer events. Scheduled maintenance was performed on the facility and equipment as per the Angus Preventative Maintenance Program.
- Exterior landscaping remained a priority throughout May with the addition of plants and shrubs. A 12 month interior plant / flower program will be incorporated in June throughout the Galleria.
- Staff underwent Health & Safety training at the General Services building.

## FINANCIALS

Net Operating Income for the five months ending April 30, 2002 was \$1,518,214 compared to a budget of \$1,429,648 a favourable variance of \$88,565.

- Rental income at \$3,679,735 is unfavourable to budget by (104,751) due to the cancellation of the Toronto International Quarterhorse Show and timing of new business.
- Electrical services of \$295,126 have fallen below budget. The reason for this is a reduced demand from exhibitors at certain show for this service as well as higher costs to deliver the service for the Boat Show, Canadian Hardware and Building Materials Show and the Toronto Sportsmen's Show. Staff is addressing these issues and improvements are being anticipated for the next quarter.
- Direct and indirect expenses are favourable to budget by \$283,184 partly as a result of lower utilities cost and minimal snow cleaning.

Accounts receivables at May 31, 2002 were \$1,319,684 consisting mainly of:

- \$623,393 for services on completed events of which \$68,920 has been received by June 13, 2002
- \$179,994 owed as deposits for future events of which \$34,468 has been received by June 14, 2002.
- \$100,674 of inter-program settlements, \$19,674 for event support services to Exhibition Place, \$81,000 for sponsorship monies billed by Exhibition Place for the NTC.
- \$99,386 of Food & Beverage Concessions is owed by Servo Canada contractually due on the 25<sup>th</sup> of the following month.

### CONFERENCE

On May 16, 2002 the Director of Finance and Associate General Manager participated as a facilitator with 45 other chartered accountants who are leaders in public practice, industry, government, at a one day conference for 400 top high school students in the GTA. The conference was organized by the Institute of Chartered Accountants of Ontario.

## SERVO-CANADA

### RETAIL DEPARTMENT

- The Consumer and Trade show season went into the 'summer' mode this month. Shows included Can Clean, Traders Forum, Arena Cross, The Clothing Show and People in Motion. Shows performed well although all were relatively small when compared to our major shows.

### CATERING DEPARTMENT

- MODE catering had the opportunity this month to do one off-premise reception as well as numerous on-premise events. The off-premise event was at the Steam Whistle Brewery and on-premise events included the Chrysler Ride & Drive as well as The Mount Sinai Fundraiser in which we teamed with GMB Caterers on the Kosher Food. We also had the opportunity to work with The Liberty Grand on a team up for a benefit for the Toronto Parks and Trees Foundation.

# APPENDIX "A"

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

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	11	2	9	49	20	29
Direct Event Income	244,108.23	221,527.00	22,581.23	3,909,309.99	3,968,985.77	(59,675.78)
Ancillary Income	125,251.39	109,001.00	16,250.39	1,303,086.04	1,461,440.11	(158,354.07)
Advertising Income	23,756.48	26,464.00	(2,707.52)	133,142.79	109,731.00	23,411.79
CNE Recovery	-	-	-	-	-	-
<b>Total Event Income</b>	<b>393,116.10</b>	<b>356,992.00</b>	<b>36,124.10</b>	<b>5,345,538.82</b>	<b>5,540,156.88</b>	<b>(194,618.06)</b>
Direct Expenses	331,159.04	331,410.00	250.96	2,215,147.63	2,416,920.50	201,772.87
Indirect Expenses	370,693.14	335,167.00	(35,526.14)	1,612,177.37	1,693,588.00	81,410.63
<b>Total Event Expenses</b>	<b>701,852.18</b>	<b>666,577.00</b>	<b>(35,275.18)</b>	<b>3,827,325.00</b>	<b>4,110,508.50</b>	<b>283,183.50</b>
<b>NET INCOME (LOSS)</b>	<b>(308,736.08)</b>	<b>(309,585.00)</b>	<b>848.92</b>	<b>1,518,213.82</b>	<b>1,429,648.38</b>	<b>88,565.44</b>

NOTE: 1

Actuals include 12% markup paid to Exhibition Place on labour and materials. At May 31, 2002 the markup paid to Exhibition Place was a to \$ 201,948.64 (\$170,286.20 expensed against direct event income and the balance of \$31,662.44 in direct expense)



**THE NATIONAL TRADE CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
AS AT MAY 31, 2002 with COMPARISON TO MAY 2001**

	2001 YTD MAY ACTUAL	2002 YTD ACTUAL	2002 YTD BUDGET	2002 VARIANCE	VARIANCE TO YTD MAY 2001 ACTUAL	%
Number of Events	48	49	20	(29)	1	2.1%
Direct Event Income	3,787,410.85	3,909,309.99	3,968,985.77	(59,675.78)	121,899.14	3.2%
Ancillary Income	1,467,923.29	1,303,086.04	1,461,440.11	(158,354.07)	(164,837.25)	(11.2%)
Advertising Income	97,693.00	133,142.79	109,731.00	23,411.79	35,449.79	36.3%
CNE Recovery	5,353,027.14	5,345,538.82	5,540,156.88	(194,618.06)	(7,488.32)	(0.1%)
<b>Total Event Income</b>	<b>10,746,157.58</b>	<b>11,701,177.61</b>	<b>11,089,944.76</b>	<b>611,232.85</b>	<b>614,761.36</b>	<b>5.7%</b>
Direct Expenses	2,405,665.16	2,215,147.63	2,416,920.50	201,772.87	190,517.53	7.9%
Indirect Expenses	1,532,167.59	1,612,177.37	1,693,588.00	81,410.63	(80,009.78)	(5.2%)
<b>Total Event Expenses</b>	<b>3,937,832.75</b>	<b>3,827,325.00</b>	<b>4,110,508.50</b>	<b>283,183.50</b>	<b>110,507.75</b>	<b>2.8%</b>
<b>NET INCOME (LOSS)</b>	<b>1,415,194.39</b>	<b>1,518,213.82</b>	<b>1,429,648.38</b>	<b>88,565.44</b>	<b>103,019.43</b>	<b>7.3%</b>

Actuals include 12% markup paid to Exhibition Place on labour and materials. At May 31, 2002 the markup paid to Exhibition Place was a to  
\$ 201,948.64 (\$170,286.20 expensed against direct event income and the balance of \$31,662.44 in direct expense)

Note: 1

**THE NATIONAL TRADE CENTRE  
EVENT STATISTICS**

FOR THE MONTH OF MAY 2002

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note: 1]	49,694	868,814	828,123

<u>EVENT</u>	<u>ACTUAL # OF PERFORMANCES</u>		<u>(IN THOUSANDS)</u>		<u>REFRESHMENT PER CAP'S ACTUAL [Note: 2]</u>
	<u>2002</u>	<u>2001</u>	<u>ACTUAL</u>	<u>BUDGET</u>	
Consumers Show	23	22	25	3,761	3.35
Trade Show	4	5	6	496	4.03
Concert	1	1	1	15	5.88
Photo/Film Shoot	2	2	2	57	6.47
Meeting/Corporate	19	18	14	134	5.91
	<u>49</u>	<u>48</u>	<u>48</u>	<u>4,379</u>	<u>4,503</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, 2002**

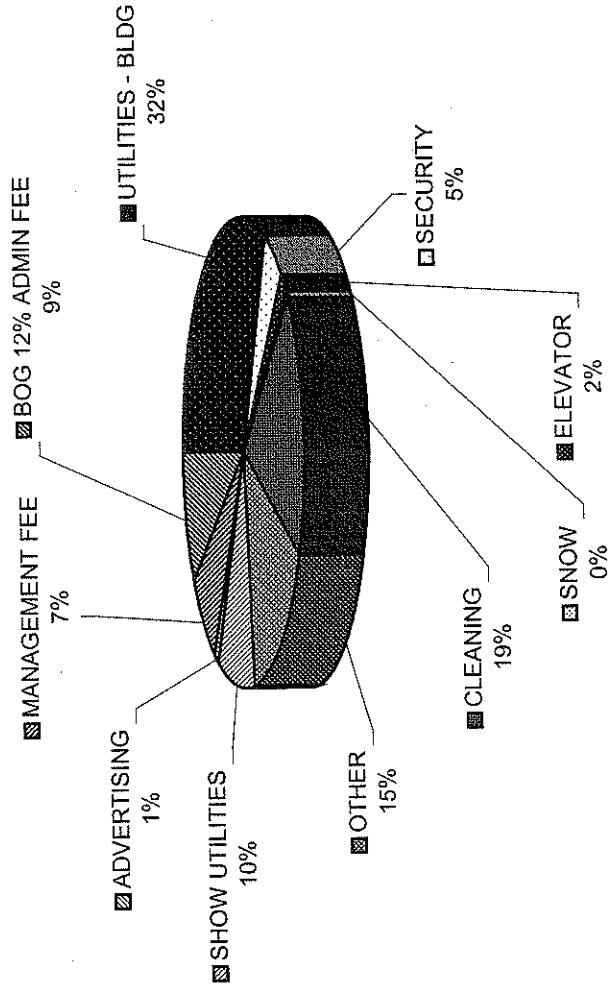
<b>ASSETS</b>	<u>2002</u>	<u>2001</u>
<b>CURRENT ASSETS</b>		
CASH	500,420.69	540,832.45
ADVANCE TO EX PLACE	250,000.00	250,000.00
TERM INVESTMENTS	2,450,000.00	2,100,000.00
AMERICAN EXPRESS	(0.00)	472.19
TRADE ACCOUNTS RECEIVABLE	1,139,683.84	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(19,449.23)</u>	
NET ACCOUNTS RECEIVABLE	1,120,234.61	718,459.93
RECEIVABLE FROM EX PLACE	56,680.07	
OTHER RECEIVABLE	119,739.41	32,731.68
PREPAID EXPENSES	<u>40,777.81</u>	<u>90,952.36</u>
<b>TOTAL CURRENT ASSETS</b>	<u>4,537,852.59</u>	<u>3,733,448.61</u>
<b>FIXED ASSETS</b>		
EQUIPMENT - NET	95,292.48	154,726.02
<b>TOTAL ASSETS</b>	<u><u>4,633,145.07</u></u>	<u><u>3,888,174.63</u></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
ACCRUED LIABILITIES	1,505,546.09	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	48,549.23	
DEFERRED REVENUE	<u>1,770,597.20</u>	<u>2,421,181.30</u>
<b>EQUITY</b>		
NET INCOME (LOSS) CURRENT	1,518,213.82	1,415,194.39
PRIOR YEAR PSAB ADJUSTMENT	(209,761.26)	51,798.94
PRIOR YEAR SURPLUS	1,811,909.44	
DISTRIBUTION TO EXHIBITION PLACE	<u>(1,811,909.44)</u>	
	<u>4,633,145.08</u>	<u>3,888,174.63</u>



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

	MONTH	YTD
<b>CASH FLOW FROM OPERATIONS</b>		
NET INCOME (LOSS)	(308,736.08)	1,518,213.82
ADD: EMPLOYEE BENEFITS - VACATION/SICK	-	-
<b>SOURCES (USES) OF CASH</b>		
TERM INVESTMENTS	300,000.00	1,850,000.00
ACCOUNTS RECEIVABLE - TRADE	178,584.08	468,486.45
RECEIVABLE FROM EX PLACE B.O.G	(12,136.88)	(56,680.07)
ACCOUNTS RECEIVABLE - OTHER	3,801.59	23,303.93
PREPAID EXPENSES	(13,252.62)	14,933.70
DEPOSITS AND OTHER ASSETS	7,242.27	22,921.75
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(504,448.07)	(349,369.79)
OTHER PAYABLES	(33,582.12)	(38,492.97)
DEFERRED INCOME	97,714.24	(1,971,415.82)
ADVANCE DEPOSITS - Exhibition Place B.O.G	-	-
<b>NET CASH FROM OPERATIONS</b>	<b>(284,813.59)</b>	<b>1,481,901.00</b>
<b>OTHER SOURCES (USES) OF CASH</b>		
CAPITAL EXPENDITURES	-	-
PAYMENTS OF DEBT	-	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	-	(1,819,603.15)
<b>NET CASH FROM OTHER SOURCES</b>	<b>-</b>	<b>(1,819,603.15)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(284,813.59)</b>	<b>(337,702.15)</b>
BEGINNING CASH BALANCE	785,234.29	838,122.85
<b>ENDING CASH BALANCE</b>	<b>500,420.70</b>	<b>500,420.70</b>

**COMPONENTS OF DIRECT EXPENSE  
YTD MAY, 2002**



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

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

Check No	Date	Amount	DESCRIPTION
12877	5/30/02	135,562.71	THE BOARD OF GOVERNORS OF EXHIBITION PLACE APRIL 6 & 20 SALARIES
12844	5/27/02	50,675.79	CITY OF TORONTO
12834	5/25/02	82,207.11	THE BOARD OF GOVERNORS OF EXHIBITION PLACE APRIL HYDRO CONSUMPTION
12833	5/17/02	62,644.67	O&Y SMG CANADA APRIL PAYROLL
12815	5/16/02	134,972.16	THE BOARD OF GOVERNORS OF EXHIBITION PLACE APRIL 20 & 27 WEEKLY PAYROLL
12814	5/16/02	143,218.23	THE BOARD OF GOVERNORS OF EXHIBITION PLACE APRIL 13 & MAY 4 WEEKLY PAYROLL
12785	5/16/02	131,172.62	THE BOARD OF GOVERNORS OF EXHIBITION PLACE MAR.9 & 23 SALARIES
12782	5/13/02	131,513.85	THE BOARD OF GOVERNORS OF EXHIBITION PLACE FEB.9 & 23 SALARIES
12781	5/13/02	131,171.52	THE BOARD OF GOVERNORS OF EXHIBITION PLACE JAN.12 & 26 SALARIES
12738	5/7/02	73,426.91	THE BOARD OF GOVERNORS OF EXHIBITION PLACE APRIL WORK ORDERS
			<b>DISBURSEMENTS OVER \$50,000</b>
			1,076,565.57
			<b>OTHER DISBURSEMENTS LESS THAN \$50,000</b>
			402,630.85
			<b>TOTAL DISBURSEMENTS FOR MAY 2002</b>
			<u>1,514,449.64</u>



