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Management Report – April 2007

Executive Summary

- Net Operating Loss for BMO Field for the month ending April 30, 2007 was \$141K compared to a budget of \$213K for a favourable variance of \$72K.
- Food and Beverage revenues were \$75K, or 71%, higher than budget during the month of April.
- For the same period, merchandise revenues were \$10K higher than budget.
- Working closely with PCL we have worked out most of the major deficiencies and have acquired training on all of the equipment within the facility

April 2007 Financials

Net Operating loss for BMO Field for the month ending April 30, 2007 was \$141K compared to a budget of \$213K for a favourable variance of \$72K.

- Food and Beverage revenues were \$75K or 71% higher than budget. These revenues related to the first Toronto FC game on April 28th which had higher attendance figures and higher per cap sales than anticipated. Attendance was budgeted at 14,500 and actual attendance was 19,785, while Food & Beverage per cap was budgeted at \$7.00 and actual per cap was \$11.06. The Food and Beverage revenues also included sales relating to the mock event on April 25th. Although the 4,500 attendees received a \$12 food voucher there were also cash sales – relating primarily to beverages
- Merchandise revenues were \$10K higher than budget. Once again the increased revenues related to higher attendance and higher per cap sales than anticipated. Per cap was budgeted at \$1.50 while the actual number was \$6.32.
- Suites revenues were \$17K or 36% higher than budget. The original budget anticipated 70% of the suites to be sold, however the suites have been completely sold out.
- Event Rentals and Usage revenues were \$11K or 52% higher than budget. This revenue includes CRF (Capital Restoration Fund) which was higher than anticipated due to higher attendance figures and a more favourable allocation to the stadium than anticipated.
- Royalty expense was \$30K higher than budget. This revenue relates to the Food and Beverage royalty to Toronto FC. This was higher than anticipated due to increased attendees and an incorrect assumption when the budget was established.
- Part time labour was \$24K higher than budget as a result of training requirements and additional hours required for the setup of the stadium prior to the opening.
- Accounts Receivable for the month ending April 30, 2007 was \$393K. This amount relates to 7 outstanding suite payments. Two of these have subsequently been collected. Collection of the remaining amounts is not expected to be a problem. Miscellaneous Receivable for the month ending April 30, 2007 was \$86K. This amount relates to MLSEL settlement, collection will not be a problem.

Supplementary Information

Event Management Services

During the month of April 2007, Event Co-ordinators were involved in the following events:

APRIL	
Sporting Events	Other Events
<ul style="list-style-type: none">▪ Toronto FC Open House Broadcast – Wednesday April 25th (Attendance: 4,500)▪ Toronto FC Home Opener – Saturday, April 28th (Attendance: 20,148)	<ul style="list-style-type: none">▪ No Other Events held in April, 2007

For the month of April 2007, the event management staff was focused on the successful launch of Toronto FC and the opening of BMO Field. Any requests for other events, such as field rentals and corporate bookings were scheduled for May 2007.

Parking Logistics

BMO Field Management worked with Exhibition Place Parking Services to ensure improvements were made to improve the waiting time to exit the Exhibition Place grounds after soccer games at BMO Field. Large volumes of cars parked in addition to pedestrian traffic exiting stadium on south side caused delays of up to two hours to exit the stadium for paying fans.

Gabe Mullan and his team should be commended for their sense of urgency in addressing this problem. Gabe has worked closely with the city, his staff, and BMO Field staff in finding a solution to this problem. Wait times have consistently decreased on a game by game basis to the point where the wait time is now one hour post-game and it continues to improve.

Building Operations

On April 1st, MLSE took possession of the first soccer specific stadium in Canada. Over the course of April, we received over \$1.3 million dollars of items to outfit the stadium for operation. We successfully moved all Toronto FC and BMO Field staff in to a fully functional office and a Soccer team into a high-end, fully equipped facility.

Working closely with PCL we have worked out most of the major deficiencies and have acquired training on all of the equipment within the facility.

Service Stars

Multiple examples of positive feedback have been received for the team at BMO field. The stadium has been well received in the public, in the media, and by the team. This month's service stars are really dedicated to the team at BMO Field as well as all the supporting services at

Exhibition Place. This was truly a team effort between the BMO Field team and all of the labour providers and the management team at Exhibition Place.

On behalf of the team at BMO Field, we thank you for your sense of teamwork and helping us ensure a smooth successful launch was implemented.

A special thank you to Ron Mills, Mike DiMaso, and Sandy Douglas for their assistance in ensuring that we were provided with a clean building for the opening by providing us with a large amount of cleaning staff on a last minute request basis.

Food & Beverage and Merchandise Summary

Food and Beverage

The primary focus for the month was on launching the Food & Beverage program at BMO Field. Our activities revolved around commissioning equipment, hiring and training over 250 new F&B staff, offering over 4,500 fans a chance to sample the menu items at our Mock event on April 25th and the Opening TFC game on April 28th.

Sales for the Opening event in April were just over \$181K. Top sellers as expected were Beer, Pizza and Hot Dogs. From our International selections the Chip Butty and Scotch Egg were top sellers. The Carlsberg Patio and BBQ's have been fan favorites as well with the Foot Long Hot Dog being the number one item. Ongoing operational activities will focus on improving efficiencies, customer service and safe and responsible alcohol service.

Merchandise

The launch of Toronto FC merchandise at BMO Field shattered all Major League Soccer Merchandise Records. Merchandise per caps were almost 6\$ a head for gross sales of 120K at our first game. As a point of comparison, a strong Toronto Maple Leafs per cap night would be in the \$4-\$5 range at Air Canada Centre. The response to this team has been overwhelming and has kept Adidas busy as they continue to strive to keep us stocked up for inventory for Toronto FC. Top selling items were the Toronto FC authentic jerseys followed by the replica jerseys and then various apparel items.

Submitted by:

Marc Petitpas
General Manager, BMO Field/Ricoh Coliseum

BMO Field
Balance Sheet
as at April 30, 2007

	YTD
ASSETS	
Current Assets	
Cash	\$1,004,425.98
Accounts Receivable	393,100.00
Miscellaneous Receivable	86,242.54
Prepaid, Deposits	1,526.40
Inventory	98,262.10
	1,583,557.02
	1,583,557.02
 LIABILITIES AND CONTRIBUTED SURPLUS	
Current Liabilities	
Accounts Payable and Accrued Liabilities	655,546.58
Income and other taxes payable	140,109.07
Deferred Revenue	903,189.29
	1,698,844.94
Long-term Liabilities	
Long-term Suite Deposits	204,375.00
	204,375.00
Net Income (Loss)	(319,662.92) <i>A</i>
	1,583,557.02

Income Statement
For the Four Months Ending April 30, 2007

	APRIL 2007			YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenues						
Ticketing	\$11,150.00	\$11,786.00	(\$636.00)	\$11,150.00	\$11,786.00	(\$636.00)
Sponsorship	78,500.00	78,571.00	(71.00)	78,500.00	78,571.00	(71.00)
Food and Beverage	181,415.37	106,089.00	75,326.37	181,415.37	106,089.00	75,326.37
Event Merchandise	13,569.08	3,864.00	9,705.08	13,569.08	3,864.00	9,705.08
Suites	68,160.71	50,914.00	17,246.71	68,160.71	50,914.00	17,246.71
Event Rentals and Usage	32,015.00	20,981.00	11,034.00	32,015.00	20,981.00	11,034.00
Other Revenue	2.00	0.00	2.00	2.00	0.00	2.00
Total Revenues	384,812.16	272,205.00	112,607.16	384,812.16	272,205.00	112,607.16
Expenses						
Cost of Goods Sold	43,186.55	36,750.00	6,436.55	43,186.55	36,750.00	6,436.55
Royalty	39,024.00	9,188.00	29,836.00	39,024.00	9,188.00	29,836.00
Full-Time	80,974.71	85,000.00	(4,025.29)	168,556.63	197,047.00	(28,490.37)
Part-Time	55,748.69	31,500.00	24,248.69	55,748.69	31,500.00	24,248.69
Benefits	10,459.73	0.00	10,459.73	26,057.45	0.00	26,057.45
Labour Recovery	11,440.07	24,119.00	(12,678.93)	11,440.07	24,119.00	(12,678.93)
Travel and Entertainment	1,309.85	0.00	1,309.85	1,890.12	0.00	1,890.12
Supplies and Services	75,015.87	54,681.00	20,334.87	95,181.89	54,681.00	40,500.89
Insurance	20,000.00	27,778.00	(7,778.00)	20,000.00	27,778.00	(7,778.00)
Utilities	6,000.00	8,125.00	(2,125.00)	6,000.00	8,125.00	(2,125.00)
Capital Reserve & Management Fee	50,000.00	50,000.33	(0.33)	100,000.01	200,001.32	(100,001.31)
Other	132,200.60	157,758.00	(25,557.40)	137,393.67	158,258.00	(20,864.33)
Total Operating Expenses	525,360.07	484,899.33	40,460.74	704,479.08	747,447.32	(42,968.24)

Net Income (Loss) (140,547.91) (212,694.33) (72,146.42) (319,666.92) (475,242.32) 155,575.40

BMO Field
 Financial Highlights
 For the Four Months Ending April 30, 2007

	APRIL 2007			YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
Event Income						
Direct	\$306,310.16	\$193,634.00	\$112,676.16	\$306,310.16	\$193,634.00	\$112,676.16
Ancillary	2.00	0.00	2.00	2.00	0.00	2.00
Sponsorship	78,500.00	78,574.00	(71.00)	78,500.00	78,574.00	(71.00)
Total Event Income	384,812.16	272,205.00	112,607.16	384,812.16	272,205.00	112,607.16
Direct Expenses	162,429.18	114,932.00	47,497.18	165,623.56	114,932.00	50,691.56
Indirect Expenses	362,930.89	389,217.33	(26,286.44)	538,855.52	651,765.32	(112,909.80)
Total Expenses	525,360.07	504,149.33	21,210.74	704,479.08	766,697.32	(62,218.24)
Net Income (Loss)	(140,547.91)	(231,944.33)	91,396.42	(319,666.92)	(494,492.32)	174,825.40

