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# Exhibition Place

## Management Report Period Ending August 31, 2007

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## Executive Summary

- Net Operating Income for Direct Energy Centre for the eight months ending August 31, 2007 was \$807,449 compared to a budget of \$790,419 for a favourable variance of \$17,030.
- Net Operating loss for Exhibition Place for the eight months ending August 31, 2007 was (\$3,692,474) compared to a budgeted loss of \$(4,181,905) for a favourable variance of \$489,431.
- During this period, our Sales & Marketing team secured 4 new events for 2007, increasing our total to 57.
- Barbara Outschoorn and Geoff Mak of Sales & Marketing have completed the industry course of study for CEM designation (Certified in Exhibition Management).
- Event Staff rose to the challenge of CHIN Picnic, Steelback Grand Prix and FIFA U-20 events running concurrently and are commended for seamless operations.
- Centerplate welcomed two new team members: Raymond Leach, Catering Sales Manager, and Peter Paryniuk, Sous Chef.

## August Financials Exhibition Place and Direct Energy Centre

### Direct Energy Centre

Net Operating Income for Direct Energy Centre for the eight months ending August 31, 2007 was \$807,449 compared to a budget of \$790,419 for a favourable variance of \$17,030.

- Rental income was \$4,649,932 compared to a budget of \$4,754,412 for an unfavourable variance of (\$104,480) mainly due to the timing of new business. Finance has reviewed the budget forecast to December with Marketing staff and the rental budget is forecast to be achieved by year end.
- Electrical services of \$411,515 are unfavourable to budget by (\$33,741) due to timing of new business
- Direct and indirect expenses are favourable to budget by \$297,031 as a result of savings from lower building operations costs, reorganization savings and timing of marketing expenditures.
- Food & Beverage concessions of \$761,646 are unfavourable to budget by (\$59,378) due to timing in bookings of corporate events.
- Telecommunications income at \$271,820 is favourable to budget by \$46,987 due to additional provision of internet services to trade events, recoveries from tenants and BMO Field.
- Show services from third party billings were up by \$400,837 with corresponding increase in expenses of \$306,937 for a net favourable variance of \$93,900 mainly due to additional technical requirements for the Interior Design show and the CFA event which was offset by lower demand from the Boat Show due to reduction of a feature exhibit.

Direct Energy Centre accounts receivable as at August 31, 2007 was \$2,122,980 consisting mainly of:

- \$953,609 owed as contractual deposits for future events of which \$610,900 or 65% has been received by September 12, 2007.

- \$522,673 as per budget estimate for CNE cost recovery, Ex Place and CNE staff to meet in early October to finalize actuals.
- \$189,005 for services on completed events of which 39,063 has been received by September 12, 2007.
- \$160,875 for accounts with City Legal; amount fully provided for as a bad debt in the financial statements.
- \$58,194 owed for sponsorship arrangement of which \$22,260 has been received by September 12, 2007.
- \$39,538 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25<sup>th</sup> of the following month.

### Exhibition Place

Net Operating loss for Exhibition Place for the eight months ending August 31, 2007 was (\$3,692,474) compared to a budgeted loss of \$(4,181,905) for a favourable variance of \$489,431.

- Parking revenues at \$3,570,626 is favourable to budget by \$201,801 due mainly to opening of BMO Field and the hosting of the FIFA Under-20 World Cup Soccer; revenue from BMO is favourable to budget by \$331,749 which is offset by reduced revenues from Ricoh Coliseum and Tenants operations. In addition parking expenses are also up by \$76,209 compared against budget to reflect the additional revenue stream for a total net positive variance after expenses of \$125,593.
- Rental income at \$1,244,539 is favourable to budget by \$170,277 due to additional new business such as the LCBO and FAME event.
- Show services from third party billings were up by \$379,066 with corresponding increase in expenses of \$358,582 for a net favourable variance of \$20,484 mainly due to additional technical requirements from events.
- Indirect expenses are favourable to budget by \$251,387 as a result of salary savings from vacancy for the first quarter in the sales department; lower snow cleaning costs; lower utility costs for the Better Living Centre due to shut down of gas meters and energy management initiatives; and lower wage costs for various trades due to efficiency in planning and scheduling which has basically resulted in minimal or no overtime work.

Exhibition Place accounts receivable for the month ending August 31, 2007 was \$2,051,139 consisting mainly of:

- \$671,128 owed By City Finance for Capital Work projects of which \$470,018 has been received by September 12, 2007.
- \$619,774 for show services on completed events of which \$464,480 or 75% has been received as of September 12, 2007.
- \$226,853 owed by tenants of which \$48,051 (21%) has been received as of September 12, 2007.
- \$149,477 from the Direct Energy Centre for payroll, shared services and utility billings of which all has been received as of September 12, 2007.
- \$27,613 owed as contractual deposits for future events.

## Sales and Marketing

### August Sales Effort

During this period, our Sales & Marketing team secured 4 new events for 2007, increasing our total to 57. The events are categorized as follows:

- 8 consumer shows
- 2 trade show
- 12 special events/film or photo shoots
- 6 conferences
- 29 meetings/exams/charity events/other

### August Summary

New events held during this time included FIFA U-20 World Cup Canada 2007, IIDEX Exhibitor Walk Through and Seminar, and Ride and Drive Training for Mercedes-Benz.

### Business Travel

Sales staff participated in CAEM's Annual Convention & Tradeshow in Collingwood, Ontario. Laura Purdy, Geoff Mak and Barbara Outschoorn attended CEM Learning Program courses held during the event. Debbie Sanderson and Don Leddy attended a day of educational seminars and joined the other members of the sales staff in networking with industry colleagues and Show Managers.

Geoff Mak attended the MPI World Education Congress in Montreal on July 28 – 31<sup>st</sup>. Exhibiting with Tourism Toronto, this was a rare opportunity to have an international group of meeting planners meet in Montreal. The conference attracted over 3,500 attendees from across North America.

Geoff Mak and Debbie Sanderson attended the Incentive Works Show on August 21 and 22<sup>nd</sup> at MTCC. Direct Energy Centre exhibited with Tourism Toronto in this two day tradeshow where they met with potential clients from the meetings industry.

### Upcoming Business Travel

Barbara Outschoorn and Don Leddy will be attending the CSAE Conference in Hamilton in October where they will be part of the Tourism Toronto booth. The Annual tradeshow will showcase some of the major meeting destinations in Canada to key meeting planners and executive directors from the Canadian Associations segment. A follow-up summary will be included in the next report.

### Publicity

Publicity and media coverage included an article in the July/August 2007 issue of Meetings and Incentive Travel Magazine. Laura Purdy, Director of Sales & Marketing, addressed future energy conservation and innovative green technologies at Exhibition Place. The article also mentioned The Green Living Show which recently took place at Direct Energy Centre.

In a News Release dated August 9, 2007, SMG announced that Direct Energy Centre was one of the North American facilities selected to receive the Prime Site Award from Facilities and Destinations Magazine.

## Event Management Services

During the months of July and August of 2007, Event Co-ordinators, Parking Services and Exhibitor Services staff at Exhibition Place and Direct Energy Centre were involved in the following events:

JULY	
<b>Trade / Consumer / Corporate Events</b>	
<ul style="list-style-type: none"> <li>▪ Steelback Grand Prix of Toronto</li> </ul>	
<b>Other Events</b>	
<ul style="list-style-type: none"> <li>▪ CHIN International Picnic</li> <li>▪ Heart and Stroke Big Bike Race</li> <li>▪ Rogers Masala Mehndi Masti Festival</li> <li>▪ NBA 3 on 3</li> <li>▪ Caribana</li> </ul>	
AUGUST	
<b>Trade / Consumer / Corporate Events</b>	
<ul style="list-style-type: none"> <li>▪ Public Consultation Meeting</li> <li>▪ Canadian National Exhibition</li> </ul>	

Extensive logistical preparations were necessary for CHIN Picnic and Steelback Grand Prix of Toronto, which were running concurrently during the FIFA U-20 during the months of July and August. Staff experience significant challenges, however all building permits were received before construction began for the Steelback Grand Prix and move-out was completed one day ahead of schedule.

The Rogers Masala Mehndi Masti event went well. The NBA 3 on 3 expanded the number of courts by seven, however changes to the set up allowed for a quicker move-in. The event had much higher attendance than expected and the client was very pleased.

Staff was proactive in keeping costs down for Caribana. A number of areas for improvement were also identified, such as a greater variety of foods, and this was noted for future events. Overall, the event was a success and the client was happy.

### IAAM Conference

Jeff Gay attended the annual IAAM conference in Salt Lake City on July 19<sup>th</sup> to 24<sup>th</sup>. This year's topics included crisis management, customer relationship management and the facilities round

table meeting. The annual tradeshow (the largest in our industry) exhibited the latest innovations in facility equipment. Relationships built during this conference will aid us in ensuring the conference centre operates with the right furnishings, equipment and best practices.

## **Parking**

During July and August Parking Services saw a positive trend in revenue, helped in part by the capacity crowds that have attended all of the games at BMO Field. Parking has worked with the City of Toronto Transportation Services to improve the vehicle exiting times from the grounds after these sold-out events.

Parking Services worked with the local organizing staff at FIFA to develop a comprehensive parking and transportation plan for the FIFA U-20 soccer tournament. The plan addressed the parking needs of VIPs, staff, volunteers and the general public. Approximately 4,000 vehicles were parked each game day, in addition to vehicles parked for the CHIN Picnic and Steelback Grand Prix events.

During the first half of August, Parking Services worked with the CNE to ensure that regular tenant and event parking was provided during the setup of the Fair. During this period the Caribana parade and a Toronto FC game were hosted on the grounds.

During the second half of August, Parking Services supplemented its staff by hiring 25 students to help operate all of the parking lots during the CNE. The favourable weather helped ensure that all of the parking lots operated at or near capacity on most days of the CNE. All exterior lots operated again this year with Pay and Display machines, switching to "cashiered" operation during the Air Show weekend.

## **Telecommunications**

The annual CNE utilized considerable IT and Telecom services. Services were deployed across the entire grounds including the Casino, entry gates, outdoor military space as well as a multitude of other indoor and outdoor locations. For the first time at Exhibition Place, VOIP (Voice Over IP) phones were used at info booths and other difficult to service locations.

From the IT perspective, various computer software programs were created and updated that allow the CNE to track everything from lost children to the winners of the horse show. The IT department continues to work with the CNE to further integrate data services and potentially provide real time data monitoring capabilities to upper management.

## **Building Operations**

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The CNE was the focus of most of our efforts for the month of August, with all services involved to make this year a success. The Trigen project optimization proceeded and was spearheaded by our electrical department operating both the gas generator and the absorption chiller. The underground parking lot lighting control system project went out for tender and is expected back shortly. This project will allow for occupancy based, automatic lighting control and will reduce energy consumption as part of our plan for energy self sufficiency by 2010. The last seal replacement on the three 1250 ton chillers was completed in August. The Preventive Maintenance Planned Work Orders for July met an attainment of 88.8%.

## Facility Services

The Facility Services team worked primarily on delivering services for the CNE throughout the month of August. We provided facility coordination with 7 days a week, 24 hour coverage, ensuring all services were supervised and delivered cost effectively. The following projects and activities were completed or are on-going.

- Staff training was conducted for forklift, tractor and riding sweeper use and was provided by Ambercroft, the City of Toronto and Tennant Co.
- Conducted orientations to over 400 young workers hired for the Cleaning Department.
- Completed thorough clean-up of the site.
- Completed inspection and pruning of numerous trees and gardens throughout the grounds, replaced damaged sod where required and added a large amount of wood chips in preparation for the CNE Lego site west of the Food Building.
- Conducted a grounds wide trip hazard audit and followed through with necessary repairs. We will continue to conduct monthly audits.

## Service Stars

Trisa Zimmerman of FIFA U-20 World Cup 2007 sent e-mail on July 9<sup>th</sup> to Ron Kostick, David Lyew and James Needler to say "A BIG thank you for the team effort in executing the Grand Prix / FIFA plan! All of the pieces and people were in place for a flawless change-over between our events tonight – with fence line changes, wires and blocks removed prior to 19:00!"

Charlie Johnstone of the Grand Prix Association of Toronto sent e-mail on July 12<sup>th</sup> to thank staff who participated in preparations for the race: "It takes a tremendous team effort to produce the largest annual sporting event in Ontario with an estimated economic impact of \$50 million. Thank you for your support and efforts in helping make this year's Steelback Grand Prix of Toronto such a success."

Alba Mercury received a letter dated August 24<sup>th</sup> from John Kam which read "...thank you for the tremendous work and assistance that you provided in making the 2007 Caribana Festival a great success. It was an absolute pleasure working with you."

Roberta Atkinson of Caribana also sent e-mail to Laura Purdy on August 21<sup>st</sup> regarding Debbie Sanderson and Alba Mercury; "...it's been great working with Debbie and Alba and they did an excellent job."

## Centerplate

### Retail Department

Our focus for the month continues to be the education of our rolled out program on green and compostable waste. We are focusing on new products to sell at our concession stands and are working closely with our culinary team. Staff training on health and safety is an on going focus with regular meetings in places. CNE was successful for us we met our target budget. The team is now getting ready for events in September.

### Catering Department

The Catering department is focusing on new sales. We hired a new Catering Sales Manager, Raymond Leach, CMP to help grow the business. As well, a new Catering Operations Manager was hired and will start in October. The catering department is getting ready for a busy fall season and is focusing on upcoming shows and Christmas events. A new marketing plan is being rolled out for September main focus is upgrading our web site.

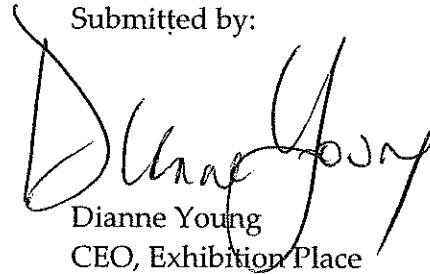
Our culinary team is growing and focuses on new and great ideas for both catering and concession food. The culinary team now consists of Robert Campbell, Executive Chef, followed by Ignacio Palacios, Executive Sous Chef, and our new Sous Chef, Peter Paryniuk.

Submitted by:



Arlene Campbell  
General Manager, Sales & Events

Submitted by:



Dianne Young  
CEO, Exhibition Place



APPENDIX 'A'

Combined Direct Energy Centre and Exhibition Place  
Financial Summary

	Statement Of Operations Highlights Eight Months Ended August 31, 2007					
	Current Month		Actual	YTD		Variance
	Budget	Variance		Budget	Variance	
	\$	\$	\$	\$	\$	
Event Income	1,505,279	1,739,046	17,208,312	16,475,877	732,435	
Direct Expenses	939,387	1,113,373	8,832,031	8,584,732	(247,299)	
Indirect Expenses	2,119,936	1,833,587	11,566,058	11,866,502	300,444	
<b>Loss before Ricoh contribution and Reorganization savings</b>	<b>(1,554,044)</b>	<b>(1,207,914)</b>	<b>(3,189,777)</b>	<b>(3,975,357)</b>	<b>785,580</b>	
Ricoh contribution	41,740	29,234	321,420	233,872	87,548	
Reorganization savings	-	-	-	366,666	(366,666)	
<b>Loss before debt payment cost</b>	<b>(1,512,304)</b>	<b>(1,178,680)</b>	<b>(2,868,357)</b>	<b>(3,374,819)</b>	<b>506,462</b>	
Debt payment cost	2,083	2,083	16,667	16,667	-	
<b>Net loss</b>	<b>(1,514,387)</b>	<b>(1,180,763)</b>	<b>(2,885,024)</b>	<b>(3,391,486)</b>	<b>506,462</b>	

**DIRECT ENERGY CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2007**

	CURRENT		YEAR TO DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
Number of Events	-	1	60	28
				32
Direct Event Income	\$ 2,988	\$ 75,347	\$ 5,178,736	\$ 5,189,315
Ancillary Income	41,481	59,515	1,723,281	1,740,562
Sponsorship Income	20,079	19,575	138,771	100,766
Ricoh & MLSE Recovery	7,288	8,002	52,988	64,016
<b>Total Event Income</b>	<b>594,508</b>	<b>685,112</b>	<b>7,616,449</b>	<b>7,617,332</b>
Direct Expenses	445,695	434,326	3,987,814	4,235,788
Indirect Expenses	427,876	390,867	3,142,606	3,191,663
<b>Total Event Expenses</b>	<b>873,571</b>	<b>825,193</b>	<b>7,130,420</b>	<b>7,427,451</b>
<b>INCOME BEFORE RICOH CONTRIBUTION AND REORGANIZATION SAVINGS</b>	<b>(279,062)</b>	<b>(140,081)</b>	<b>486,030</b>	<b>189,881</b>
RICOH CONTRIBUTION	41,740	29,234	321,420	233,872
REORGANIZATION SAVINGS	-	-	-	366,666
<b>NET INCOME</b>	<b>(237,322)</b>	<b>(110,847)</b>	<b>807,449</b>	<b>790,419</b>
				<b>17,030</b>
				<b>(883)</b>
				<b>(10,579)</b>
				<b>(17,281)</b>
				<b>38,005</b>
				<b>(11,028)</b>
				<b>(247,974)</b>
				<b>49,057</b>
				<b>296,149</b>
				<b>87,548</b>
				<b>(366,666)</b>

Actuals include 12% markup paid to Exhibition Place on labour and materials. At August 31, 2007 the markup paid to Exhibition Place was a total of \$ 234,290.00 ( \$ 171,201.05 expensed against direct event income and the balance of \$ 63,088.95 in direct expense)

Note: 2 Actual reorganization savings are reflected directly in the departmental budget rather than a separate line item due to the nature of the City of Toronto reporting guidelines.

**DIRECT ENERGY CENTRE  
COMPARATIVE FINANCIAL STATEMENT HIGHLIGHTS  
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2007**

	2006 YTD AUGUST ACTUAL	2007 YTD ACTUAL	2007 YTD BUDGET	2007 VARIANCE	VARIANCE TO YTD AUGUST 2006 ACTUAL	%
Number of Events	61	60	28	32	(1)	(1.6%)
Direct Event Income	4,575,207	5,178,736	5,189,315	(10,579)	603,528	13.2%
Ancillary Income	1,669,988	1,723,281	1,740,562	(17,281)	53,293	3.2%
Advertising Income	91,563	138,771	100,766	38,005	47,208	51.6%
Ricoh & MLSE Recovery	64,016	52,988	64,016	(11,028)	(11,028)	(17.2%)
<b>Total Event Income</b>	<b>6,923,737</b>	<b>7,616,449</b>	<b>7,617,332</b>	<b>(883)</b>	<b>692,712</b>	<b>10.0%</b>
Direct Expenses	3,879,234	3,987,814	4,235,788	247,974	(108,580)	(2.8%)
Indirect Expenses	3,059,060	3,142,606	3,191,663	49,057	(83,546)	(2.7%)
<b>Total Event Expenses</b>	<b>6,938,293</b>	<b>7,130,420</b>	<b>7,427,451</b>	<b>297,031</b>	<b>(192,126)</b>	<b>(2.8%)</b>
<b>INCOME BEFORE RICOH CONTRIBUTION AND REORGANIZATION SAVINGS</b>	<b>(14,556)</b>	<b>486,030</b>	<b>189,881</b>	<b>296,149</b>	<b>500,586</b>	<b>(3,439.0%)</b>
Ricoh Contribution	233,920	321,420	233,872	87,548	87,500	37.4%
Reorganization Savings	-	-	366,666	(366,666)	-	-
<b>NET INCOME</b>	<b>219,363</b>	<b>807,449</b>	<b>790,419</b>	<b>17,030</b>	<b>588,086</b>	<b>268.1%</b>

Note: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At August 31, 2007 the markup paid to Exhibition Place was a total of \$ 234,290.00 ( \$ 171,201.05 expensed against direct event income and the balance of \$ 63,088.95 in direct expense)

Note: 2 Actual reorganization savings are reflected directly in the departmental budget rather than a separate line item due to the nature of the City of Toronto reporting guidelines.

# DIRECT ENERGY CENTRE EVENT STATISTICS

FOR THE MONTH OF August 2007

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	-	674,830	675,120

<u>EVENT</u>	ACTUAL # OF EVENTS		(IN THOUSANDS)		REFRESHMENT PER CAP'S ACTUAL [Note: 2]	
	2007	2006	2005	2005		
	NET EVENT INCOME [Note: 3]			BUDGET		
Consumers Show	23	22	28	4,210	4,233	3.76
Trade Show	18	14	17	944	1,579	3.79
Concert	0	0	0	-	-	
Photo/Film Shoot	3	3	3	5	-	
Meeting/Corporate	16	22	12	555	-	38.84
	<u>60</u>	<u>61</u>	<u>60</u>	<u>5,713</u>	<u>5,812</u>	

Note: 1 Attendance estimates provided by Show Management.

Note: 2 Refreshment per cap's based on information reported by Centerplate

Note: 3 Net event income includes rent and services, ancillary income includes catering and electrical commissions.

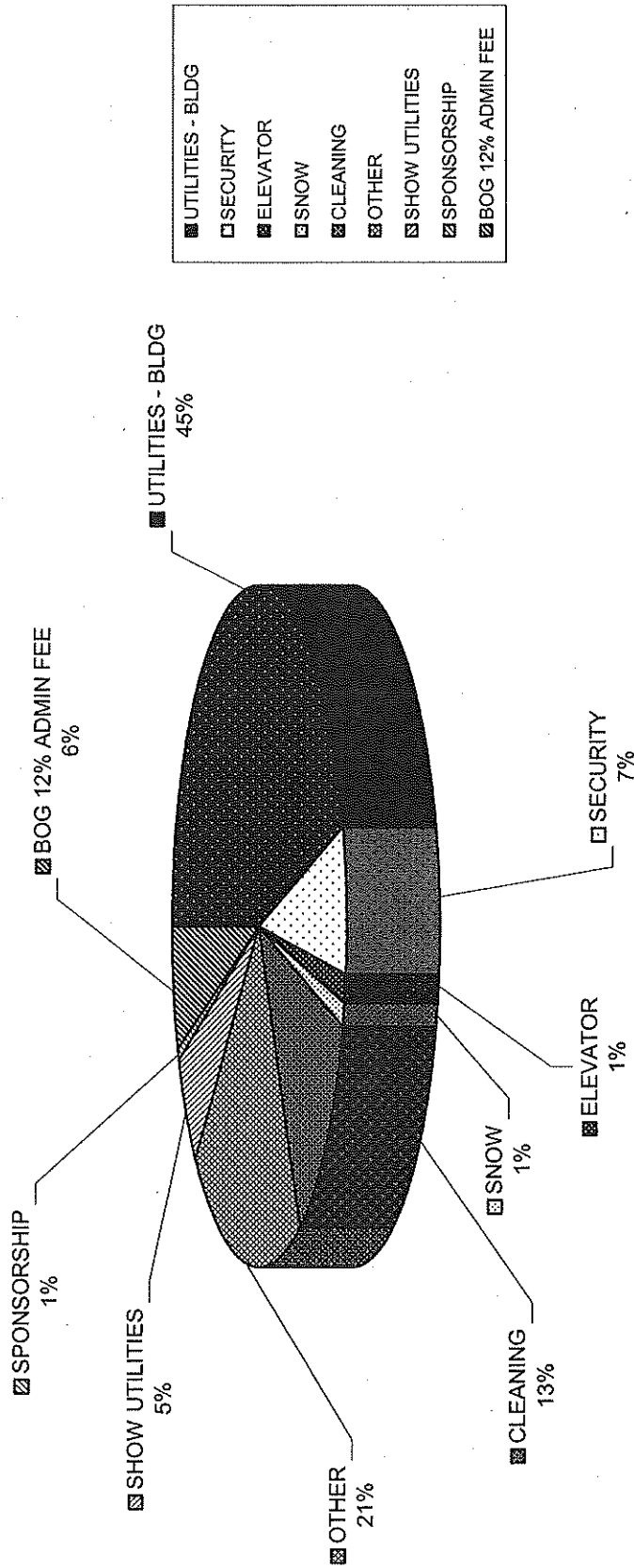
**DIRECT ENERGY CENTRE  
BALANCE SHEET  
AS AT AUGUST 31, 2007**

ASSETS	AUGUST 31 2007	AUGUST 31 2006	\$
<b>CURRENT ASSETS</b>			
CASH	634,690	776,788	
ADVANCE TO EX PLACE	420,000	420,000	
TERM INVESTMENTS	4,350,000	2,350,000	
AMERICAN EXPRESS	12,570	3,575	
TRADE ACCOUNTS RECEIVABLE	2,122,980		
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(71,277)</u>		
NET ACCOUNTS RECEIVABLE	2,051,703	2,657,043	
OTHER RECEIVABLE	547,184	336,269	
PREPAID EXPENSES	74,456	34,773	
<b>TOTAL CURRENT ASSETS</b>	<b>8,090,602</b>	<b>6,578,447</b>	
<b>FIXED ASSETS</b>			
EQUIPMENT - NET	17,509	18,019	
<b>TOTAL ASSETS</b>	<b>8,108,111</b>	<b>6,596,466</b>	
<b>LIABILITIES &amp; EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
ACCOUNTS PAYABLES & ACCRUED LIABILITIES	2,803,256		
PROVINCIAL & FEDERAL SALES TAX PAYABLE	53,839		
RESERVE - EXHIBITION PLACE NAMING RIGHTS	451,010		
RESERVE - ENERGY/LIGHTING INITIATIVES	284,019		
DEFERRED REVENUE	<u>4,056,932</u>	6,703,452	
<b>EQUITY</b>			
NET INCOME CURRENT	807,449	219,363	
PRIOR YEAR PSAB ADJUSTMENT	(347,309)	(326,349)	
PRIOR YEAR SURPLUS - 2006	1,125,903		
SURPLUS DISTRIBUTION TO EXPLACE	<u>(1,126,989)</u>		
BALANCE	(1,086)	0	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>8,108,111</b>	<b>6,596,466</b>	

**DIRECT ENERGY CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
STATEMENT OF CASH FLOW  
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2007**

	<u>Current Month</u>	<u>Eight Months Ended August 31, 2007</u>
	\$	\$
<b>CASH FLOW FROM OPERATIONS</b>		
NET INCOME (LOSS)	(237,322)	807,449
<b>SOURCES (USES) OF CASH</b>		
TERM INVESTMENTS	0	1,100,000
ACCOUNTS RECEIVABLE - TRADE	(491,469)	(246,514)
ACCOUNTS RECEIVABLE - OTHER	(65,605)	(426,527)
PREPAID EXPENSES	23,347	(31,934)
DEPOSITS AND OTHER ASSETS	(19,893)	(9,997)
ACCOUNTS PAYABLE & ACCRUED EXPENSES	240,501	(648,727)
OTHER PAYABLES	(32,653)	(63,848)
RESERVE - EXHIBITION PLACE NAMING RIGHTS	58,333	116,667
RESERVE - ENERGY/LIGHTING INITIATIVES	24,844	194,742
DEFERRED INCOME	634,435	270,881
<b>NET CASH FROM OPERATIONS</b>	134,517	1,062,194
<b>OTHER SOURCES (USES) OF CASH</b>		
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	-	(1,126,989)
<b>NET CASH FROM OTHER SOURCES</b>	-	(1,126,989)
<b>NET INCREASE (DECREASE) IN CASH</b>	134,517	(64,795)
<b>BEGINNING CASH BALANCE</b>	500,171	699,484
<b>ENDING CASH BALANCE</b>	634,688	634,689

**COMPONENTS OF DIRECT EXPENSE  
EIGHT MONTHS ENDED AUGUST 31, 2007**



**DIRECT ENERGY CENTRE  
CANADIAN OUTSTANDING CHEQUES  
AS AT AUGUST 31, 2007**

Check No	Date	Amount	Description
24322	8/17/2007	144,921.08	BOG SALARIES FOR W/E AUG 11 & 18/07
24269	8/10/2007	104,222.38	TIME & MATERIAL COSTS - VARIOUS SHOWS
24267	8/10/2007	117,268.67	WORK ORDERS FOR MONTH OF JULY/07
24261	8/10/2007	121,575.03	BOG SALARIES FOR W/E JULY 28 & AUG 4/07
		487,987.16	<b>DISBURSEMENTS OVER \$50,000</b>
		223,482.52	<b>OTHER DISBURSEMENTS LESS THAN \$50,000.</b>
		<u>711,469.68</u>	<b>TOTAL DISBURSEMENT</b>



**THE BOARD OF GOVERNORS OF EXHIBITION PLACE**  
**FINANCIAL STATEMENT HIGHLIGHTS**  
**August 2007 and Year-To-Date**

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
<b>Direct Event Income</b>						
Rentals	180,352	65,994	114,358	1,244,540	1,074,262	170,278
3rd Party Billings	353,664	649,703	(296,040)	2,653,028	2,273,962	379,066
Parking - EP	96,238	158,500	(62,262)	2,837,252	2,967,200	(129,948)
Parking - BMO Field	4,930	50,925	(45,995)	733,374	401,625	331,749
Advertising	28,521	33,912	(5,391)	228,170	271,296	(43,126)
Program Recoveries & Admin Fee	173,544	28,000	145,544	422,578	344,000	78,578
Tenants Recoveries	73,522	66,900	6,622	1,472,921	1,526,200	(53,279)
<b>Total Event Income</b>	<b>910,771</b>	<b>1,053,934</b>	<b>(143,163)</b>	<b>9,591,863</b>	<b>8,858,545</b>	<b>733,318</b>
<b>Expenses:</b>						
Direct Expenses	493,692	679,047	185,355	4,844,217	4,348,944	(495,273)
Indirect Expenses	1,692,060	1,442,720	(249,340)	8,423,452	8,674,839	251,387
<b>Total Event Expenses</b>	<b>2,185,752</b>	<b>2,121,767</b>	<b>(63,984)</b>	<b>13,267,670</b>	<b>13,023,784</b>	<b>(243,886)</b>
<b>NET INCOME BEFORE PSAB</b>	<b>(1,274,981)</b>	<b>(1,067,833)</b>	<b>(207,148)</b>	<b>(3,675,807)</b>	<b>(4,165,239)</b>	<b>489,432</b>
ENERGY EFFICIENCY DEBT PMT	2,083	2,083	-	16,667	16,667	-
<b>NET INCOME</b>	<b>(1,277,064)</b>	<b>(1,069,916)</b>	<b>(207,148)</b>	<b>(3,692,474)</b>	<b>(4,181,905)</b>	<b>489,432</b>

NOTE: 1 \$ 428,957 Parking Revenue at BMO field is FIFA event not subject to rebate

BOARD OF GOVERNORS - EXHIBITION PLACE  
BALANCE SHEET  
As at AUGUST 31, 2007

**ASSETS**

**Current Assets**

Cash & Cash Equivalent	214,075	
CI/BC Overdraft (limit of \$500k)	346,032	
Loan from City's Term Investment	<u>1,909,508</u>	2,469,614
Accounts receivable		
Trade	2,051,139	
Less: Allowance for Doubtful Accounts	<u>(39,875)</u>	2,011,264
Other Receivables	636,604	
Due to/Due From DEC, CNEA	<u>(3,197,969)</u>	(3,197,969)
Inventories	138,679	
Prepaid expenses	0	
Total Current Assets	5,256,161	
Receivable from the City of Toronto - PSAB	4,134,920	
Receivable from the City of Toronto - Capital	736,779	
Rent Receivable (Step-Up Lease)	2,453,496	
Capital assets, net	111,526	
<b>TOTAL ASSETS</b>	<u><u>12,692,883</u></u>	

**LIABILITIES & EQUITY**

**LIABILITIES**

**Current Liabilities**

Accounts Payable	1,571,799	
Accrued Liabilities	6,271,653	
Accounts Payables - Statutory & Omers Pension	511,986	
Accounts Payables - Trade Unions	<u>573,887</u>	8,929,325
A/P - Holdbacks	639,287	
Deferred revenue	<u>386,427</u>	386,427
Total Current Liabilities	9,955,038	
<b>Other Liabilities</b>		
Employee Benefits - PSAB	6,489,653	

**EQUITY**

Net Income/(Loss) - Current Period	(3,692,474)	
Prior Year - Combined 2006 Profit/Loss		
DEC Profit (Cash Basis)	1,126,989	
CNE Loss (Cash Basis)	<u>(1,182,222)</u>	(1,182,222)
EP Loss (Cash Basis)	<u>(2,266,205)</u>	(2,266,205)
Less Advance from City	53,949	
Balance	<u>(2,267,488)</u>	(2,267,488)
City Remittance for Y2006 deficit	2,208,153	(59,335)
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>12,692,883</u></u>	

**BOARD OF GOVERNORS OF EXHIBITION PLACE**  
**FINANCIAL STATEMENT HIGHLIGHTS**  
**STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED AUGUST 31, 2007**

	MONTH	YTD
<b>CASH FLOW FROM OPERATIONS</b>		
NET LOSS	(1,277,065)	(3,692,474)
ADD: EMPLOYEE BENEFITS - VACATION/SICK SOURCES (USES) OF CASH		
Accounts receivable	939,836	127,764
Other Receivable	6,236,285	6,520,204
Inventories	(169)	1,766
Prepaid expenses	-	220
Receivable from the City of Toronto - PSAB	-	(232,561)
Receivable from the City of Toronto - Capital	(156,680)	(650,064)
Rent Receivable (Step-Up Lease)	(43,355)	15,797
Capital assets, net	-	11,091
Accounts Payable + Accrued & Other Liabilities	158,297	(944,946)
A/P - Holdbacks	(23,230)	(215,317)
Deferred revenue	(17,917)	185,194
Employee Benefits - PSAB	-	-
<b>NET CASH FROM OPERATIONS</b>	<b>5,816,003</b>	<b>1,126,673</b>
<b>OTHER SOURCES OF CASH</b>		
City Remittance on Y2006 Deficit (Net Loss)	2,208,153	2,208,153
<b>NET CASH FROM OTHER SOURCES</b>	<b>2,208,153</b>	<b>2,208,153</b>
NET INCREASE IN CASH	8,024,156	3,334,826
BEGINNING CASH BALANCE	(5,554,542)	(865,212)
<b>ENDING CASH BALANCE</b>	<b>2,469,614</b>	<b>2,469,614</b>

BOARD OF GOVERNORS - EXHIBITION PLACE  
 CHEQUE DISBURSEMENTS - AUGUST 2007  
 GREATER THAN \$50,000

Cheque No	Date	Amount	Description
11060	8/22/2007	304,585.35	ADP CANADA SALARY PAYROLL
10765	8/1/2007	332,660.37	ADP CANADA HOURLY PAYROLL
10800	8/9/2007	511,150.90	ADP CANADA HOURLY PAYROLL
11083	8/29/2007	312,889.52	ADP CANADA SALARY PAYROLL
11059	8/22/2007	665,514.37	ADP CANADA HOURLY PAYROLL
11076	8/27/2007	915,066.50	ADP CANADA HOURLY PAYROLL
11084	8/29/2007	1,075,112.72	ADP CANADA HOURLY PAYROLL
10784	8/7/2007	225,121.00	CITY OF TORONTO TREASURER PROPERTY TAX
10919	8/31/2007	104,790.10	OMERS PENSION CONTRIBUTION FOR APRIL
10845	8/15/2007	248,621.77	CITY OF TORONTO MAY 2007 HYDRO
10802	8/10/2007	74,170.96	CITY OF TORONTO PREMIUM FOR MAJOR.,DENTAL LIFE FOR APRIL
10796	8/15/2007	65,091.71	LOCAL 58 BENEFIT I.A.T.S.E WELFARE VAC & PENSION FOR JUNE 2007
11056	8/21/2007	88,075.17	MINISTRY OF FINANCE R.S.T.RETAIL SALES TAX FOR JULY 2007
10821	8/14/2007	59,721.56	ANIXTER CANADA CAPITAL WORKS - GREEN & BLACK CABLE
10849	8/15/2007	82,578.24	DIRECT ENERGY BUSINESS Q.E.B. CHILLER-BILLING NR6
10851	8/15/2007	68,923.44	DUFFERIN CONSTRUCTION COM CAPITAL WORKS HOLDBACK -RETROFIT PARKING AT LOT "G"
10903	8/15/2007	57,736.08	TORONTO HYDRO CAPITAL WORKS - DEC TRI-GENERATION PLANT
10766	8/1/2007	75,290.54	SANSAR CONTRACTING CAPITAL WORKS STANLEY BARRACKS BILLING NR.4
11075	8/26/2007	53,315.09	G.T. FRENCH PAPER LTD. 2007 CLEANING SUPPLIES FOR CNE
10889	8/15/2007	93,108.28	ROOF TILE MANAGEMENT INC. CAPITAL WORKS MUSIC BLDG. DOMES METAL ROOF RETROFIT BILLING NR2
			<b>DISBURSEMENTS OVER \$50,000</b>
			<b>5,413,523.67</b>
			<b>OTHER DISBURSEMENTS</b>
			<b>674,375.36</b>
			<b>TOTAL DISBURSEMENT</b>
			<b>6,087,899.03</b>