

EP15.8 Appendix F

Appendix F

Nine Month Period Ending September 30, 2020 Combined Operating Loss for Exhibition Place and Beanfield Centre

Since the City of Toronto and Provincial Public Health Officials made the decision to cancel all programs and events due to the Covid-19 situation, Exhibition Place has been processing cancellations and postponements of many of its 2020 contracted events.

The Boards operations are highly dependent on the cash flow and net income from our trade and consumer shows, conferences, conventions, socials, galas, meetings and tenants operations.

The loss of net income and cash flow is a concern not only to Exhibition Place but also to the City of Toronto as the Board operates, manages and maintains Exhibition Place on behalf of the City and the City is entitled to any surplus resulting from the Board's activities and is responsible for any deficit the Board incurs.

Since the decision was made to cancel all events in early March due to Covid-19, it has had an unfavourable impact on year-to-date Q3 results. The combined results of operations for the nine (9) months ending September 30, 2020 was an Operating Loss of (\$10,782,411) compared to a budgeted Operating Income of \$1,717,143 for an unfavourable variance of (\$12,499,554).

The combined Net Loss of (\$1,466,897) after naming rights and City operations funding of \$10,395,668 is unfavourable to budget by (\$2,112,454).

Due to the impact of Covid-19 management has made efforts to reduce Indirect Costs through cost cutting measures specifically related to Indirect Costs. This effort has lead to our combined Indirect Costs of \$20,448,087 being favourable to budget by \$3,535,598. Indirect expenses include costs from various departments; these are Chief Executive Officer, Chief Financial Officer and Corporate Secretary, General Manager, Accounting Services, Marketing/Event Services, Records & Archives, Purchasing & Stores, Human Resources, Security, Operations, Facilities, Utilities, Special Appropriations, Telecommunications and wages & materials for base building upkeep and general maintenance of the grounds.