

ATTACHMENT 1



Annual and Cover Report
Lakeshore Arena Corporation
For the Year ended December 31, 2023

July 2, 2024

In 2023, LAC achieved its highest recorded ice rental revenue and related activity in the history of the facility. Ice rental revenue in 2023 was \$4.15 million (\$3.47M, 2022). LAC's 2023 Financial Statements recognize a net operating surplus of \$0.57 million (\$0.04M, 2022), total assets of \$30.4 million, and total liabilities of \$30.0 million.

At year-end, the Infrastructure Ontario (IO) capital loan was \$22.1 million. The credit facility is currently in good standing with the Lender and the Corporation is in compliance with the debt service coverage ratio requirements as required by the Lender.

The Corporation has a general, interest only loan, with the City of Toronto in the amount of \$4M that was renewed in September 2022 and matures in October 2025. This credit facility is in good standing with the City and no interest payments are in arrears.

The Corporation has an operating line of credit with the City of Toronto in the amount of \$1M. As of December 31, 2023, the Corporation has drawn the full \$1M available. The loan is in good standing with the City and a payment of \$125,000 was made in early 2024.

Lakeshore Arena is required to contribute 50% of its net operating income before amortization to the Lakeshore Arena Capital Reserve Fund (XR3035), which is reflected as return of capital contributions to a limit of \$8.1 million. As outlined in Note 10 to the financial statements, the distribution of \$2.21M is outstanding and due to the City of Toronto as of December 31, 2023. The balance outstanding is non-interest bearing with no fixed repayment terms. The structure of this debt repayment remains one which is challenging to the corporation in terms of cash flow.

LAC was pleased to welcome the PWHL Toronto team as a new tenant in 2023 and to further support the growth of women's hockey in Toronto. LAC remains an important facility in the provision of community and competitive hockey and skating programming and infrastructure. The Board of Directors would like to thank the shareholder for its ongoing support and look forward to continuing to deliver exceptional value to the community and the City.

Cathy Vincelli, Chair

Members of the Board of Directors

David McIsaac – Treasurer

Patrick Matozzo

Nick Eaves – Tenant Representative (MLSE)

Andrew Kidd

Andrew Teichman