

CASA LOMA ANNUAL REPORT 2011

TORONTO'S MAJESTIC CASTLE

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A MESSAGE FROM THE CHAIR OF THE BOARD

Welcome to Casa Loma's Annual Report for 2011. We are pleased to share with you highlights and accomplishments of the past year.

The summer of 2011 saw a significant and key transition with the operation from The Kiwanis Club of Casa Loma to the Casa Loma Corporation. The transaction was smooth, with no surprises and we are thankful to the Kiwanis for their cooperation. I am grateful to the Casa Loma Corporation staff for their continued steadfast commitment. I thank my fellow board members, for chipping in with what has been a steep and rapid learning curve.

Only with the above collaboration and effort, have we been able to achieve our objectives. Operations are stable and the ground work for identifying future options has been set. We are enthusiastic about presenting recommendations for future options to City Council for consideration in 2012.

On behalf of the Board of Directors, we remain committed to providing continued oversight and governance until such time that the City sets the stage for the next chapter in the history of Casa Loma.

Respectfully,



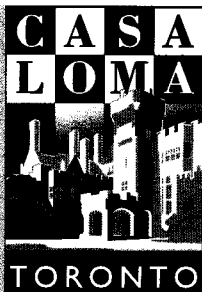
Michael H. Williams
Chair, Board of Directors: Casa Loma Corporation

THE CASA LOMA CORPORATION

For many years Casa Loma was operated by the Kiwanis Club of Casa Loma (KCCL) through an agreement with the City; however in 2011 it was mutually decided to terminate the management agreement between the City and KCCL.

In June 2011, City Council created the Casa Loma Corporation for the purpose of managing the continuing operations of Casa Loma on an interim basis until its future ownership and management direction could be determined. At this time the Board of Directors appointed Eva Pyatt to be the Interim Chief Executive Officer. The board has continued with scheduled restorations and moved ahead with interior upgrades and worked to look at new ways to generate increased revenue for the operation.

In addition to responsibility for the day-to-day operations, the board was charged with considering measures to develop a strategy for the long term future of Casa Loma, as directed by City Council. The board initiated a process which included stakeholder meetings and public consultations to identify and evaluate various options for Casa Loma's future and the City's role in these operations. The board will make recommendations for Council's consideration in 2012.



Our Offices are Located At:
1 Austin Terrace
Toronto, On
M5R 1X 8
Tel: 416.923.1171
Fax: 416.923.5734

“RICH IN ELEGANCE AND HISTORY”

Taking three years (1911-1914), three hundred workers and \$3.5 million to build, Casa Loma was home to financier and military officer Sir Henry Pellatt and his wife Mary. Through wise investments in electrical development, real estate and the Canadian Pacific Railway, Pellatt was one of the few men who were said to ‘own’ Canada at the dawn of the 20th Century.

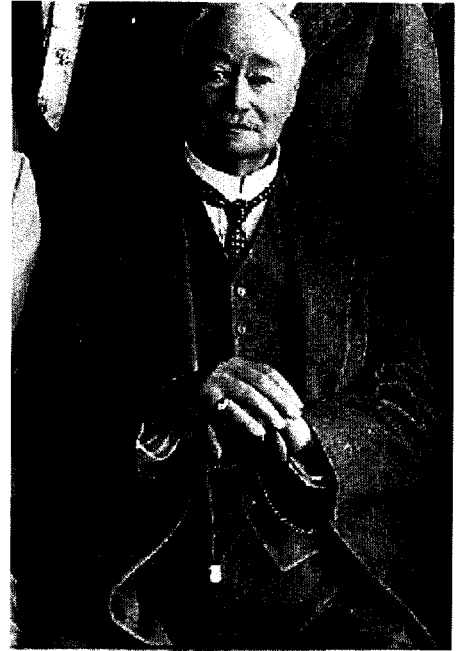
Interesting facts about Casa Loma;

- Designed by Architect E.J. Lennox, also the designer of Old City Hall
- Library was designed to hold an estimated 10,000 books
- Casa Loma had 50 phones at a time when the City of Toronto had no more than 200 phones
- Home to the first elevator in a private house in Canada
- Among one of the first private homes in Canada to enjoy a central vacuum system
- Construction included, 22 working fire places
- Home to a Wurlitzer pipe organ, which was originally housed at Shea’s Hippodrome and then Maple Leaf Gardens before being located to Casa Loma
- The house was never completed largely due to the onset of WWI and the commencement of his financial downfall
- Henry Pellat died on March 8, 1939, leaving debts of \$6,000 and cash assets of \$185.08

In 1933, the city of Toronto took ownership of the property for \$27,303.45 owed in back taxes.

The Kiwanis Club of West Toronto began operating Casa Loma as a tourist attraction in 1937. This arrangement continued until 2011.

In June 2011, the Casa Loma Corporation was formed. The City of Toronto remains the sole owner of the site. Today, the Gothic Revival house is a historical attraction and event venue. The story of Pellatt and early 20th century Toronto is told through a state of the art audio guide system, feature film, guided tours, the collection of original furnishings and six acres of beautifully restored gardens.



Sir Henry Pellatt
Original Owner and Resident of Casa

SITE MAP

Casa Loma consists of two contiguous land parcels;

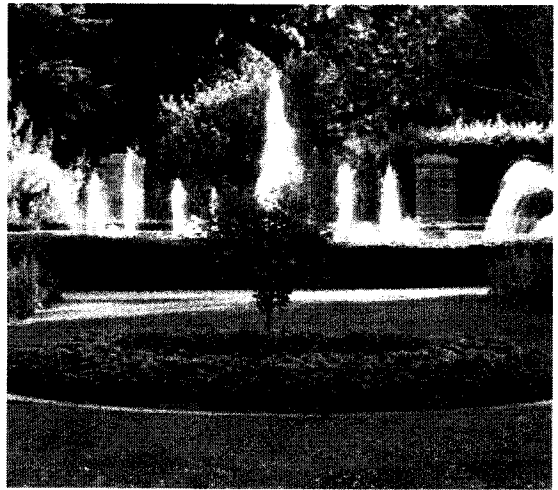
5.89-acre parcel bordered by Austin Terrace (north), Walmer Road (west) and Davenport Street (south). The Baldwin Stairs City Park borders the east property line. The main parcel accommodates the “castle”, main gardens and a (c.1970’s) parking structure.

1.99-acre parcel (including a City park) located on the northwest corner of Austin Terrace and Walmer Road. This smaller site contains the Hunting Lodge (the original Pellatt residence on the Casa Loma property), Stables and Potting Shed as well as the original chauffeur’s residence. The two land parcels are connected by an 800 foot tunnel, buried 14 feet below ground.

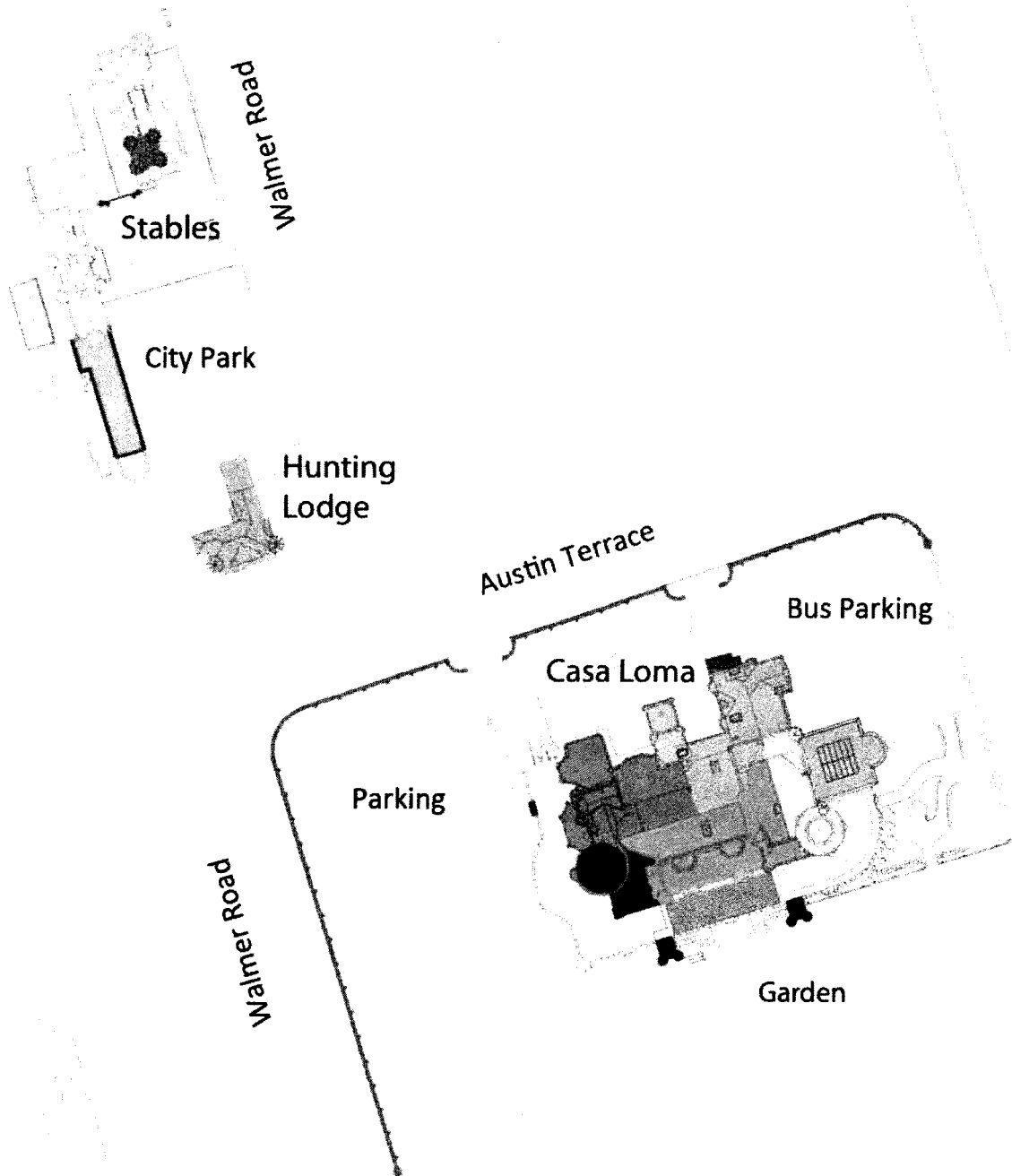
The buildings:

The Stables building, featuring the five-story Gothic tower, is connected to both the Potting Shed on the south and the former chauffeur’s residence on the north. The Stables also includes the garage. The Stables buildings are a direct compliment to Casa Loma and are of a similar picturesque mediaeval design. The Stables are about 22,400 square feet while the chauffeur’s residence is an additional approximately 2,000 square feet.

The Castle is approximately 64,700 square feet, over seven levels (including spaces in the towers and turrets).



SITE MAP

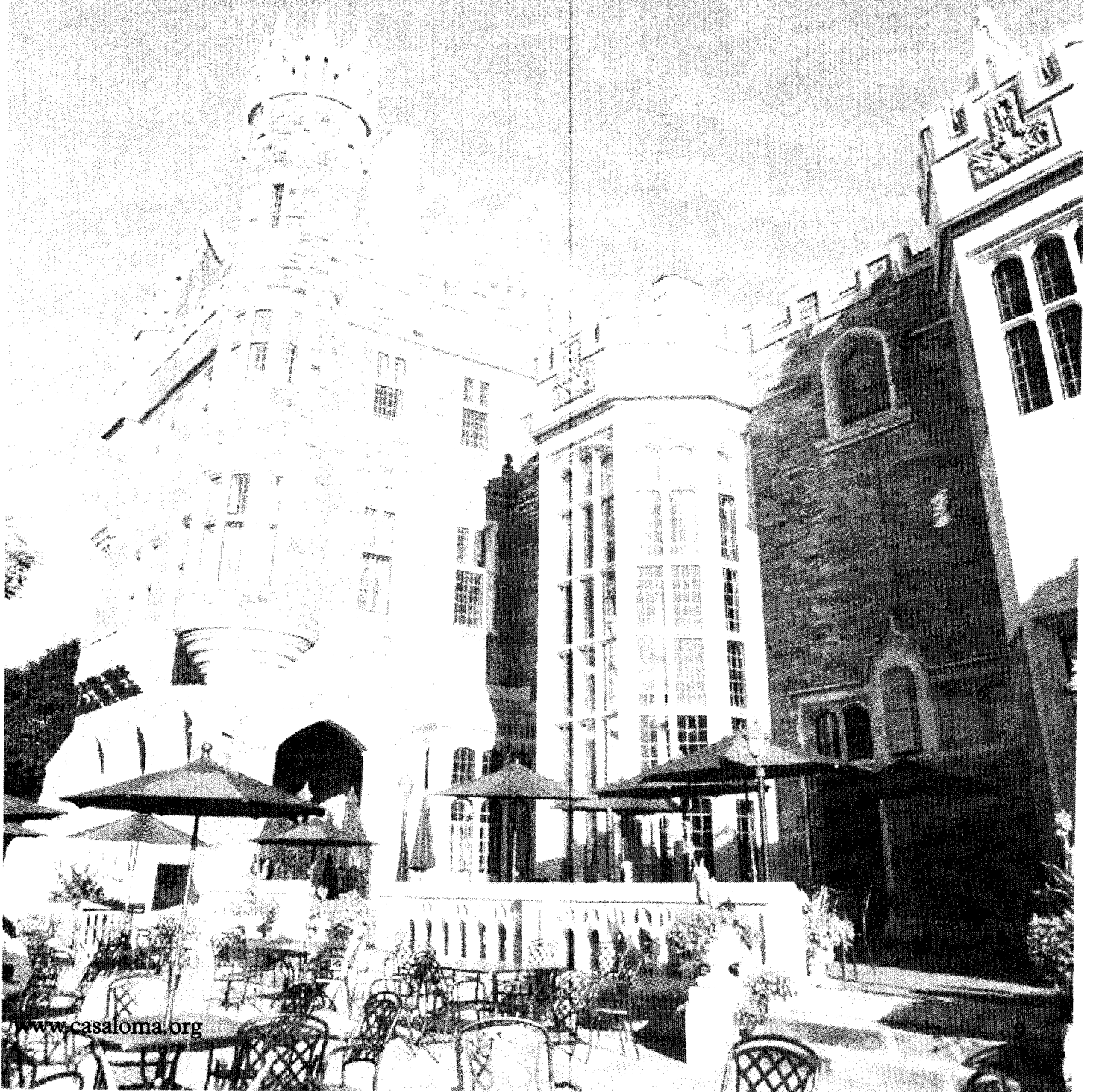


SITE AMENITIES

- Main floor capacity for events up to 550 people
- Third floor meeting space for between eight and 80
- Commercial grade kitchen
- Café
- Gift Shop
- Two tiered terrace with seasonal food and beverage service
- Parking for 155 personal vehicles
- Parking for 13 Coach and School buses
- Audio guide available in eight languages
- Film location friendly
- Four acres of gardens in bloom from May through October



ACCOMPLISHMENTS



2011 HIGHLIGHTS

Over 20 full-time and 40 part-time staff welcomed 282,361 visitors from over 65 countries during 2011.

In addition to our traditional visitors, guests joined us for *Winterlicious*, *Doors Open* and *Nuit Blanche*.

282,361

Visitors to the Castle, an increase of 2% over 2010

\$731,000

Casa Loma's operating surplus in 2011

4,500

Local visitors attended 15 self produced family programs

18,500

Visitors attended business meetings, social events and weddings held at Casa Loma

\$221,000

In revenue was generated from seven film and television location shoots

60

60 fairytale weddings

2011 KEY ACCOMPLISHMENTS

- In 2011, Casa Loma had an operating surplus of \$731,000 at year end; with \$500,000 set aside in a Casa Loma Corporation Capital Reserve account
- Casa Loma hosted 282,361 visitors to the Castle, an increase of 2% over 2010
- New fire and life safety system installed
- IT upgrades, hardware and software program implemented, telephones and parking POS terminal installed
- July through December, 10 major Canadian and international media opportunities hosted
- Seven Film and Television location shoots generated \$221,000 in revenues
- New website launched
- Improvements to guest services including training in customer service, first aid, AODA and the introduction of staff uniforms
- Replacement of one of two boilers in Main House
- Relocation of audio guide desk to the lower-level in order to drive customers to the Gift Shop and clear up Main floor
- New holiday season decor
- Way finding signage program installed
- Acquisition of donated heirloom rug valued at \$150,000
- Successfully established new Board of Directors and built new Management team with existing and contract staff



2011 ACTIVITIES

Upwards of 100 ticketed events 4,500 local visitors. Typical programs included;

- Archery
- Ghost Tracking
- Teddy Bear Tea
- Upstairs/Downstairs Tour
- Halloween Bootastic
- Become a Pirate
- Elves in the Workshop

Corporate Meeting and Events included;

- Harry Potter Movie Launch
- Paramount Home Entertainment
- Canada Shanghai Business Association
- Glentel Inc.
- Toronto Attractions Council
- Inspired Awards
- Canadian Ethnic Media Association
- Trade Office of Ecuador
- ABS CBN Canada
- Centennial College
- Rabobank International
- Congress Canada
- Grainger International
- Richlite Company
- Unity Telecom
- St. Joseph Media
- KPMG MSLP

Film and Television shoots included;

- Nikita
- Warehouse 13
- Lost Girl 2
- Ron James Show

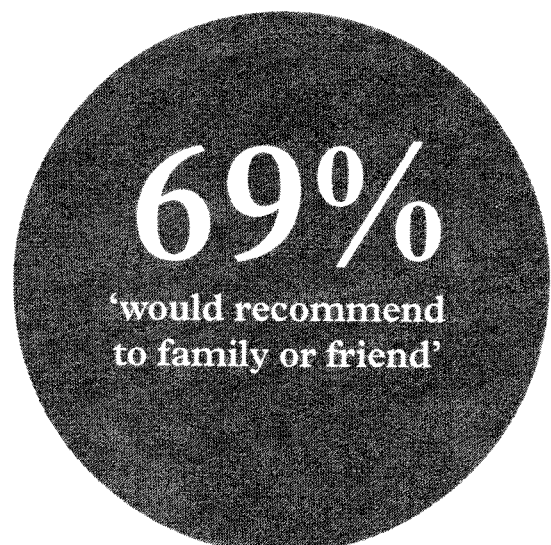
18 Group Tour Familiarization programs were hosted. Visitors joined us from all over the world with the greatest concentration from;

- Argentina
- Brazil
- China
- Korea
- Quebec
- USA

VISITOR SATISFACTION FINDINGS

Casa Loma participates in the G7 Attractions on-site customer satisfaction surveys conducted by *Harris Decima Research*. The 2011/2012 wave of 100+ onsite surveys are conducted in July, December and March. The G7 Members include; *The ROM, The AGO, CN Tower, Casa Loma, Ontario Science Centre, Toronto Zoo and Ontario Place*.

- 82% of respondents awarded a rating of 9 or 10 on a 10-point satisfaction scale of staff interaction
- 71% of respondents awarded a rating of 9 or 10 on a 10-point satisfaction scale on overall cleanliness of the facility
- 31% of respondents cited the subway as their mode of transportation to the site
- Ease of navigation around the site continues to be rated above other G7 attractions, likely a result of the audio guides, which are available in eight different languages as well as American Sign Language
- 66% of visitors residing outside of the GTA stay in a hotel



VISITOR DEMOGRAPHICS

Casa Loma vs. G7 Average

GEOGRAPHICAL AREA	CASA LOMA	G7 AVERAGE
From the GTA	53%	63%
From the rest of Ontario	10%	12%
From the rest of Canada	7%	5%
From the United States	17%	9%
International	13%	11%

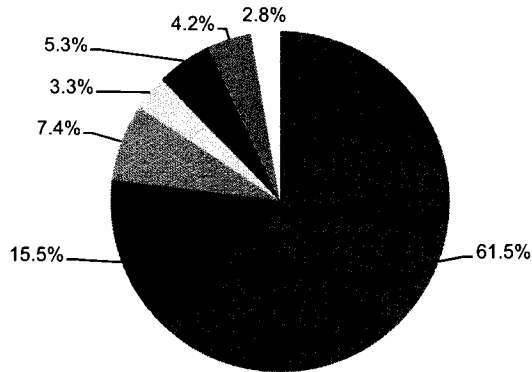
G7 list of Attractions;

- The ROM
- The AGO
- CN Tower
- Casa Loma
- Ontario Science Centre
- Toronto Zoo
- Ontario Place



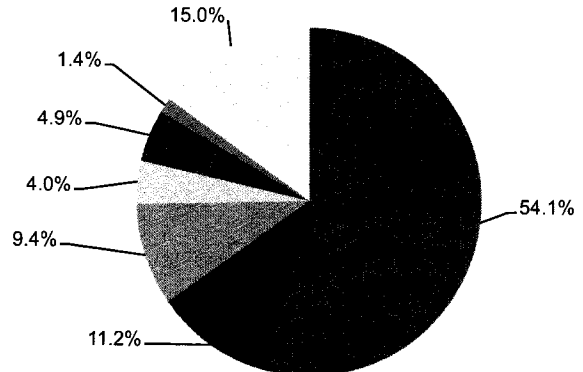
FINANCIAL (see separate audited financial statements for full details)

Revenue Breakdown



■ Admissions	■ Catering	■ Gift Shop	■ Programming
■ Parking	■ Film Shoots	■ Other	

Expense Breakdown

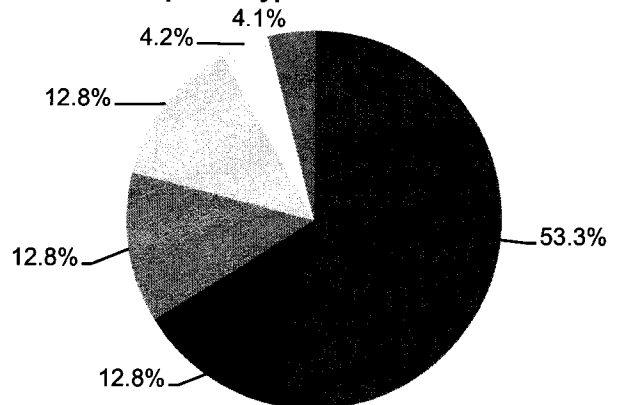


■ Admissions	■ Catering
■ Gift Shop	■ Programming
■ Kiwanis Payment	■ Film Shoots
■ Administration, Finance & Marketing	

For the calendar year 2011, the Casa Loma Corporation ended the year with:

- A surplus of \$731,000, excluding property tax and rent, and including the following one-time payments;
 - A payment of \$160,000 related to a 2010 amount owing to the City of Toronto Capital Reserve Fund was paid in 2011
 - Payments of \$306,910 were made to the Kiwanis Club as per the termination agreement
- \$500,000 set aside in a Capital Reserve Fund

Expense Type



■ Wages & Benefits	■ 3rd Party Service Contracts
■ Utilities & Maintenance	■ Other
■ Gift Shop Cost of Goods	■ Programming

THE BOARD OF DIRECTORS & MANAGEMENT TEAM 2011/2012

BOARD MEMBERS

Bruce Bowes
Chief Corporate Office
The City of Toronto

Rita Davies
Executive Director, Cultural Services
The City of Toronto

Mike St. Amant
Director, Accounting Services
The City of Toronto

Michael H. Williams, Chair
General Manager, Economic Development and Culture
The City of Toronto

Dianne Young
Chief Executive Officer
Exhibition Place

CORPORATE SECRETARY

Fatima Scagnol
Corporate Secretary to the Board of Governors
Exhibition Place

MANAGEMENT TEAM

Ildiko Bekesi
Gift Shop Manager

Brian Cormier
Director of Operations

Joan Crosbie
Curator

Katie Inverarity
Director of Sales & Marketing

Tina Katz
Catering Manager

Kelly Ng
Chief Financial Officer

Eva Pyatt
Chief Executive Officer