Mary Cairncross Scenic Reserve Business Case Assessment

Financial Analysis Addendum

March 2012

A number of changes were made to the original financial forecasts prepared by the Stafford Group (Appendix A). In large there changes were undertaken to:

- refine the capital investment costs required in order to appropriately fit out the site under the assumptions of the different options;
- apply more realistic assumptions on both visitor spend and penetration rates for each option; and
- rationalise visitor numbers based on recent traffic counts.

The following information is contained in this Addendum.

Table 1 – Capital cost estimates

The up-front capital investment required for each option is based on building cost estimates for each functional area, allowing for contingencies and project management fees.

Table 2 – Cost-benefit assumptions

This table indicates all critical assumptions for each option, also highlighting where they are different from the original Stafford Group assumptions.

Cost-benefit analysis for all options (Tables 3 to 9).

On-going operating costs are forecast over 25 years with the income component primarily driven by visitation numbers.

- **Table 3** Cost-benefit analysis –"do nothing" Option
- **Table 4** Cost benefit analysis Basic Upgrade Option
- **Table 5** Cost benefit analysis Option 1
- **Table 6** Cost benefit analysis Option 2a
- **Table 7** Cost benefit analysis Option 2b
- **Table 8** Cost benefit analysis Option 3
- **Table 9** Cost benefit analysis Option 4

Table 10 – Sensitivity summary

The financial model shows a high degree of sensitivity to operating cost and revenue. Sensitivity to visitor numbers and capital expenditure was moderate and low respectively.

Table 1 - Capital cost estimates

Expenditure items	Basic upgrade	Option 1	Option 2a	Option 2b	Option 3	Option 4
Building form	pavilion style	pavilion style	integrated	integrated	integrated	integrated
Levels	one level	one level	one level	two levels	two levels	two levels
Total Gross Floor Area (m ²)	508	693	788	788	988	1348
Food and beverage	40	40	40	40	40	400
Size of kiosk/café (incl kitchen) (m²)	200	40 220	40 200	40 200	40 400	120 400
Size of undercover seating (m²) Construction rate (per sqm)	\$1,000	\$1,500	\$2,500	\$2,500	\$2,500	\$2,500
Construction Cost	\$40,000	\$390,000	\$600,000	\$600,000	\$1,100,000	\$1,300,000
Commercial Kitchen Fitout	\$80,000	\$100,000	\$100,000	\$100,000	\$120,000	\$200,000
Liquor License	\$0	\$0	\$1,200	\$1,200	\$1,200	\$1,200
Capital Expenditure	\$120,000	\$490,000	\$701,200	\$701,200	\$1,221,200	\$1,501,200
Covered Picnic Area/Outdoor Classroo	om					
Size of picnic area/classroom (m ²)		100	100	100	100	100
Construction rate (per sqm)		\$800	\$800	\$800	\$800	\$800
Capital Expenditure Meeting room / theathrette		\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Size of meeting room (m ²)	80	80	80	80	80	80
Construction rate (per sqm)	\$1,000	\$1,500	\$2,500	\$2,500	\$2,500	\$2,500
Construction Cost	\$80,000	\$120,000	\$200,000	\$200,000	\$200,000	\$200,000
Technology/Equipment Fitout	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Furniture Fitout	\$15,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Capital Expenditure	\$110,000	\$155,000	\$235,000	\$235,000	\$235,000	\$235,000
Gift Shop		1				
Size of retail (m ²)		15	30	30 \$2,500	30	30 \$2,500
Construction rate (per sqm)		-	\$2,500	\$2,500	\$2,500 \$75,000	\$2,500
Construction Cost Furniture Fitout		\$10,000	\$75,000 \$20,000	\$75,000 \$20,000	\$20,000	\$75,000 \$20,000
Capital Expenditure	0	\$10,000	\$95,000	\$95,000	\$95,000	\$95,000
Education Centre	U U	ψ10,000	φου,σοσ	ψ55,000	Ψ30,000	ψ55,000
Size of education centre (m ²)	110	110	80	80	80	80
Construction rate (per sqm)		-	\$2,500	\$2,500	\$2,500	\$2,500
Construction Cost		-	\$200,000	\$200,000	\$200,000	\$200,000
Refurbishment Cost	\$80,000	\$80,000	-	-	-	-
Technology/Equipment Fitout	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Furniture Fitout	\$15,000	\$15,000	\$20,000	\$20,000	\$20,000	\$20,000
Interpretation Fitout Capital Expenditure	\$130,000 \$325,000	\$130,000 \$325,000	\$200,000 \$520,000	\$200,000 \$520,000	\$200,000 \$520,000	\$200,000 \$520,000
Viewing Platform	ψ323,000	ψ323,000	\$320,000	Ψ320,000	Ψ320,000[ψ320,000
Size of viewing platform (m ²)		50	180	180	180	180
Construction rate (per sgm)		\$500	\$1,500	\$1,500	\$1,500	\$1,500
Construction Cost		\$25,000	\$270,000	\$270,000	\$270,000	\$270,000
elevator to levels 1 and 2 from ground		-	\$70,000	\$70,000	\$70,000	\$70,000
Interpretation signage		\$10,000	\$15,000	\$15,000	\$15,000	\$15,000
Capital Expenditure		\$35,000	\$355,000	\$355,000	\$355,000	\$355,000
Canopy Walk						400
Size of canopy walk (m ²) Construction rate (per sqm)		-	-	-	<u>-</u>	180 \$3,000
Foundations (m ²)			-			აა,სსს 100
Construction rate (per sqm)		-	-	-	-	\$2,000
Construction Cost						\$740,000
Interpretation signage						\$25,000
Capital Expenditure		0	0	0	0	\$765,000
Additional Fit Out (omitted from Staffo						
Water/sewerage	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
Demolition (40.2)	\$10,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Office/kitchen/research area (46m²)	\$60,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000 \$15,000
Verandah (staff only 12m²) Toilots (staff-café patrons 20m²)	\$30,000	\$15,000 \$30,000	\$15,000 \$30,000	\$15,000 \$30,000	\$15,000 \$30,000	\$15,000 \$30,000
Toilets (staff+café patrons 20m²) Car parking	ψ30,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Landscaping		\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Workshop shed		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Capital Expenditure	\$185,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Pre-contingency Estimate	\$740,000	\$1,495,000	\$2,386,200	\$2,386,200	\$2,906,200	\$3,951,200
Margin for 2 stories (15%)				\$154,680	\$232,680	\$274,680
Contingencies (30%)	\$222,000	\$448,500	\$715,860	\$762,264	\$941,664	\$1,038,264
Fees (10%)	\$74,000	\$149,500	\$238,620	\$238,620	\$290,620	\$395,120
TOTAL CAPITAL EXPENDITURE	\$1,036,000	\$2,093,000	\$3,340,680	\$3,541,764	\$4,371,164	\$5,659,264

Table 2 - Cost / benefit assumptions

Cost/benefit parameters	Stafford Group	Basic upgrade	Option 1	Option 2a/2b	Option 3	Option 4
Food/Drink Services						
Commerical kitchen size (m²)		40	40	40	60	120
Undercover seating for 80 patrons size (m ²)		200	200	400	400	400
Type of services		kiosk	tea house	tea house	tea house	restaurant
Provision of alcoholic beverages		none	BYO	fully licenced	fully licenced	fully licenced
Café turnover allocated to Council after 3yrs	5%	5%	5%	5%	5%	5%
Lessee rent after 3yrs	\$25,000	\$10,000	\$25,000	\$25,000	\$25,000	\$35,000
Average spend at café per person (op yrs 1-7)	\$14	\$7.50	\$7.50	\$7.50	\$7.50	\$30.00
Average spend at café per person (op yrs 8-15)	\$17	\$11.95	\$11.95	\$11.95	\$11.95	\$38.00
Average spend at café per person (op yrs 16-25)	\$21	\$19.05	\$19.05	\$19.05	\$19.05	\$48.14
Penetration (% visitors who purchase café items)	55%	40%	40%	40%	40%	20%
Gift shop						
Size (m ²)		none	15	30	30	30
Average spend at retail per person (op yrs 1-7)	\$4.50		\$2.25	\$4.50	\$4.50	\$4.50
Average spend at retail per person (op yrs 8-15)	\$7.00		\$3.50	\$7.00	\$7.00	\$7.00
Average spend at retail per person (op yrs 16-25)	\$9.00		\$4.50	\$9.00	\$9.00	\$9.00
Penetration (% visitors who purchase gift items)	25%		20%	20%	20%	20%
Education Centre	Opions 1 to 4					
% of visitors who will donate	56%	56%				
Average donation per person (op yrs 1 - 13)	\$1.00	\$1.00				
Average donation per person (op yrs 14-25)	\$2.00	\$2.00				
Other assumptions	Opions 1 to 4					
Cost of goods sold (gift shop)	45%	45%				
Inflation	3%	3%				
Maintenance costs per sqm pa	\$30	\$30				
Utility costs pa (year 1)	\$45,000	\$20,000				
Utility overheads increase pa	4%	4%				
Discount rate	6.5%	6.5%				
Revenue from meeting room hire	\$200	\$0		consultant assumpt	tions changed	

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Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		150,000	153,000	156,060	159,181	154,406	149,774	145,280	148,186	151,150	154,173	157,256	152,538	147,962	143,523	147,829	152,264	156,832	161,537	156,691	151,990	147,430	154,802	162,542	167,418	172,441
REVENUE																										ĺ
Café lessee rent		\$8,500	\$8,500	\$8,500	\$8,755	\$9,018	\$9,288	\$9,567	\$9,854	\$10,149	\$10,454	\$10,768	\$11,091	\$11,423	\$11,766	\$12,119	\$12,483	\$12,857	\$13,243	\$13,640	\$14,049	\$14,471	\$14,905	\$15,352	\$15,813	\$16,287
Café lessee portion of turnover		-	-	-	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
Gold coin donations		\$70,000	\$70,000	\$72,100	\$72,100	\$74,263	\$74,263	\$76,491	\$76,491	\$78,786	\$78,786	\$81,149	\$81,149	\$83,584	\$83,584	\$86,091	\$86,091	\$88,674	\$88,674	\$91,334	\$91,334	\$94,074	\$94,074	\$96,896	\$96,896	\$99,803
Total Revenue		\$78,500	\$78,500	\$80,600	\$80,855	\$83,281	\$83,551	\$86,058	\$86,345	\$88,935	\$89,240	\$91,917	\$92,240	\$95,007	\$95,350	\$98,210	\$98,574	\$101,531	\$101,917	\$104,974	\$105,383	\$108,545	\$108,979	\$112,248	\$112,709	\$116,090
EXPENDITURE																										ĺ
Salaries (1.2 FTE)		\$107,000	\$110,210	\$113,516	\$116,922	\$120,429	\$124,042	\$127,764	\$131,597	\$135,544	\$139,611	\$143,799	\$148,113	\$152,556	\$157,133	\$161,847	\$166,703	\$171,704	\$176,855	\$182,160	\$187,625	\$193,254	\$199,052	\$205,023	\$211,174	\$217,509
Cost of goods sold (retail)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
Utilities		\$16,000	\$16,640	\$17,306	\$17,998	\$18,718	\$19,466	\$20,245	\$21,055	\$21,897	\$22,773	\$23,684	\$24,631	\$25,617	\$26,641	\$27,707	\$28,815	\$29,968	\$31,166	\$32,413	\$33,710	\$35,058	\$36,460	\$37,919	\$39,435	\$41,012.87
Preventative mtce		\$7,000	\$7,210.00	\$7,426.30	\$7,649.09	\$7,878.56	\$8,114.92	\$8,358.37	\$8,609.12	\$8,867.39	\$9,133.41	\$9,407.41	\$9,689.64	\$9,980.33	\$10,279.74	\$10,588.13	\$10,905.77	\$11,232.95	\$11,569.93	\$11,917.03	\$12,274.54	\$12,642.78	\$13,022.06	\$13,412.72	\$13,815.11	\$14,229.56
Per condition report		\$14,300	\$500	\$300.00	\$0	\$14,800	\$2,500	\$71,400	\$8,400	\$23,500	\$47,250	\$26,100	\$28,150	\$8,400	\$36,000	\$7,100	\$6,700	\$52,100	\$12,300	\$48,000	\$14,300	\$500	\$300		\$14,800	\$2,500.00
Breakdown & other (historical)		\$65,000	\$66,950	\$68,959	\$71,027	\$73,158	\$75,353	\$77,613	\$79,942	\$82,340	\$84,810	\$87,355	\$89,975	\$92,674	\$95,455	\$98,318	\$101,268	\$104,306	\$107,435	\$110,658	\$113,978	\$117,397	\$120,919	\$124,547	\$128,283	\$132,132
Total Costs		\$209,300	\$201,510	\$207,507	\$213,596	\$234,984	\$229,477	\$305,380	\$249,602	\$272,149	\$303,577	\$290,345	\$300,559	\$289,228	\$325,509	\$305,560	\$314,391	\$369,310	\$339,326	\$385,149	\$361,887	\$358,852	\$369,753	\$380,901	\$407,507	\$407,383
EBITDA		-\$130,800	-\$123,010	-\$126,907	-\$132,741	-\$151,703	-\$145,925	-\$219,323	-\$163,258	-\$183,214	-\$214,338	-\$198,428	-\$208,319	-\$194,221	-\$230,159	-\$207,350	-\$215,818	-\$267,779	-\$237,410	-\$280,174	-\$256,504	-\$250,307	-\$260,774	-\$268,653	-\$294,799	-\$291,293
Capital Expenditure	\$181,570																									i
Facility Reburbishment								\$0							\$0						\$0					i
Cash Flow	-\$181,570	-\$130,800	-\$123,010	-\$126,907	-\$132,741	-\$151,703	-\$145,925	-\$219,323	-\$163,258	-\$183,214	-\$214,338	-\$198,428	-\$208,319	-\$194,221	-\$230,159	-\$207,350	-\$215,818	-\$267,779	-\$237,410	-\$280,174	-\$256,504	-\$250,307	-\$260,774	-\$268,653	-\$294,799	-\$291,293
Discounted Cash Flow	-\$160,083	-\$108,283	-\$95,619	-\$92,627	-\$90,972	-\$97,622	-\$88,173	-\$124,433	-\$86,972	-\$91,646	-\$100,671	-\$87,510	-\$86,265	-\$75,518	-\$84,030	-\$71,082	-\$69,469	-\$80,935	-\$67,376	-\$74,660	-\$64,180	-\$58,807	-\$57,527	-\$55,648	-\$57,337	-\$53,197
Net Present Value (NPV) Option 0	-\$2.180.642																									 i

Table 4 - Cost Benefit - Bas	ic upgrade (option																								
Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		150,000	153,000	156,060	159,181	154,406	149,774	145,280	148,186	151,150	154,173	157,256	152,538	147,962	143,523	147,829	152,264	156,832	161,537	156,691	151,990	147,430	154,802	162,542	167,418	172,441
REVENUE																										
Café lessee rent		\$0	\$5,000	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535	\$18,061	\$18,603	\$19,161
Café lessee portion of turnover		-	-	\$21,848	\$22,285	\$21,617	\$25,462	\$24,698	\$25,192	\$25,695	\$26,209	\$26,734	\$25,932	\$25,154	\$30,140	\$31,044	\$31,975	\$32,935	\$33,923	\$32,905	\$31,918	\$30,960	\$32,508	\$34,134	\$35,158	\$36,213
Retail revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gold coin donations		\$70,000	\$70,000	\$72,100	\$72,100	\$74,263	\$74,263	\$76,491	\$76,491	\$78,786	\$78,786	\$81,149	\$81,149	\$83,584	\$83,584	\$86,091	\$86,091	\$88,674	\$88,674	\$91,334	\$91,334	\$94,074	\$94,074	\$96,896	\$96,896	\$99,803
Total Revenue		\$70,000	\$75,000	\$103,948	\$104,685	\$106,489	\$110,652	\$112,444	\$113,275	\$116,422	\$117,294	\$120,550	\$120,128	\$122,176	\$127,566	\$131,393	\$132,752	\$136,735	\$138,176	\$140,286	\$139,781	\$142,059	\$144,118	\$149,091	\$150,657	\$155,177
EXPENDITURE																										
Salaries (2.2 FTE)		\$107,000	\$110,210	\$113,516	\$116,922	\$120,429	\$124,042	\$127,764	\$131,597	\$135,544	\$139,611	\$143,799	\$148,113	\$152,556	\$157,133	\$161,847	\$166,703	\$171,704	\$176,855	\$182,160	\$187,625	\$193,254	\$199,052	\$205,023	\$211,174	\$217,509
Cost of goods sold (retail)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities		\$25,000	\$26,000	\$27,040	\$28,122	\$29,246	\$30,416	\$31,633	\$32,898	\$34,214	\$35,583	\$37,006	\$38,486	\$40,026	\$41,627	\$43,292	\$45,024	\$46,825	\$48,698	\$50,645	\$52,671	\$54,778	\$56,969	\$59,248	\$61,618	\$64,082.60
General operation		\$14,300	\$500	\$300.00	\$0	\$14,800	\$2,500	\$71,400	\$8,400	\$23,500	\$47,250	\$26,100	\$28,150	\$8,400	\$36,000	\$7,100	\$6,700	\$52,100	\$12,300	\$48,000	\$14,300	\$500	\$300		\$14,800	\$2,500.00
Site maintenance		\$65,000	\$66,950	\$68,958.50	\$71,027	\$73,158	\$75,353	\$77,613	\$79,942	\$82,340	\$84,810	\$87,355	\$89,975	\$92,674	\$95,455	\$98,318	\$101,268	\$104,306	\$107,435	\$110,658	\$113,978	\$117,397	\$120,919	\$124,547	\$128,283	\$132,132
Total Costs		\$211,300	\$203,660	\$209,815	\$216,071	\$237,634	\$232,311	\$308,410	\$252,837	\$275,599	\$307,254	\$294,260	\$304,725	\$293,657	\$330,215	\$310,557	\$319,694	\$374,934	\$345,287	\$391,464	\$368,574	\$365,929	\$377,240	\$388,818	\$415,875	\$416,223
EBITDA		-\$141,300	-\$128,660	-\$105,866	-\$111,385	-\$131,145	-\$121,660	-\$195,966	-\$139,561	-\$159,177	-\$189,960	-\$173,709	-\$184,596	-\$171,480	-\$202,649	-\$179,164	-\$186,942	-\$238,200	-\$207,111	-\$251,178	-\$228,794	-\$223,870	-\$233,122	-\$239,726	-\$265,218	-\$261,046
Capital Expenditure	\$1,036,000																									
Facility Reburbishment								\$100,000							\$100,000						\$100,000					
Cash Flow	-\$1,036,000	-\$141,300	-\$128,660	-\$105,866	-\$111,385	-\$131,145	-\$121,660	-\$95,966	-\$139,561	-\$159,177	-\$189,960	-\$173,709	-\$184,596	-\$171,480	-\$102,649	-\$179,164	-\$186,942	-\$238,200	-\$207,111	-\$251,178	-\$128,794	-\$223,870	-\$233,122	-\$239,726	-\$265,218	-\$261,046
Discounted Cash Flow	-\$913,399	-\$116,975	-\$100,010	-\$77,270	-\$76,336	-\$84,393	-\$73,511	-\$54,447	-\$74,348	-\$79,622	-\$89,221	-\$76,609	-\$76,441	-\$66,676	-\$37,477	-\$61,420	-\$60,175	-\$71,994	-\$58,777	-\$66,933	-\$32,226	-\$52,596	-\$51,427	-\$49,656	-\$51,584	-\$47,674
Net Present Value (NPV) Basic Upgrade Option	-\$2,601,197																									

Table 5 - Cost Benefit - Opti	on 1																									
Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		160,000	163,200	166,464	169,793	164,699	159,758	154,966	159,615	164,403	169,335	174,415	169,183	164,107	159,184	167,143	175,501	184,276	189,804	184,110	178,586	173,229	181,890	190,985	196,714	202,616
REVENUE																										
Café lessee rent		\$5,000	\$10,000	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689	\$23,370	\$24,071	\$24,793	\$25,536	\$26,303	\$27,092	\$27,904	\$28,742
Café lessee portion of turnover		-	-	\$23,305	\$23,771	\$23,058	\$27,159	\$26,344	\$27,135	\$27,949	\$28,787	\$29,651	\$28,761	\$27,898	\$33,429	\$35,100	\$36,855	\$38,698	\$39,859	\$38,663	\$37,503	\$36,378	\$38,197	\$40,107	\$41,310	\$42,549
Retail revenue		\$72,000	\$73,440	\$74,909	\$76,407	\$74,115	\$111,831	\$108,476	\$111,730	\$115,082	\$118,535	\$122,091	\$118,428	\$114,875	\$143,266	\$150,429	\$157,950	\$165,848	\$170,823	\$165,699	\$160,728	\$155,906	\$163,701	\$171,886	\$177,043	\$182,354
Gold coin donations		\$89,600	\$91,392	\$93,220	\$95,084	\$92,232	\$89,465	\$86,781	\$89,384	\$92,066	\$94,828	\$97,673	\$94,742	\$91,900	\$178,286	\$187,201	\$196,561	\$206,389	\$212,580	\$206,203	\$200,017	\$194,016	\$203,717	\$213,903	\$220,320	\$226,930
Total Revenue		\$166,600	\$174,832	\$206,434	\$210,712	\$205,318	\$244,846	\$238,484	\$245,638	\$253,007	\$260,598	\$268,415	\$261,503	\$254,832	\$375,744	\$394,116	\$413,394	\$433,623	\$446,632	\$434,635	\$423,040	\$411,837	\$431,918	\$452,988	\$466,577	\$480,575
EXPENDITURE																										
Salaries (2.2 FTE)		\$174,400	\$179,632	\$185,021	\$190,572	\$196,289	\$202,177	\$208,243	\$214,490	\$220,925	\$227,552	\$234,379	\$241,410	\$248,653	\$256,112	\$263,796	\$271,710	\$279,861	\$288,257	\$296,904	\$305,811	\$314,986	\$324,435	\$334,168	\$344,193	\$354,519
Cost of goods sold (retail)		\$32,400	\$33,048	\$33,709	\$34,383	\$33,352	\$50,324	\$48,814	\$50,279	\$51,787	\$53,341	\$54,941	\$53,293	\$51,694	\$64,470	\$67,693	\$71,078	\$74,632	\$76,871	\$74,564	\$72,327	\$70,158	\$73,666	\$77,349	\$79,669	\$82,059
Utilities		\$20,000	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333	\$25,306	\$26,319	\$27,371	\$28,466	\$29,605	\$30,789	\$32,021	\$33,301	\$34,634	\$36,019	\$37,460	\$38,958	\$40,516	\$42,137	\$43,822	\$45,575	\$47,398	\$49,294	\$51,266.08
General operation		\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908	\$81,275	\$83,713	\$86,225	\$88,811	\$91,476
Site maintenance		\$20,790	\$21,414	\$22,056.11	\$22,718	\$23,399	\$24,101	\$24,824	\$25,569	\$26,336	\$27,126	\$27,940	\$28,778	\$29,642	\$30,531	\$31,447	\$32,390	\$33,362	\$34,363	\$35,394	\$36,455	\$37,549	\$38,676	\$39,836	\$41,031	\$42,262
Total Costs		\$292,590	\$301,244	\$310,159	\$319,343	\$327,085	\$353,103	\$360,920	\$372,001	\$383,424	\$395,200	\$407,341	\$416,561	\$426,168	\$450,498	\$465,636	\$481,305	\$497,526	\$512,826	\$523,988	\$535,639	\$547,790	\$566,065	\$584,976	\$602,999	\$621,582
EBITDA		-\$125,990	-\$126,412	-\$103,725	-\$108,630	-\$121,767	-\$108,257	-\$122,436	-\$126,363	-\$130,417	-\$134,603	-\$138,926	-\$155,058	-\$171,336	-\$74,754	-\$71,519	-\$67,911	-\$63,902	-\$66,194	-\$89,353	-\$112,599	-\$135,953	-\$134,147	-\$131,988	-\$136,422	-\$141,008
Capital Expenditure	\$2,093,000																									
Facility Reburbishment								\$100,000							\$100,000						\$100,000					
Cash Flow	-\$2,093,000	-\$125,990	-\$126,412	-\$103,725	-\$108,630	-\$121,767	-\$108,257	-\$22,436	-\$126,363	-\$130,417	-\$134,603	-\$138,926	-\$155,058	-\$171,336	\$25,246	-\$71,519	-\$67,911	-\$63,902	-\$66,194	-\$89,353	-\$12,599	-\$135,953	-\$134,147	-\$131,988	-\$136,422	-\$141,008
Discounted Cash Flow	-\$1,845,313	-\$104,301	-\$98,263	-\$75,707	-\$74,448	-\$78,358	-\$65,413	-\$12,729	-\$67,317	-\$65,236	-\$63,221	-\$61,268	-\$64,209	-\$66,620	\$9,217	-\$24,518	-\$21,860	-\$19,314	-\$18,786	-\$23,810	-\$3,152	-\$31,941	-\$29,593	-\$27,340	-\$26,534	-\$25,752
Net Present Value (NPV) Option 1	-\$2,985,784																									

Table 6 - Cost Benefit - Op	ion 2a																									
Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		174,000	191,800	201,590	207,758	203,523	199,372	195,305	205,270	215,733	222,325	229,115	224,453	219,884	213,167	224,026	235,427	247,398	254,940	249,761	244,686	237,226	249,287	261,951	269,930	278,148
REVENUE																										
Café lessee rent		\$5,000	\$15,000	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619	\$33,598	\$34,606	\$35,644	\$36,713	\$37,815	\$38,949	\$40,118	\$41,321	\$42,561	\$43,838	\$45,153	\$46,507	\$47,903
Café lessee portion of turnover		-	-	\$30,239	\$31,164	\$30,528	\$47,665	\$46,693	\$49,075	\$51,577	\$53,153	\$54,776	\$53,662	\$52,569	\$81,228	\$85,366	\$89,710	\$94,272	\$97,146	\$95,172	\$93,238	\$90,395	\$94,991	\$99,817	\$102,857	\$105,989
Retail revenue		\$156,600	\$172,620	\$181,431	\$186,982	\$183,170	\$279,121	\$273,427	\$287,378	\$302,027	\$311,256	\$320,761	\$314,234	\$307,837	\$383,701	\$403,246	\$423,768	\$445,317	\$458,892	\$449,571	\$440,435	\$427,006	\$448,716	\$471,512	\$485,874	\$500,666
Gold coin donations		\$97,440	\$107,408	\$112,890	\$116,344	\$113,973	\$111,648	\$109,371	\$114,951	\$120,811	\$124,502	\$128,304	\$125,694	\$123,135	\$238,747	\$250,909	\$263,678	\$277,086	\$285,533	\$279,733	\$274,049	\$265,693	\$279,201	\$293,385	\$302,321	\$311,525
Theatrette Hire		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue		\$259,040	\$295,028	\$349,560	\$360,240	\$354,194	\$465,753	\$457,628	\$480,386	\$504,266	\$519,658	\$535,511	\$526,208	\$517,139	\$738,282	\$775,164	\$813,870	\$854,489	\$880,520	\$864,593	\$849,043	\$825,655	\$866,747	\$909,868	\$937,560	\$966,083
EXPENDITURE				\$88,734																						
Salaries (2 part time)		\$174,400	\$179,632	\$185,021	\$190,572	\$196,289	\$202,177	\$208,243	\$214,490	\$220,925	\$227,552	\$234,379	\$241,410	\$248,653	\$256,112	\$263,796	\$271,710	\$279,861	\$288,257	\$296,904	\$305,811	\$314,986	\$324,435	\$334,168	\$344,193	\$354,519
Cost of goods sold (retail)		\$70,470	\$77,679	\$81,644	\$84,142	\$82,427	\$125,604	\$123,042	\$129,320	\$135,912	\$140,065	\$144,343	\$141,405	\$138,527	\$172,665	\$181,461	\$190,696	\$200,393	\$206,502	\$202,307	\$198,196	\$192,153	\$201,922	\$212,180	\$218,643	\$225,300
Utilities		\$20,000	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333	\$25,306	\$26,319	\$27,371	\$28,466	\$29,605	\$30,789	\$32,021	\$33,301	\$34,634	\$36,019	\$37,460	\$38,958	\$40,516	\$42,137	\$43,822	\$45,575	\$47,398	\$49,294	\$51,266
Liquor License Annual Fee		\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563
General maintenance		\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908	\$81,275	\$83,713	\$86,225	\$88,811	\$91,476
Site maintenance		\$23,640	\$24,349	\$25,080	\$25,832	\$26,607	\$27,405	\$28,227	\$29,074	\$29,946	\$30,845	\$31,770	\$32,723	\$33,705	\$34,716	\$35,758	\$36,830	\$37,935	\$39,073	\$40,246	\$41,453	\$42,696	\$43,977	\$45,297	\$46,656	\$48,055
Elevator Maintenance		\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328
Total Costs		\$348,510	\$364,260	\$377,031	\$388,606	\$396,250	\$449,077	\$456,462	\$472,995	\$490,161	\$505,215	\$519,012	\$527,611	\$536,626	\$583,028	\$604,468	\$626,739	\$649,877	\$669,846	\$679,941	\$690,564	\$699,713	\$725,148	\$751,558	\$774,676	\$798,507
EBITDA		-\$89,470	-\$69,232	-\$27,471	-\$28,367	-\$42,056	\$16,676	\$1,166	\$7,391	\$14,105	\$14,443	\$16,499	-\$1,402	-\$19,487	\$155,254	\$170,697	\$187,131	\$204,612	\$210,675	\$184,653	\$158,479	\$125,942	\$141,599	\$158,309	\$162,883	\$167,576
Capital Expenditure																										
Facility Reburbishment								-\$150,000							-\$150,000						-\$150,000					
Total Capital Expenditure	\$3,340,680																									
Cash Flow	-\$3,340,680	-\$89,470	-\$69,232	-\$27,471	-\$28,367	-\$42,056	\$16,676	-\$148,834	\$7,391	\$14,105	\$14,443	\$16,499	-\$1,402	-\$19,487	\$5,254	\$170,697	\$187,131	\$204,612	\$210,675	\$184,653	\$8,479	\$125,942	\$141,599	\$158,309	\$162,883	\$167,576
Discounted Cash Flow	-\$2,945,342	-\$74,068	-\$53,816	-\$20,050	-\$19,441	-\$27,063	\$10,076	-\$84,441	\$3,937	\$7,055	\$6,783	\$7,276	-\$581	-\$7,577	\$1,918	\$58,517	\$60,236	\$61,843	\$59,789	\$49,206	\$2,122	\$29,589	\$31,237	\$32,792	\$31,680	\$30,604

Net Present Value (NPV) Option 2a -\$2,747,719

Table 7 - Cost Benefit - Opti	on 2b																									
Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		176,000	193,800	203,590	209,758	205,523	201,372	197,305	207,270	217,733	224,325	231,115	226,453	221,884	215,167	226,026	237,427	249,398	256,940	251,761	246,686	239,226	251,287	263,951	271,930	280,148
REVENUE																										
Café lessee rent		\$5,000	\$15,000	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619	\$33,598	\$34,606	\$35,644	\$36,713	\$37,815	\$38,949	\$40,118	\$41,321	\$42,561	\$43,838	\$45,153	\$46,507	\$47,903
Café lessee portion of turnover		-	-	\$30,539	\$31,464	\$30,828	\$48,143	\$47,171	\$49,554	\$52,055	\$53,631	\$55,254	\$54,140	\$53,047	\$81,990	\$86,128	\$90,472	\$95,034	\$97,908	\$95,934	\$94,000	\$91,158	\$95,754	\$100,579	\$103,620	\$106,751
Retail revenue		\$158,400	\$174,420	\$183,231	\$188,782	\$184,970	\$281,921	\$276,227	\$290,178	\$304,827	\$314,056	\$323,561	\$317,034	\$310,637	\$387,301	\$406,846	\$427,368	\$448,917	\$462,492	\$453,171	\$444,035	\$430,606	\$452,316	\$475,112	\$489,474	\$504,266
Gold coin donations		\$98,560	\$108,528	\$114,010	\$117,464	\$115,093	\$112,768	\$110,491	\$116,071	\$121,931	\$125,622	\$129,424	\$126,814	\$124,255	\$240,987	\$253,149	\$265,918	\$279,326	\$287,773	\$281,973	\$276,289	\$267,933	\$281,441	\$295,625	\$304,561	\$313,765
Theatrette Hire		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue		\$261,960	\$297,948	\$352,780	\$363,460	\$357,414	\$470,151	\$462,026	\$484,784	\$508,664	\$524,056	\$539,909	\$530,607	\$521,537	\$744,884	\$781,767	\$820,472	\$861,092	\$887,122	\$871,195	\$855,645	\$832,257	\$873,349	\$916,470	\$944,162	\$972,685
EXPENDITURE																										
Salaries (2 part time)		\$174,400	\$179,632	\$185,021	\$190,572	\$196,289	\$202,177	\$208,243	\$214,490	\$220,925	\$227,552	\$234,379	\$241,410	\$248,653	\$256,112	\$263,796	\$271,710	\$279,861	\$288,257	\$296,904	\$305,811	\$314,986	\$324,435	\$334,168	\$344,193	\$354,519
Cost of goods sold (retail)		\$71,280	\$78,489	\$82,454	\$84,952	\$83,237	\$126,864	\$124,302	\$130,580	\$137,172	\$141,325	\$145,603	\$142,665	\$139,787	\$174,285	\$183,081	\$192,316	\$202,013	\$208,122	\$203,927	\$199,816	\$193,773	\$203,542	\$213,800	\$220,263	\$226,920
Utilities		\$20,000	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333	\$25,306	\$26,319	\$27,371	\$28,466	\$29,605	\$30,789	\$32,021	\$33,301	\$34,634	\$36,019	\$37,460	\$38,958	\$40,516	\$42,137	\$43,822	\$45,575	\$47,398	\$49,294	\$51,266
Liquor License Annual Fee		\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563
General maintenance		\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908	\$81,275	\$83,713	\$86,225	\$88,811	\$91,476
Site maintenance		\$23,640	\$24,349	\$25,080	\$25,832	\$26,607.03	\$27,405	\$28,227	\$29,074	\$29,946	\$30,845	\$31,770	\$32,723	\$33,705	\$34,716	\$35,758	\$36,830	\$37,935	\$39,073	\$40,246	\$41,453	\$42,696	\$43,977	\$45,297	\$46,656	\$48,055
Elevator Maintenance		\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328
Total Costs		\$349,320	\$365,070	\$377,841	\$389,416	\$397,060	\$450,337	\$457,722	\$474,255	\$491,421	\$506,475	\$520,272	\$528,871	\$537,886	\$584,648	\$606,088	\$628,359	\$651,497	\$671,466	\$681,561	\$692,184	\$701,333	\$726,768	\$753,178	\$776,296	\$800,127
EBITDA		-\$87,360	-\$67,122	-\$25,061	-\$25,957	-\$39,646	\$19,814	\$4,304	\$10,529	\$17,243	\$17,581	\$19,637	\$1,736	-\$16,349	\$160,236	\$175,679	\$192,113	\$209,594	\$215,657	\$189,635	\$163,461	\$130,924	\$146,581	\$163,291	\$167,865	\$172,558
Capital Expenditure	\$3,541,764																									
Facility Reburbishment								-\$150,000							-\$150,000						-\$150,000					
Cash Flow	-\$3,541,764	-\$87,360	-\$67,122	-\$25,061	-\$25,957	-\$39,646	\$19,814	-\$145,696	\$10,529	\$17,243	\$17,581	\$19,637	\$1,736	-\$16,349	\$10,236	\$175,679	\$192,113	\$209,594	\$215,657	\$189,635	\$13,461	\$130,924	\$146,581	\$163,291	\$167,865	\$172,558
Discounted Cash Flow	-\$3,122,629	-\$72,321	-\$52,176	-\$18,291	-\$17,789	-\$25,513	\$11,972	-\$82,661	\$5,609	\$8,625	\$8,257	\$8,660	\$719	-\$6,357	\$3,737	\$60,225	\$61,839	\$63,349	\$61,203	\$50,533	\$3,368	\$30,759	\$32,336	\$33,824	\$32,649	\$31,513

Net Present Value (NPV) Option 2b -\$2,888,557

Table 8 - Cost Benefit - Opti	on 3																									
Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		178,000	195,800	205,590	211,758	207,523	203,372	199,305	209,270	219,733	226,325	233,115	228,453	223,884	217,167	228,026	239,427	251,398	258,940	253,761	248,686	241,226	253,287	265,951	273,930	282,148
REVENUE																										
Café lessee rent		\$5,000	\$15,000	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619	\$33,598	\$34,606	\$35,644	\$36,713	\$37,815	\$38,949	\$40,118	\$41,321	\$42,561	\$43,838	\$45,153	\$46,507	\$47,903
Café lessee portion of turnover		-	-	\$30,839	\$31,764	\$31,128	\$30,506	\$29,896	\$50,032	\$52,533	\$54,109	\$55,733	\$54,618	\$53,526	\$51,920	\$54,516	\$91,234	\$95,796	\$98,670	\$96,696	\$94,763	\$91,920	\$96,516	\$101,341	\$104,382	\$107,513
Retail revenue		\$160,200	\$176,220	\$185,031	\$190,582	\$186,770	\$183,035	\$179,374	\$292,978	\$307,627	\$316,856	\$326,361	\$319,834	\$313,437	\$304,034	\$319,236	\$335,198	\$351,958	\$362,516	\$355,266	\$348,161	\$337,716	\$354,602	\$372,332	\$383,502	\$395,007
Gold coin donations		\$99,680	\$109,648	\$115,130	\$118,584	\$116,213	\$113,888	\$111,611	\$117,191	\$123,051	\$126,742	\$130,544	\$127,934	\$125,375	\$243,227	\$255,389	\$268,158	\$281,566	\$290,013	\$284,213	\$278,529	\$270,173	\$283,681	\$297,865	\$306,801	\$316,005
Theatrette Hire		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue		\$264,880	\$300,868	\$356,000	\$366,680	\$360,634	\$354,747	\$349,018	\$489,182	\$513,062	\$528,454	\$544,307	\$535,005	\$525,936	\$633,787	\$664,784	\$731,303	\$767,134	\$790,148	\$776,293	\$762,773	\$742,369	\$778,636	\$816,691	\$841,192	\$866,428
EXPENDITURE																										
Salaries (2 part time)		\$174,400	\$179,632	\$185,021	\$190,572	\$196,289	\$202,177	\$208,243	\$214,490	\$220,925	\$227,552	\$234,379	\$241,410	\$248,653	\$256,112	\$263,796	\$271,710	\$279,861	\$288,257	\$296,904	\$305,811	\$314,986	\$324,435	\$334,168	\$344,193	\$354,519
Cost of goods sold (retail)		\$72,090	\$79,299	\$83,264	\$85,762	\$84,047	\$82,366	\$80,718	\$131,840	\$138,432	\$142,585	\$146,863	\$143,925	\$141,047	\$136,815	\$143,656	\$150,839	\$158,381	\$163,132	\$159,870	\$156,672	\$151,972	\$159,571	\$167,549	\$172,576	\$177,753
Utilities		\$20,000	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333	\$25,306	\$26,319	\$27,371	\$28,466	\$29,605	\$30,789	\$32,021	\$33,301	\$34,634	\$36,019	\$37,460	\$38,958	\$40,516	\$42,137	\$43,822	\$45,575	\$47,398	\$49,294	\$51,266
Liquor License Annual Fee		\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563
General maintenance		\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908	\$81,275	\$83,713	\$86,225	\$88,811	\$91,476
Site maintenance		\$29,640	\$30,529	\$31,445	\$32,388	\$33,360.08	\$34,361	\$35,392	\$36,453	\$37,547	\$38,673	\$39,834	\$41,029	\$42,260	\$43,527	\$44,833	\$46,178	\$47,563	\$48,990	\$50,460	\$51,974	\$53,533	\$55,139	\$56,793	\$58,497	\$60,252
Elevator Maintenance		\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328
Total Costs		\$356,130	\$372,060	\$385,016	\$396,783	\$404,623	\$412,793	\$421,302	\$482,895	\$500,281	\$515,564	\$529,596	\$538,436	\$547,701	\$555,989	\$575,738	\$596,230	\$617,494	\$636,393	\$647,718	\$659,561	\$670,369	\$693,958	\$718,424	\$740,451	\$763,157
EBITDA		-\$91,250	-\$71,192	-\$29,016	-\$30,103	-\$43,989	-\$58,046	-\$72,284	\$6,288	\$12,781	\$12,890	\$14,712	-\$3,432	-\$21,765	\$77,798	\$89,046	\$135,073	\$149,640	\$153,755	\$128,575	\$103,212	\$72,000	\$84,678	\$98,267	\$100,741	\$103,271
Capital Expenditure	\$4,371,164																									
Facility Reburbishment								\$200,000							\$200,000						\$200,000					
Cash Flow	-\$4,371,164	-\$91,250	-\$71,192	-\$29,016	-\$30,103	-\$43,989	-\$58,046	\$127,716	\$6,288	\$12,781	\$12,890	\$14,712	-\$3,432	-\$21,765	\$277,798	\$89,046	\$135,073	\$149,640	\$153,755	\$128,575	\$303,212	\$72,000	\$84,678	\$98,267	\$100,741	\$103,271
Discounted Cash Flow	-\$3,853,877	-\$75,541	-\$55,339	-\$21,178	-\$20,631	-\$28,307	-\$35,073	\$72,460	\$3,350	\$6,393	\$6,054	\$6,488	-\$1,421	-\$8,463	\$101,423	\$30,526	\$43,479	\$45,228	\$43,635	\$34,262	\$75,867	\$16,916	\$18,680	\$20,355	\$19,594	\$18,860

Net Present Value (NPV) Optiopn 3 -\$3,536,262

Table 9 - Cost Benefit - Opt	ion 4																									
Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Annual Discount Factor	0.882	0.828	0.777	0.730	0.685	0.644	0.604	0.567	0.533	0.500	0.470	0.441	0.414	0.389	0.365	0.343	0.322	0.302	0.284	0.266	0.250	0.235	0.221	0.207	0.194	0.183
Visitors		186,000	204,200	214,210	220,516	216,186	211,942	207,783	217,973	228,671	235,411	242,354	237,587	232,915	226,047	237,150	248,807	261,048	268,759	263,464	258,275	250,646	262,979	275,928	284,085	292,488
REVENUE																										
Café lessee rent		\$5,000	\$20,000	\$35,000	\$36,050	\$37,132	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046	\$44,337	\$45,667	\$47,037	\$48,448	\$49,902	\$51,399	\$52,941	\$54,529	\$56,165	\$57,850	\$59,585	\$61,373	\$63,214	\$65,110	\$67,064
Café lessee portion of turnover		-	-	\$32,132	\$33,077	\$32,428	\$50,671	\$49,676	\$52,112	\$54,670	\$56,281	\$57,941	\$56,802	\$55,685	\$86,136	\$90,367	\$94,809	\$99,473	\$102,411	\$100,394	\$98,416	\$95,509	\$100,209	\$105,143	\$108,252	\$111,453
Retail revenue		\$167,400	\$183,780	\$192,789	\$198,465	\$194,567	\$296,719	\$290,897	\$305,162	\$320,140	\$329,576	\$339,295	\$332,621	\$326,081	\$406,885	\$426,870	\$447,853	\$469,886	\$483,766	\$474,235	\$464,894	\$451,164	\$473,362	\$496,670	\$511,354	\$526,478
Gold coin donations		\$104,160	\$114,352	\$119,958	\$123,489	\$121,064	\$118,688	\$116,359	\$122,065	\$128,056	\$131,830	\$135,718	\$133,049	\$130,432	\$253,173	\$265,608	\$278,664	\$292,373	\$301,010	\$295,080	\$289,268	\$280,724	\$294,536	\$309,039	\$318,176	\$327,587
Theatrette Hire		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue		\$276,560	\$318,132	\$379,878	\$391,081	\$385,191	\$504,323	\$496,325	\$519,913	\$544,657	\$560,733	\$577,291	\$568,138	\$559,235	\$794,643	\$832,746	\$872,725	\$914,673	\$941,717	\$925,873	\$910,428	\$886,982	\$929,479	\$974,066	\$1,002,891	\$1,032,582
EXPENDITURE																										
Salaries (2 part time)		\$174,400	\$179,632	\$185,021	\$190,572	\$196,289	\$202,177	\$208,243	\$214,490	\$220,925	\$227,552	\$234,379	\$241,410	\$248,653	\$256,112	\$263,796	\$271,710	\$279,861	\$288,257	\$296,904	\$305,811	\$314,986	\$324,435	\$334,168	\$344,193	\$354,519
Cost of goods sold (retail)		\$75,330	\$82,701	\$86,755	\$89,309	\$87,555	\$133,524	\$130,904	\$137,323	\$144,063	\$148,309	\$152,683	\$149,680	\$146,736	\$183,098	\$192,091	\$201,534	\$211,449	\$217,695	\$213,406	\$209,202	\$203,024	\$213,013	\$223,501	\$230,109	\$236,915
Utilities		\$20,000	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333	\$25,306	\$26,319	\$27,371	\$28,466	\$29,605	\$30,789	\$32,021	\$33,301	\$34,634	\$36,019	\$37,460	\$38,958	\$40,516	\$42,137	\$43,822	\$45,575	\$47,398	\$49,294	\$51,266
Liquor License Annual Fee		\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563
General maintenance		\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908	\$81,275	\$83,713	\$86,225	\$88,811	\$91,476
Site maintenance		\$40,440	41,653	42,903	44,190	45,516	46,881	48,287	49,736	51,228	52,765	54,348	55,978	57,658	59,388	61,169	63,004	64,894	66,841	68,846	70,912	73,039	75,230	77,487	79,812	82,206
Elevator Maintenance		\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328
Canopy walkway maintenance		\$14,000	\$14,140	\$14,281	\$14,424	\$14,568	\$14,714	\$14,861	\$15,010	\$15,160	\$15,312	\$15,465	\$15,619	\$15,776	\$15,933	\$16,093	\$16,254	\$16,416	\$16,580	\$16,746	\$16,914	\$17,083	\$17,253	\$17,426	\$17,600	\$17,776
Total Costs		\$384,170	\$400,726	\$414,246	\$426,556	\$434,856	\$491,186	\$499,245	\$516,670	\$534,753	\$550,691	\$565,395	\$574,760	\$584,564	\$634,066	\$656,602	\$680,005	\$704,309	\$725,387	\$736,387	\$747,943	\$758,009	\$784,745	\$812,496	\$836,899	\$862,050
EBITDA		-\$107,610	-\$82,594	-\$34,368	-\$35,474	-\$49,665	\$13,137	-\$2,920	\$3,243	\$9,904	\$10,042	\$11,897	-\$6,621	-\$25,330	\$160,577	\$176,143	\$192,720	\$210,364	\$216,330	\$189,486	\$162,485	\$128,973	\$144,735	\$161,570	\$165,992	\$170,532
Capital Expenditure	\$5,659,264																									
Facility Reburbishment								\$200,000							\$200,000						\$200,000					
Cash Flow	-\$5,659,264	-\$107,610	-\$82,594	-\$34,368	-\$35,474	-\$49,665	\$13,137	\$197,080	\$3,243	\$9,904	\$10,042	\$11,897	-\$6,621	-\$25,330	\$360,577	\$176,143	\$192,720	\$210,364	\$216,330	\$189,486	\$362,485	\$128,973	\$144,735	\$161,570	\$165,992	\$170,532
Discounted Cash Flow	-\$4,989,543	-\$89,085	-\$64,202	-\$25,085	-\$24,312	-\$31,960	\$7,938	\$111,814	\$1,728	\$4,954	\$4,717	\$5,247	-\$2,742	-\$9,849	\$131,645	\$60,384	\$62,035	\$63,581	\$61,394	\$50,494	\$90,698	\$30,301	\$31,929	\$33,467	\$32,285	\$31,143

Net Present Value (NPV) Option 4 -\$4,421,024

Table 10 - Sensitivity summary

Sensitivity factor	Adjustment	NPV :	sensitivity
Capital expenditure	10%	-11%	Low sensitivity
Capital experiulture	30%	-32%	Low sensitivity
	-30%	-44%	
Visitor numbers	-10%	-15%	Moderate sensitivity
	20%	29%	
Operating cost	10%	20%	
Operating cost	30%	59%] ,,, , , , , ,
	-30%	-63%	High degree of sensitivity
Revenue	-10%	-21%	
	20%	42%	