

## **Appendix A – Financial Analysis**

### **Mary Cairncross Scenic Reserve Building Renewal Project**

October 2014

The Mary Cairncross Scenic Reserve Business Case Assessment report prepared by The Stafford Group was presented to Council in March 2013.

The cost-benefit model has now been updated to reflect on the following:

- Construction cost estimates prepared by the Quantity Surveyor based on the recently developed architectural concepts
- Life cycle cost estimates (maintenance) prepared by the Quantity Surveyor as part of the concept design development stage
- Re-assessment of the revenue potential of the design concepts based on their strengths and weaknesses identified during the consultation process.

The following information is contained in this Attachment:

Table 1 – Cost / benefit assumptions

Table 2 – Net present cost – “do nothing”

Table 3 – Net present cost – Concept 1

Table 4 – Net present cost – Concept 2

Table 5 – Sensitivity Summary

Table 1 - Cost / benefit assumptions

Cost/benefit parameters	'do nothing'	Concept 1	Concept 2
<b>Food/Drink Services</b>			
Type of services	kiosk	café	café
Provision of alcoholic beverages	n/a	Fully Licensed	Fully Licensed
Café turnover allocated to Council after 3yrs	n/a	5%	5%
Lessee rent after 3yrs	n/a	\$20,000	\$25,000
Average spend at café per person (op yrs 1-7)	n/a	\$7.50	\$7.50
Average spend at café per person (op yrs 8-15)	n/a	\$11.95	\$11.95
Average spend at café per person (op yrs 16-25)	n/a	\$19.05	\$19.05
Penetration (% visitors who purchase café items)	n/a	40%	45%
<b>Gift shop</b>			
Size (m <sup>2</sup> )	n/a	30	30
Average spend at retail per person (op yrs 1-7)	n/a	\$4.50	\$4.50
Average spend at retail per person (op yrs 8-15)	n/a	\$7.00	\$7.00
Average spend at retail per person (op yrs 16-25)	n/a	\$9.00	\$9.00
Penetration (% visitors who purchase gift items)	n/a	20%	20%
Cost of goods sold (gift shop)	n/a	45%	45%
<b>Education Centre</b>			
% of visitors who will donate	25%	56%	56%
Average donation per person (op yrs 1 - 13)	n/a	\$1.00	\$1.00
Average donation per person (op yrs 14-25)	n/a	\$2.00	\$2.00
<b>Meeting Theatre hire</b>			
Hourly rate	n/a	\$25/h	\$30/h
Size (m <sup>2</sup> )	n/a	80	80
Utilisation	n/a	15%	25%

Table 2 - NPC - "do nothing"																											
Years	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Annual Discount Factor	1.000	0.939	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	
Visitors		200,000	204,000	208,080	212,242	205,874	199,698	193,707	197,581	201,533	205,564	209,675	203,385	197,283	191,365	197,106	203,019	209,109	215,383	208,921	202,653	196,574	206,403	216,723	223,224	229,921	
<b>REVENUE</b>																											
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	\$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	
<b>Total Revenue</b>		<b>\$78,500</b>	<b>\$78,500</b>	<b>\$80,600</b>	<b>\$80,855</b>	<b>\$83,281</b>	<b>\$83,551</b>	<b>\$86,058</b>	<b>\$86,345</b>	<b>\$88,935</b>	<b>\$89,240</b>	<b>\$91,917</b>	<b>\$92,240</b>	<b>\$95,007</b>	<b>\$95,350</b>	<b>\$98,210</b>	<b>\$98,574</b>	<b>\$101,531</b>	<b>\$101,917</b>	<b>\$104,974</b>	<b>\$105,383</b>	<b>\$108,545</b>	<b>\$108,979</b>	<b>\$112,248</b>	<b>\$112,709</b>	<b>\$116,090</b>	
<b>EXPENDITURE</b>																											
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	\$0	
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	
<b>Total Costs</b>		<b>\$209,300</b>	<b>\$201,510</b>	<b>\$207,507</b>	<b>\$213,596</b>	<b>\$234,984</b>	<b>\$229,477</b>	<b>\$305,380</b>	<b>\$249,602</b>	<b>\$272,149</b>	<b>\$303,577</b>	<b>\$290,345</b>	<b>\$300,559</b>	<b>\$289,228</b>	<b>\$325,509</b>	<b>\$305,560</b>	<b>\$314,391</b>	<b>\$369,310</b>	<b>\$339,326</b>	<b>\$385,149</b>	<b>\$361,887</b>	<b>\$358,852</b>	<b>\$369,753</b>	<b>\$380,901</b>	<b>\$407,507</b>	<b>\$407,383</b>	
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		\$200,000																									
Facility Reburishment								-\$75,000							-\$200,000						-\$200,000					-\$75,000	
Cash Flow		-\$200,000	-\$130,800	-\$123,010	-\$126,907	-\$132,741	-\$151,703	-\$145,925	-\$294,323	-\$163,258	-\$183,214	-\$214,338	-\$198,428	-\$194,221	-\$430,159	-\$207,350	-\$215,818	-\$267,779	-\$237,410	-\$280,174	-\$456,504	-\$250,307	-\$260,774	-\$268,653	-\$294,799	-\$366,293	
Discounted Cash Flow		-\$200,000	-\$122,817	-\$108,453	-\$105,060	-\$103,183	-\$110,725	-\$100,008	-\$189,399	-\$98,645	-\$103,947	-\$114,183	-\$99,256	-\$97,844	-\$85,655	-\$178,129	-\$80,623	-\$78,794	-\$91,798	-\$76,420	-\$84,681	-\$129,554	-\$66,701	-\$65,249	-\$63,118	-\$65,033	-\$75,873
<b>Net Present Cost - "do nothing"</b>		<b>-\$2,695,147</b>																									

Table 3 - NPC - Concept 1																											
Years	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Annual Discount Factor	1.000	0.939	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	
Visitors		215,000	225,750	237,038	244,149	239,266	234,480	227,446	238,818	250,759	258,282	266,030	260,710	255,496	247,831	260,222	273,233	281,430	289,873	284,076	278,394	270,042	283,545	297,722	306,653	315,853	
<b>REVENUE</b>																											
Café lessee rent		\$5,000	\$15,000	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095	\$26,878	\$27,685	\$28,515	\$29,371	\$30,252	\$31,159	\$32,094	\$33,057	\$34,049	\$35,070	\$36,122	\$37,206	\$38,322	
Café lessee portion of turnover		-	-	\$17,778	\$36,622	\$35,890	\$35,172	\$34,117	\$57,096	\$59,951	\$61,749	\$63,602	\$62,330	\$61,083	\$59,251	\$62,213	\$104,116	\$107,240	\$110,457	\$108,248	\$106,083	\$102,900	\$108,045	\$113,448	\$116,851	\$120,357	
Retail revenue		\$193,500	\$203,175	\$213,334	\$219,734	\$215,339	\$211,032	\$204,701	\$334,346	\$351,063	\$361,595	\$372,443	\$364,994	\$357,694	\$346,963	\$364,311	\$491,820	\$506,575	\$521,772	\$511,336	\$501,110	\$486,076	\$510,380	\$535,899	\$551,976	\$568,535	
Gold coin donations		\$120,400	\$126,420	\$132,741	\$136,723	\$133,989	\$131,309	\$127,370	\$133,738	\$140,425	\$144,638	\$148,977	\$145,997	\$143,078	\$277,570	\$291,449	\$306,021	\$315,202	\$324,658	\$318,165	\$311,802	\$302,448	\$317,570	\$333,448	\$343,452	\$353,755	
Theatrette Hire		\$0	\$7,533.75	\$7,760	\$7,993	\$8,232	\$8,479	\$8,734	\$8,996	\$9,266	\$9,544	\$9,830	\$10,125	\$10,428	\$10,741	\$11,064	\$11,395	\$11,737	\$12,089	\$12,452	\$12,826	\$13,210	\$13,607	\$14,015	\$14,435	\$14,869	
<b>Total Revenue</b>		<b>\$318,900</b>	<b>\$352,129</b>	<b>\$391,612</b>	<b>\$421,672</b>	<b>\$414,668</b>	<b>\$407,847</b>	<b>\$397,432</b>	<b>\$557,361</b>	<b>\$584,585</b>	<b>\$602,123</b>	<b>\$620,187</b>	<b>\$609,541</b>	<b>\$599,161</b>	<b>\$722,210</b>	<b>\$757,552</b>	<b>\$942,724</b>	<b>\$971,006</b>	<b>\$1,000,136</b>	<b>\$982,295</b>	<b>\$964,877</b>	<b>\$938,684</b>	<b>\$984,672</b>	<b>\$1,032,933</b>	<b>\$1,063,921</b>	<b>\$1,095,838</b>	
<b>EXPENDITURE</b>																											
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)		\$87,075	\$91,429	\$96,000	\$98,880	\$96,903	\$94,965	\$92,116	\$150,455	\$157,978	\$162,718	\$167,599	\$164,247	\$160,962	\$156,133	\$163,940	\$221,319	\$227,959	\$234,797	\$230,101	\$225,499	\$218,734	\$229,671	\$241,155	\$248,389	\$255,841	
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		\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751	\$30,644	\$31,563	\$32,510	\$33,485	\$34,490	\$35,525	\$36,590	
Interp maintenance		\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,713	\$6,908	\$7,108	\$7,313	\$7,523	\$7,738	\$7,958	\$8,183	\$8,413	\$8,648	\$8,888	\$9,133	\$9,383	\$9,638	\$9,898	
Elevator Maintenance		\$8,000	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134	\$10,438	\$10,751	\$11,074	\$11,406	\$11,748	\$12,101	\$12,464	\$12,838	\$13,223	\$13,619	\$14,028	\$14,449	\$14,882	\$15,329	\$15,789	\$16,262	
<b>Total Costs</b>		<b>\$317,475</b>	<b>\$328,941</b>	<b>\$351,455</b>	<b>\$351,451</b>	<b>\$357,276</b>	<b>\$365,527</b>	<b>\$371,039</b>	<b>\$437,999</b>	<b>\$454,412</b>	<b>\$468,318</b>	<b>\$480,932</b>	<b>\$487,276</b>	<b>\$505,396</b>	<b>\$511,220</b>	<b>\$532,324</b>	<b>\$590,931</b>	<b>\$609,019</b>	<b>\$627,664</b>	<b>\$635,144</b>	<b>\$651,866</b>	<b>\$658,313</b>	<b>\$682,876</b>	<b>\$708,411</b>	<b>\$730,137</b>	<b>\$752,534</b>	
EBITDA		\$1,425	\$23,188	\$40,157	\$70,221	\$57,393	\$42,320	\$26,393	\$119,361	\$130,174	\$133,805	\$139,254	\$122,265	\$93,765	\$210,990	\$225,228	\$351,793	\$361,987	\$372,472	\$347,152	\$313,011	\$280,370	\$301,797	\$324,522	\$333,783	\$343,304	
<b>Capital Expenditure</b>																											
Facility Reurbishment																											
<b>Total Capital Expenditure</b>		<b>\$4,000,000</b>																									
Cash Flow		-\$4,000,000	\$1,425	\$23,188	\$40,157	\$70,221	\$57,393	\$42,320	-\$73,607	\$119,361	\$130,174	\$73,805	\$139,254	\$122,265	\$93,765	\$210,990	\$25,228	\$351,793	\$361,987	\$372,472	\$347,152	-\$86,989	\$280,370	\$301,797	\$324,522	\$333,783	\$193,304
Discounted Cash Flow		-\$4,000,000	\$1,338	\$20,444	\$33,244	\$54,584	\$41,890	\$29,003	-\$47,367	\$72,122	\$73,854	\$39,318	\$69,657	\$57,426	\$41,352	\$87,371	\$9,809	\$128,438	\$124,094	\$119,895	\$104,924	-\$24,687	\$74,712	\$75,513	\$76,243	\$73,633	\$40,041
<b>Net Present Cost - Concept 1</b>		<b>-\$2,623,148</b>																									

Table 6 - Cost Benefit - Concept 2																											
Years	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Annual Discount Factor	1.000	0.939	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	
Visitors		220,000	230,750	242,038	249,149	244,266	239,480	232,446	243,818	255,759	263,282	271,030	265,710	260,496	252,831	265,222	278,233	286,430	294,873	289,076	283,394	275,042	288,545	302,722	311,653	320,853	
<b>REVENUE</b>																											
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		-	-	\$20,422	\$42,044	\$41,220	\$40,412	\$39,225	\$65,578	\$68,789	\$70,813	\$72,897	\$71,466	\$70,063	\$68,002	\$71,335	\$119,274	\$122,788	\$126,408	\$123,922	\$121,487	\$117,906	\$123,695	\$129,772	\$133,601	\$137,545	
Retail revenue		\$198,000	\$207,675	\$217,834	\$224,234	\$219,839	\$215,532	\$209,201	\$341,346	\$358,063	\$368,595	\$379,443	\$371,994	\$364,694	\$353,963	\$371,311	\$500,820	\$515,575	\$530,772	\$520,336	\$510,110	\$495,076	\$519,380	\$544,899	\$560,976	\$577,535	
Gold coin donations		\$123,200	\$129,220	\$135,541	\$139,523	\$136,789	\$134,109	\$130,170	\$136,538	\$143,225	\$147,438	\$151,777	\$148,797	\$145,878	\$283,170	\$297,049	\$311,621	\$320,802	\$330,258	\$323,765	\$317,402	\$308,048	\$323,170	\$339,048	\$349,052	\$359,355	
Theatrette Hire		\$0.00	\$15,067.50	\$15,520	\$15,985	\$16,465	\$16,959	\$17,467	\$17,991	\$18,531	\$19,087	\$19,660	\$20,249	\$20,857	\$21,483	\$22,127	\$22,791	\$23,475	\$24,179	\$24,904	\$25,651	\$26,421	\$27,214	\$28,030	\$28,871	\$29,737	
<b>Total Revenue</b>		<b>\$326,200</b>	<b>\$366,963</b>	<b>\$414,316</b>	<b>\$447,536</b>	<b>\$440,835</b>	<b>\$434,330</b>	<b>\$424,201</b>	<b>\$590,435</b>	<b>\$618,460</b>	<b>\$636,679</b>	<b>\$655,445</b>	<b>\$645,126</b>	<b>\$635,090</b>	<b>\$761,224</b>	<b>\$797,466</b>	<b>\$991,220</b>	<b>\$1,020,454</b>	<b>\$1,050,566</b>	<b>\$1,033,046</b>	<b>\$1,015,971</b>	<b>\$990,012</b>	<b>\$1,037,296</b>	<b>\$1,086,903</b>	<b>\$1,119,007</b>	<b>\$1,152,075</b>	
<b>EXPENDITURE</b>																											
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)		\$89,100	\$93,454	\$98,025	\$100,905	\$98,928	\$96,990	\$94,141	\$153,605	\$161,128	\$165,868	\$170,749	\$167,397	\$164,112	\$159,283	\$167,090	\$225,369	\$232,009	\$238,847	\$234,151	\$229,549	\$222,784	\$233,721	\$245,205	\$252,439	\$259,891	
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		\$28,000	\$28,840	\$29,705	\$30,596	\$31,514	\$32,460	\$33,433	\$34,436	\$35,470	\$36,534	\$37,630	\$38,759	\$39,921	\$41,119	\$42,353	\$43,623	\$44,932	\$46,280	\$47,668	\$49,098	\$50,571	\$52,088	\$53,651	\$55,260	\$56,918	
Interp maintenance		\$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	
Elevator Maintenance		\$8,000	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134	\$10,438	\$10,751	\$11,074	\$11,406	\$11,748	\$12,101	\$12,464	\$12,838	\$13,223	\$13,619	\$14,028	\$14,449	\$14,882	\$15,329	\$15,789	\$16,262	
<b>Total Costs</b>		<b>\$329,500</b>	<b>\$341,266</b>	<b>\$364,089</b>	<b>\$364,403</b>	<b>\$370,556</b>	<b>\$379,145</b>	<b>\$385,004</b>	<b>\$453,448</b>	<b>\$470,229</b>	<b>\$484,515</b>	<b>\$497,522</b>	<b>\$504,269</b>	<b>\$522,803</b>	<b>\$529,056</b>	<b>\$550,600</b>	<b>\$610,561</b>	<b>\$629,116</b>	<b>\$648,243</b>	<b>\$656,218</b>	<b>\$673,451</b>	<b>\$680,424</b>	<b>\$705,528</b>	<b>\$731,622</b>	<b>\$753,923</b>	<b>\$776,912</b>	
EBITDA		<b>-\$3,300</b>	\$25,697	\$50,227	\$83,133	\$70,279	\$55,185	\$39,197	\$136,987	\$148,230	\$152,164	\$157,924	\$140,857	\$112,286	\$232,168	\$246,866	\$380,659	\$391,338	\$402,323	\$376,827	\$342,520	\$309,588	\$331,767	\$355,281	\$365,084	\$375,163	
Capital Expenditure		\$4,500,000																									
Facility Reburishment																											
Cash Flow		<b>-\$4,500,000</b>	<b>-\$3,300</b>	\$25,697	\$50,227	\$83,133	\$70,279	\$55,185	<b>-\$60,803</b>	\$136,987	\$148,230	\$152,164	\$157,924	\$140,857	\$112,286	\$232,168	<b>-\$53,134</b>	\$380,659	\$391,338	\$402,323	\$376,827	<b>-\$157,480</b>	\$309,588	\$331,767	\$355,281	\$365,084	\$225,163
Discounted Cash Flow		<b>-\$4,500,000</b>	<b>-\$3,099</b>	\$22,656	\$41,580	\$64,621	\$51,295	\$37,820	<b>-\$39,127</b>	\$82,772	\$84,099	\$38,444	\$78,995	\$66,158	\$49,520	\$96,141	<b>-\$20,660</b>	\$138,977	\$134,156	\$129,504	\$113,894	<b>-\$44,692</b>	\$82,498	\$83,012	\$83,470	\$80,538	\$46,640
<b>Net Present Cost - Concept 2</b>		<b>-\$3,000,789</b>																									



Table 5 - Sensitivity summary

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