



Daintree Yalanji Walking Track Feasibility Study

Commissioned by Indigenous Capital Limited

For the benefit of the Eastern Kuku Yalanji people

Indigenous Capital
Limited

**Daintree Yalanji
Walking Track**

Feasibility Study

December 2008

ARUP

Indigenous Capital
Limited

**Daintree Yalanji
Walking Track**

Feasibility Study

N2008

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This report takes into account the particular instructions and requirements of our client.

It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party

Job number 86937

Contents

	Page
Executive Summary	1
1 Daintree Yalanji Walks	10
1.1 Background	10
1.2 Project Scope and Objectives	10
1.3 Study Area	11
1.4 Indigenous Heritage	12
1.4.1 Anthropological Overview	12
2 Tourism Market in Daintree	14
2.1 Tourism Market	14
2.2 Ecotourism	15
2.2.1 Ecotourism Market	16
2.2.2 Ecotourism Operators Review	17
2.3 Cultural Tourism	19
2.3.1 Indigenous Cultural Tourism Review	19
2.3.2 Walking Tours/Tracks	22
2.4 Summary of Tourism Potential	23
3 Business Description	24
3.1 Walking Track Overview	24
3.2 Evolution of the Product	26
3.3 The Business Model	26
3.3.1 Business Model Organisational Details	27
3.3.2 Involvement of Indigenous Capital Limited (ICL)	29
3.3.3 Daintree Yalanji Walks' Role And Responsibilities	29
3.3.4 Business Enterprises - Role And Responsibilities	30
4 Detailed Product and Service Description	31
4.1 The Daintree Yalanji Walking Track	31
4.2 Highlights	31
4.3 Serious Challenge	32
4.4 Value Adding Tours and Activities	32
4.5 Guided Walk Itinerary Example	34
4.6 Infrastructure – Accommodation & Amenities	35
4.6.1 Accommodation	35
4.7 Concepts for bathroom facilities	38
5 SWOT Analysis	40
5.1 Strengths	40
5.2 Weaknesses	40

	5.3	Opportunities	41
	5.4	Challenges	42
6		Marketing Strategy	44
	6.1	Non Transferable Demand	44
	6.2	Profile of visitors to Region	44
	6.3	Target Market	44
	6.4	Pricing	44
	6.5	How this compares to other adventure activities in the Region	46
	6.6	Estimated demand	46
	6.7	Partnerships	47
7		Operational Plan	48
	7.1	Staff	48
	7.2	Training	48
	7.3	Premises	49
	7.4	Business Support	49
	7.4.1	Indigenous Business Australia	50
	7.4.2	TQ's Indigenous Tourism Strategy	50
	7.4.3	Indigenous Land Corporation	50
	7.4.4	Centre for Sustainable Indigenous Communities	50
	7.4.5	Centre for Appropriate Technology	50
	7.4.6	Australian Indigenous Chamber of Commerce	50
8		Financial Analysis	51
	8.1	Key Financial Assumptions	51
	8.1.1	Overview	51
	8.1.2	Demand	51
	8.1.3	Pricing	51
	8.1.4	Capital Expenditure	51
	8.1.5	Staff	52
	8.1.6	Expenses	53
	8.2	Operating Results	53
	8.3	Cash Flow	54
9		Consultation	58
	9.1	Indigenous Consultation	58
	9.2	Stakeholder Consultation	59
	9.2.1	WTMA Walking Strategy	59
	9.3	Consultation Summary	60
10		Legal and Other Requirements	61
	10.1	Wet Tropics World Heritage Area	61
	10.2	Indigenous Land Use Agreements	61

10.3	Legislation	63
10.3.1	Commonwealth Government	63
10.3.2	State Government	63
10.4	Other	65
11	Environmental Assessment	66
11.1	Management of Environmental Impacts	66
11.2	Infrastructure Development	66
11.3	Information and Research	67
11.4	Monitoring	67
12	Conclusion	68
	Appendices	69

Tables

Table 1: Summary of lessons learnt from existing ecotourism operators

Table 2: Summary of lessons learnt from existing Indigenous cultural tourism operators

Table 3: Sample Guided Walk Itinerary

Table 4: Advantages and disadvantages of accommodation types.

Table 5: Advantages and disadvantages of each toilet option

Table 6: Weaknesses and proposed actions of Project

Table 7: Opportunities and proposed actions

Table 8: Challenges identified and proposed actions

Table 9: Similar walking track visitor numbers

Table 10: Estimated infrastructure requirements

Table 11: Commonwealth legislation

Table 12: Qld State Government Legislation

Table 13: Other Regulatory considerations

Figures

Figure 1 Site Location

Figure 2 Location of walking track for feasibility assessment purposes

Figure 3 Proposed Business Model Organisational Chart

Figure 4 Extent of Indigenous Land Use Agreement

Appendices

Appendix A

Product Matrix

A1 Product Matrix

Appendix B

Financials

Appendix C

Letters of Support

Executive Summary



Arup, in association with The 20/20 Group Australia Pty Ltd were commissioned by Indigenous Capital Limited (ICL) to conduct a feasibility study to review the socio-economic and environmental factors associated with developing indigenous and ecotourism opportunities for the benefit of the Eastern Kuku Yalanji people within the Daintree World Heritage Area. The Wet Tropics and World Heritage Area provides a number of outstanding natural values that make this area a major drawcard for tourism.

Indigenous Capital Limited (ICL) is a not-for-profit organization associated with philanthropists Roger Allen and Maggie Gray. ICL seeks to assist in raising and actively managing capital for indigenous enterprises in conjunction with developing indigenous business skills with a purpose to create or expand sustainable indigenous businesses that generate meaningful employment and wealth creation opportunities.

Background

The study area is located on Eastern Kuku Yalanji country, in the Daintree region. The World Heritage Daintree Rainforest is the world's oldest living rainforest with picturesque rivers and surrounding mangrove habitats. It is home to a diverse array of flora and fauna, and is a nature-lover's paradise abounding with tropical birds, butterflies, reptiles and countless species of wildlife, not to mention 3000 plant species from 210 families which are found in the Wet Tropics. This area is home to about a third of Australia's 315 mammal species - 13 of which are found nowhere else in the world. Salt-water crocodiles inhabit the large rivers and are frequently spotted from many of the many cruise-boats. The Daintree area is shown in the map below.

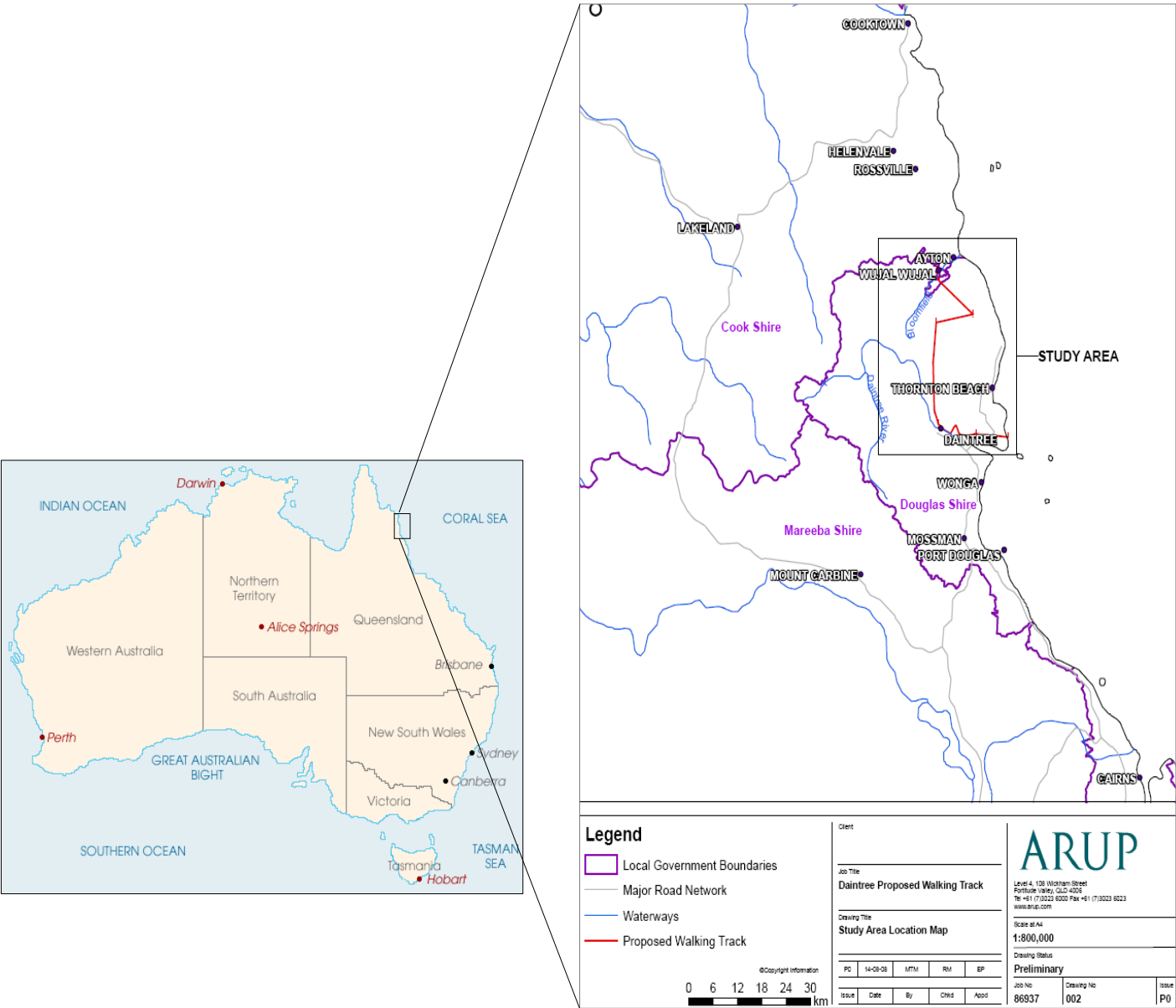
On 9 December 2007, the Federal Court of Australia made a consent determination recognising the Eastern Kuku Yalanji People's native title rights and interests over 126,900ha of land and waters between Port Douglas and Cooktown in Far North Queensland. The responsibilities associated with the management of the Indigenous Land Use Agreement (ILUA) will be managed and administered by Jabalbina Yalanji Aboriginal Corporation on behalf of the Eastern Kuku Yalanji tribe. The ILUA requires that all consultation re: land use be organized through Jabalbina Yalanji Aboriginal Corporation.

Eastern Kuku Yalanji have their own word for their common system of law and custom called Ngujakura, which in the local English vernacular is expressed as "Bama law" or "Aboriginal law"...

The idea that the Ngujakura law bequeaths possession through the creation of a bond of belonging, with the corollary rights to both exclude others or to grant them permission, is one which is evident in the claims, aspirations and efforts of Kuku Yalanji people to keep and/or to regain their land, as these have been recorded at various times in the past. This reveals the forces against which the traditional laws, customs and organisation have had to struggle to maintain the connection of the Yalanji people with country.

A number of meetings were held with the traditional owners of the region represented by the Jabalbina Aboriginal Corporation and the Cape York Land Council. There has been good

support for this project as the Yalanji people see this as an opportunity to realise economic benefits from their country through business development opportunities and employment.



Conclusion



The feasibility study concludes that the proposed business is economically viable and sustainable and would create significant employment and wealth creation opportunities for the Eastern Kuku Yalanji people.

This is an important conclusion in the context of their recent ILUA which whilst addressing a fundamental right in returning a portion (a very small portion it should be said) of their traditional land provides no economic or social benefits. A goal of the ILUA is to provide a 'platform' for Kuku Yalanji socio-economic development.

The business is profitable from year 3 onwards. The first year is mainly a construction and business establishment year. Revenue grows from \$2.4m in year 2 to \$6m in year 6 with good profitability. There will be 22 people employed but some jobs like guides and maintenance may be covered by several people equalling a full time equivalent. Then there is additional employment created through the ancillary business opportunities that grow out of and complement the core business.

The plans show investment required of \$2.5m over 2 years. An initial tranche of \$250,000 is required for the next phase which is a detailed planning stage. The financial model will be updated during that stage before the major tranches need to be committed for construction, recruitment and training and market launch.

The main business risk is attracting a sufficient market at the price point. The marketing joint venture or partnership being proposed would be negotiated in this phase as a pre-condition of the next funding tranche.

Is there a market?

The tourism market for sustainable business development for the Eastern Kuku Yalanji people was assessed within the context of ecotourism, cultural tourism and high profile walking tracks. The assessment determined that a market gap does exist in Far North Queensland and that a combination of eco and cultural tourism development based on a network of world-class walking tracks will provide the opportunity to leverage off this market.

The primary target market is international visitors, and in particular visitors from the UK and Europe. In 2006, a total of 345,400 visitors arrived in TNQ from UK & Europe and accounted for 3.35 million bed nights. The secondary target market is domestic visitors.

The recently released \$1m Action Plan was developed by Tourism Queensland in partnership with the Department of Tourism, Regional Development and Industry¹.

¹ Cape York Peninsula and Torres Strait Tourism Development Action Plan 2008-2011" Minister for Tourism, Regional Development and Industry, The Honourable, Desley Boyle, released Friday 7th November 2008 see <http://www.tq.com.au/destinations/tropical-north-queensland>

It concluded...

"The Cape York Peninsula and Torres Strait have stunning natural assets and a rich and diverse cultural heritage providing ideal foundations for the region to become a significant tourism destination.

Tourism development throughout the Cape York Peninsula and Torres Strait will undoubtedly be a positive move towards meeting the increasingly diverse demands of both domestic and international visitors, but it is not exclusively for the benefit of visitors or the tourism industry alone. The development of tourism opportunities will in turn provide employment, training and career path opportunities for the locals of the Cape York Peninsula and Torres Strait.

A major focus of the plan is to increase the involvement of local Indigenous people in all facets of tourism by generating opportunities for locally-owned and managed businesses and joint commercial ventures with the commercial tourism industry. It is important that any tourism development on the Cape York Peninsula and Torres Strait is sustainable and protects the local culture, traditions and the environment."

It goes on to say its objectives are to...

- "Encourage visitation to areas outside the Cairns corridor (stretching from Cairns to Port Douglas) including remote areas by encouraging investment.
- Encouraging development of tourism product
- Marketing of product and packages"
- "Increase Indigenous participation in the tourism industry by
- Encouraging the implementation of the Cape York
- Identifying and encouraging appropriate tourism products and experiences"

The Daintree Yalanji project fits squarely into this Plan and should benefit from the general marketing campaign and some of the specific initiatives recommended.

A similar 1999 study commissioned by the local council and conducted by GHD Environmental Engineers titled "Cape Tribulation Long Distance Walking Track Discussion Paper" concluded "...the proposed walking track models are feasible" but identified the land ownership issues as a barrier "currently there are many issues to be resolved in relation to differing land management agencies...this is overlain by a complex management relationship with the traditional custodians of the area, the Kuku Yalanji which has not yet been resolved". This issue has now legally been determined in the ILUA of 2007.

This project also helps meet a primary goal of the World Heritage Site managed by the Wet Tropics Foundation, namely the presentation of World Heritage Values.

The recently announced \$10m Mossman Gorge eco-tourism project will be very complementary to Daintree Yalanji Walks. Physically it is at the entrance to the Daintree area for tourists travelling up from Cairns and Port Douglas. It is a similar eco and indigenous tourist enterprise but is a short, easy walk. Its marketing, promotion and access will only add to the 'brand name' of the area and the range of tourism products.

Over 500,000 people visit Mossman Gorge each year. Whilst the products are very different, Daintree Yalanji Walks is only after a small percentage of that number. The Mossman Gorge project will also stimulate indigenous people to get trained as guides, managers, maintenance workers etc. Having multiple employment opportunities will help change the culture and possibly create a 'cluster' effect.

The project is also totally aligned with the objectives of the Australian Employment Covenant to create 50,000 indigenous jobs. Launched by the Prime Minister, Andrew Forrest, Noel Pearson, Warren Mundine and others it has highlighted the indigenous cause and mobilised increased training and mentoring and has engaged Corporate Australia to help. This creates a favourable environment to launch Daintree Yalanji Walks and to seek investment and in-kind support from mainstream Australia.

Business Plan

The Business Plan is based on attracting 2000 walkers in year 3 which is breakeven, the track capacity is approximately 5000 operating for 35 weeks of the year. The best comparables are probably the Thorsborne Trails on Hinchinbrook Island (3 days) which attracts 3500 per annum which is capacity and has a waiting list. It has been at capacity for many years without marketing or a business operation however it is a low cost self-guided walk.

Walkers on the Overland Track (Cradle Mountain) are limited to 34 starters per day in peak season and bookings are essential. Annually there are 8,000 to 9,000 walkers which equates to between 64 and 72 per cent capacity. The Tasmanian government charges a park fee of \$150 per walker, for unguided walks and tour operators charge in addition to this. For example an 8 day guided walk but only with camping tents is \$2000.

In New Zealand the Hollyford track, which is a comparable three day guided and catered walk through rugged rainforest costs NZ \$1655.

Kokoda attracted over 4000 per annum in 2007 and expects 5000 in 2009. Whilst it has become iconic over many years and has special wartime significance it is more arduous, longer and costs most over \$5000 (including airfares). Its captive market is almost exclusively Australian.

It is estimated over 400,000 tourists currently cross the Daintree and whilst most would not go on a 5 day walk, local operators and Tourism Tropical North Queensland believe that there is a market for a genuine engagement with indigenous people and culture and a more extensive, interactive experience in the wet tropics rainforest.

The name Daintree is already well marketed and known internationally.

The tourism product will be a premium product to enable a sustainable business to be built with maximum indigenous employment opportunities. It will be guided only. This can be controlled as much of the track will be only on Kuku Yalanji owned land.

Pricing used for the feasibility is \$1500 for 5 days and 4 nights, guide, transport, accommodation and food. This does not include the optional ancillary activities which are planned to be developed off the core product. This is thought to be lower than could be charged given the 'richness' of the product but is a reasonable planning assumption.

No estimates have been made for study tours or for a rainforest expert accompanying an indigenous guided walk. It is also intended to develop less demanding out and back shorter walks from the camps that are accessible by 4 wheel drive. Buru (China Camp) for example can be reached from Wujal Wujal during the period of the year Daintree Yalanji Walks will operate. From Buru (China Camp), the centre of the Kuku Yalanji's mythology, it is an easy walk to Roaring Meg Falls, which are both beautiful and rich in cultural meaning and have separate areas for 'secret women's business' and 'secret men's business'. More substantial infrastructure could be justified with this expanded market. Buru (China Camp), whilst being the traditional 'centre' of the Kuku Yalanji's country has no electricity, running water, sewerage or employment and minimal buildings. Not surprisingly its traditional population had been eroded and fragmented to larger centres. A core aim of the Kuku Yalanji people is to get at least basic infrastructure in place and attract people back to their country.

The biggest issue for any start-up tourism business is marketing and sales. Whilst this product will benefit from Tourism Tropical North Queensland's marketing program it is recommended that Daintree Yalanji Walk joint ventures with an experienced tour operating company in the region. Preliminary discussions only have been held with the Capta Group to gauge feasibility and typical financial terms and conditions. No commitments have been made by either party at this stage.

The Product

In order to assess feasibility, a 52.2 kilometre track through the Daintree has been roughly selected for assessing project feasibility. This is not intended to be the final track as this would be determined in the next stage by the traditional owners. This sample track however, does provide a starting point upon which to estimate market demand, environmental impacts, track and camp site construction costs, etc, for input into the financial analysis. This will be referred to as the Daintree Yalanji Walking Track (the Track) throughout this report.

The Track is a five day, four night, guided and fully catered walk with walkers carrying a day pack, and supplies stored at each camp site. The business will offer guided walks only. It will have an entrance/exit point at Wujal Wujal an entrance/exit point at Cape Kimberly. Walkers will be able to travel in either direction, which serves to increase the Track's overall capacity.

It is recommended that in the first few years of business operation, that efforts be focussed on the construction, marketing and operation of one "signature" walking track. In these initial years, the camp site accommodation would be reasonably basic. This allows for flexibility and lower start-up costs until the market is confirmed and while the optional ancillary activities and tours are in the development stage.



It is envisaged that Jabalbina would set up a separate management company to run the Track, and for the purpose of this plan, this company will be referred to as Daintree Yalanji Walks. Daintree Yalanji Walks would operate five-day guided tours. Individuals and/or family groups of Kuku Yalanji would be encouraged to operate the guided walks, maintain the track and camps or to set up small business enterprises – operating

optional tours and complementary activities from the camp sites on the main Track under the 'umbrella' of the main company Daintree Yalanji Walks. These might include bush tucker demonstrations, visits to natural beauty spots, fishing or sharing of dreamtime stories. The opportunity also exists to have ancillary guided walks to special cultural places such as Roaring Meg Falls, Mount Sorrow, Thornton Peak, Bloomfield Falls, Nalbullulul (Mount Pieter Botte), Snapper Island and the Daintree River. This structure could also enable existing indigenous tourism operators to be included as a part of a visitor's package.

Some family businesses may invest in upgraded accommodation (such as African-style luxury safari tents) and offering a "deluxe" accommodation option for walkers once the Track has established itself firmly on the international market. The latter would be on the proviso that any infrastructure met with Eco Accreditation and environmental considerations.

Daintree Yalanji Walks is not just about employing indigenous people, but building capacity of individuals to enable them to set up and successfully operate their own business enterprises. To achieve this, the business model will be designed to have a significant

training and mentoring component. This training could potentially be accessed through James Cook University's Centre of Sustainable Indigenous Communities, the local TAFE and corporate partners.

It is considered that the Roaring Meg Falls, the oldest rainforest in the world and world heritage listed, the river and the sharing of knowledge and history by indigenous people about aboriginal culture would be the "wow-factors" of the Daintree Yalanji Walking Track. In mapping out the final track, it is recommended that the route of the track adds to these highlights and this will result in an improved visitor experience. For example, swing bridges and flying-foxes.

Engineers without Borders (the not-for-profit engineering equivalent of Medicines Sans Frontiers) have agreed to help the Kuku Yalanji community to select the track and campsites and design and construct the infrastructure. A letter of support is attached,

There is further potential for Daintree Yalanji Walks to partner with universities and other experts and develop study tours that help students and other interested people understand the science and culture of the World Heritage Daintree Rainforest. ICL Director Roger Allen has already conducted promising initial talks with James Cook University Cairns in relation to establishing a partnership. A letter of support is attached.

Currently, opportunities for employment are rare, especially in Wujal Wujal and China Camp which are more remote than the Douglas Shire's Mossman Gorge community. It is hoped that employment and business opportunities that would be presented by sustainable cultural and ecotourism opportunities will assist in improving the overall welfare of the Eastern Kuku Yalanji people. The Welfare Reform agenda is a high priority for the Kuku Yalanji and the transfer from welfare dependence is a priority. Their wish is that all profits made from their country do not leave their country. The profit should remain within the Yalanji group. This business model whereby Kuku Yalanji own and operate the business rather than be employees in a non-indigenous business would be a major step forward and achieves this subject to the structure and terms and conditions of the investment required.

This feasibility study has developed possible walking track and associated indigenous ecotourism options as concepts only and site-specific environmental impacts cannot therefore be identified until the exact location of the track, buildings and infrastructure is determined. Infrastructure selection and development will be critical to the development of ecologically sustainable tourism that also addresses the needs of the Kuku Yalanji.

Monitoring and Response procedures will need to be established for tourism and visitor activities based on the carrying capacity and limits of acceptable change models (Wet Tropics Nature Based Tourism Strategy, 2000). The monitoring and response program will need to identify both positive and negative impacts relating to environmental condition, visitor experience and condition of tourism infrastructure and services.

An extensive consultation program was conducted which showed strong support for implementation of this project from all stakeholders including WTMA and Jabalbina. It must be stressed however that the ultimate decision regarding the ecotourism arrangements will be made by Jabalbina. The outcome of consultation to date has been incorporated into the development of ecotourism options for this study

This feasibility study commissioned by ICL has been given to the Kuku Yalanji people though the Jabalbina Yalanji Aboriginal Corporation.

Next Steps

The next steps are for Jabalbina to consult with the five clans that comprise their community and through this consultation and with the expert advice from Engineers Without Borders determine the exact route of the track and the camp sites. This will enable more detailed estimates of costs. During this detailed design phase the human capital issues will also start to be addressed. An initial management team and Daintree Yalanji Walks Directors will be

identified and some will commence work to complete the detailed design phase. A more detailed marketing plan and a possible marketing partnership will also be developed and assessments will be made of the indigenous labour force needed for the various employment opportunities and ancillary small businesses that will be created.

In parallel with this activity ICL is prepared to work with Jabalbina to commence the process of raising the required investment if requested.

Overview of Key Assumptions

Section	Item	Specific Assumption		Associated Assumption
Revenue	Tour types Revenue Period	All tours in years of plan are guided tours Year 1: 13 weeks (April to June) Years 2 to 6: 36 weeks per year (April to November) 14 (7 North, 7 South)		Rest of year track is closed Rest of year track is closed
	Number of Walks Per Week , at full capacity	8		
	Number of Walkers Per Walk	3,920 walkers per annum (@35 weeks of operations)		
	Full Capacity	Year 1: 30%, Year 2: 40%, Year 3: 50%, Year4: 60%, Year5: 70%, Year 6:80%,		
	Capacity Utilisation	\$1,500		Increases by 5% each year
Operating Expenses	Price Per Walker			
	Employee Costs	All employees except CEO employed for part of year in year 1, thereafter for full operating period		
	Wages increase	4 % pa		
	Employees	Heritage Track CEO Chief Financial Officer Training & Liaison Officer Sales & Marketing Officer Purchasing & Provisioning Officer Admin Officer Driver 15 Guides @ 29%		
	On-costs	40%		Assumed that selling of bookings occurs through Agent(s)\wholesalers
Capital Expenditure	Commissions paid as % of Sales	Just under 23% of revenue in Year 1, declining thereafter to just over 3.3 % of revenue in Year 6		
	Advertising & promotion			
	Tour Costs (Food Supplies)	\$200 per head		
	Design & management	Total cost of \$95,000		
	Camp Construction	Four Separate Camp Sites: Duncans Flat, China Camp, Creb Track, Creb Track South. Average cost of \$124,500 each.		
	Walking Track Construction	Total Cost of \$176,000		
	Contingency	10% of Camp & Walking Track Construction Costs		
	Plant & Equipment	Capex Costs primarily of one Vehicle, Computer Equipment and Peripherals, Camp Associated Service Equipment		

Summary Financials

P&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue (from Track Fees)	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Operating Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Employee Costs	\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
Commissions (to wholesalers), for Sales	\$261,600	\$987,840	\$1,296,540	\$1,633,640	\$2,001,209	\$2,401,451
Advertising & Promotions	\$150,000	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
Variable Tour Costs (Food Supplies etc)	\$87,200	\$326,144	\$407,680	\$489,216	\$570,752	\$652,288
Contingency	\$58,775	\$136,836	\$160,930	\$186,609	\$213,857	\$242,852
Training	\$32,000	\$10,400	\$10,816	\$11,249	\$11,699	\$12,167
Corporate (Audit, Legal etc)	\$21,000	\$41,680	\$44,867	\$49,312	\$52,514	\$55,725
Repairs & Maintenance	\$20,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000
Establishment Related Costs	\$15,000	\$0	\$0	\$0	\$0	\$0
Depreciation: Buildings, Plant & Equipment	\$9,972	\$39,888	\$39,888	\$39,888	\$39,888	\$39,888
Vehicle Operating Costs	\$7,810	\$16,330	\$17,892	\$19,610	\$21,500	\$23,579
Office Related Expenses	\$7,000	\$9,560	\$11,622	\$13,687	\$15,755	\$17,825
Utilities	\$4,400	\$8,896	\$10,596	\$12,300	\$14,008	\$15,720
Travel	\$3,000	\$3,000	\$3,750	\$4,500	\$5,250	\$6,000
Total Operating Expenses	\$1,254,494	\$2,894,475	\$3,400,437	\$3,939,702	\$4,511,910	\$5,120,792
Net Profit \ (Loss) Before Tax	-\$600,494	-\$424,875	-\$159,087	\$144,399	\$491,113	\$882,837
Accumulated Net Profit \ (Loss) Before Tax	-\$600,494	-\$1,025,369	-\$1,184,456	-\$1,040,057	-\$548,943	\$333,893

Cash Balance

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Total Cash Inflows	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Total Cash Outflows						
<i>Capital Expenditure, Building</i>	\$836,400	\$0	\$0	\$0	\$0	\$0
<i>Capital Expenditure, P&E</i>	\$92,626	\$11,172	\$12,427	\$13,694	\$38,265	\$27,641
<i>Employment Expenses</i>	\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
<i>Other Operating Expenses</i>	\$652,785	\$1,680,686	\$2,139,693	\$2,630,123	\$3,151,544	\$3,707,607
	\$2,158,548	\$2,865,758	\$3,372,976	\$3,913,508	\$4,510,287	\$5,108,544
Tax	\$0	\$0	\$0	\$0	\$0	\$0
Net Cashflow	(\$1,504,548)	(\$396,158)	(\$131,626)	\$170,593	\$492,736	\$895,084
Closing Cash Balance	(\$1,504,548)	(\$1,900,706)	(\$2,032,332)	(\$1,861,738)	(\$1,369,002)	(\$473,918)

Capex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Consultants Fees	\$ 75,000					
Council Fees	\$ 20,000					
Total Design & Project Management	\$ 95,000					
Camp Site Construction (4 Camps)						
Camp 1	\$ 116,000					
Camp 2	\$ 150,000					
Camp 3	\$ 116,000					
Camp 4	\$ 116,000					
Camp Site Construction Expenditure	\$ 498,000					
Walking Track Construction	\$ 176,000					
Sub Total Construction Expenditure	\$ 674,000					
Walking Track Construction, Contingency	\$ 67,400					
Total Construction Expenditure	\$ 741,400					
Total Construction Capital Expenditure	\$ 836,400					
Capital Expenditure on Plant & Equipment	\$ 92,626	\$ 11,172	\$ 12,427	\$ 13,694	\$ 38,265	\$ 27,641
TOTAL CAPEX	\$ 929,026	\$ 11,172	\$ 12,427	\$ 13,694	\$ 38,265	\$ 27,641
CUMULATIVE CAPEX	\$ 929,026	\$ 940,197	\$ 952,624	\$ 966,318	\$ 1,004,583	\$ 1,032,224



November 10, 2008

To whom it may concern,

Re: Daintree Yalanji Walking Track

Engineers Without Borders Australia (EWB) has had preliminary conversations with Indigenous Capital Limited about the proposed Daintree Yalanji walking track. This project is consistent with the objectives of EWB and subject to more specific details and a formal engagement agreement, EWB is very happy to support the project

Kind regards,

Daniel Almagor
CEO
Engineers Without Borders Australia

JCU Letter of Support to be provided.

1 Daintree Yalanji Walks

1.1 Background

The concept of a world-class walking track through the Daintree rainforest has been considered and spoken about in the local community for more than 20 years. In August 1999, the Douglas Shire Council (now amalgamated with Cairns City Council as Cairns Regional Council) commissioned engineering consultants GHD to prepare a discussion paper which was released as the Long Distance Walking Track Options in the Cape Tribulation Area.

The report looked at four tracks and concluded that all were feasible, based on a user pays system (and a long list of other circumstances), but it highlighted the need to resolve land ownership and land management issues.

In 2006, the Daintree Village Tourism Association, a group that represents about 50 tour operators in and around Daintree Village and the Daintree River, formally requested Douglas Shire Council consider commissioning a feasibility study into establishing walking tracks within the Daintree rainforest. In its 2007/08 budget, Douglas Shire Council allocated \$50,000 to investigate the potential for a long distance walking track in the Daintree.

With the signing of an Indigenous Land Use Agreement in 2007, which included the Daintree rainforest, indigenous consultation arrangements were formalised allowing indigenous ecotourism discussion.

1.2 Project Scope and Objectives

The scope of this feasibility study was to identify opportunities and assess the feasibility of creating a business operated network of world class walking trails and supporting tourism infrastructure within the Daintree Wet Tropics World Heritage Area. It is envisaged that this will provide the opportunity to create a network of one to five day guided walking tours that combine eco-tourism and indigenous cultural experiences. The key objectives of the project are to:

- Provide meaningful and sustainable employment and business opportunities for the local indigenous people (the Eastern Kuku Yalanji people)
- Co-ordinate and leverage from the existing tourism and other infrastructure located in Mossman, Cape Tribulation, Daintree and Wujal Wujal to allow the wider community to share in the benefits and opportunities
- Utilise Ecologically Sustainable Development (ESD) principles in the assessment and development of potential options

Arup has been engaged by ICL to conduct the feasibility study with the strategic business planning component being developed by the 20/20 Group Pty Ltd. This report has also investigated the financial resources and arrangements that would be required to establish a walking track and associated infrastructure.

1.3 Study Area

The study area is located on Eastern Kuku Yalanji country, in the Daintree region. The World Heritage Daintree Rainforest is the world's oldest living rainforest with picturesque rivers and surrounding mangrove habitats. It is home to a diverse array of flora and fauna, and is a nature-lover's paradise abounding with tropical birds, butterflies, reptiles and countless species of wildlife, not to mention 3000 plant species from 210 families which are found in the Wet Tropics. This area is home to about a third of Australia's 315 mammal species - 13 of which are found nowhere else in the world. Salt-water crocodiles inhabit the large rivers and are frequently spotted from many of the many cruise-boats. The Daintree area is shown in Figure 1 below.

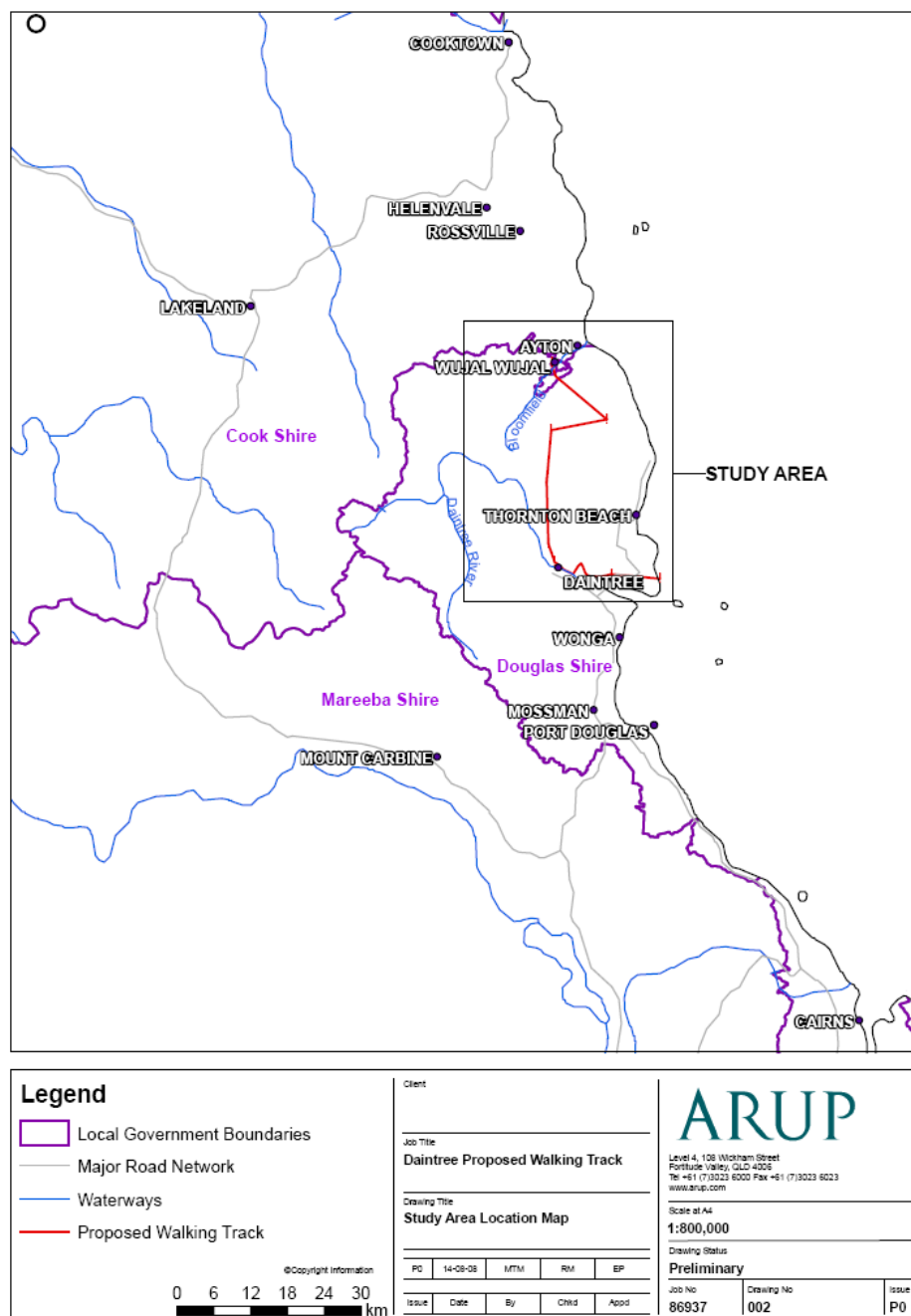


Figure 1 Site Location

1.4 Indigenous Heritage

1.4.1 Anthropological Overview

An Anthropological Overview Report was prepared previously by Mr Peter Blackwood, a consultant anthropologist, for the Cape York Land Council for use in the case “Walker on behalf of the Eastern Kuku Yalanji People v State of Queensland [2007] FCA 1907”. This Report provides the following details of indigenous anthropology of the Eastern Kuku Yalanji:

“Eastern Yalanji country comprises the drainage system falling eastwards from the Great Dividing Range to the Coral Sea within the catchments of Mossman, Daintree, Bloomfield and upper Annan Rivers. Along the coast it extends from the Mossman valley in the south to approximately Mt Amos and the Black Mountain in the north. The river catchments are significant for Eastern Yalanji social organisation, as groupings of clans associated with the catchment basins comprise the primary land using units of the group’s traditional system of land tenure.

Eastern Yalanji are recognised as the traditional owners and occupiers of this land within the regional system of Aboriginal law and custom held among the group of neighbouring language tribes of south east Cape York Peninsula.

Though Kuku Yalanji now live either in a few concentrated settlements such as Wujal Wujal and Mossman Gorge community, or interspersed in predominantly European towns, such as Mossman or Cooktown, or Aboriginal communities such as Hope Vale where other language groups predominate, this pattern of organisation based upon catchment clusters continues to be an outstanding principle of Eastern Kuku Yalanji society, identity and traditional land tenure. This involves Kuku Yalanji, for example, retaining connections to specific sites of significance, such as birth sites, burial sites and mythological sites, even where these may today stand in the middle of cane fields and other private property.

Yalanji land law is embedded within the regional system of law and custom which is shared with the neighbouring language names tribes in the South East York Peninsula. Within this regional system, Yalanji are recognised as the Aboriginal owners and occupiers of the coastal land between the upper Annan and Mossman Valleys. The regional system is the jural society which ultimately and in a practical sense validates Yalanji title and occupancy to this tract of land.

From this perspective, the native title rights and interests held by the Eastern Kuku Yalanji are embedded not just in laws and customs integral to their particular kuku language or tribal group, but are consistent with the laws and customs of all groups in the region, for all ultimately are drawn from a common system of law and custom which generates shared values and cultural models among neighbouring groups.

Eastern Kuku Yalanji have their own word for this law, Ngujakura, which in the local English vernacular is expressed as “Bama law” or “Aboriginal law”...

In describing the Eastern Kuku Yalanji’s claim to the area, Mr Blackwood states

“Rights to land and waters within a territory, to its occupancy, the use of its resources and to exclude others for sharing these rights derive ultimately from the law and custom established by the Ngujakura, according to which people, species, cultural practices and languages are distributed and implanted on earth.”

And:

“The idea that the Ngujakura law bequeaths possession through the creation of a bond of belonging, with the corollary rights to both exclude others or to grant them permission, is one which is evident in the claims, aspirations and efforts of Kuku Yalanji people to keep and/or to regain their land, as these have been recorded at various times in the past.

This reveals the forces against which the traditional laws, customs and organisation have had to struggle to maintain the connection of the Yalanji people with country.”

The early maritime explorers such as Cook (1770), Flinders (1802), Jeffereys (1815) and King (1819) made no serious challenge to the indigenous inhabitants of the coast of far north Queensland. Land exploration by Europeans began in the early 1870s. Gold discovery in the Palmer River led to a rush to North Queensland, though not in the immediate area of Eastern Kuku Yalanji country. Timber getters and tin miners did, however, push into Yalanji country. The effects of the tin miners were less destructive of the indigenous communities than gold miners. Tin mining was more stable in its activity and Kuku Yalanji groups became important participants in the industry.

More difficulty to the Yalanji, however, came with the influx of selectors, pastoralists and sugar cane growers. The intrusion of these Europeans into wider areas of Kuku Yalanji land caused deep resentment and violence. This led to Government policies to manage hostilities such as “letting in” onto selection, providing rations and the development of residential camps.

From the mid-1880s, missions such as Bloomfield and Mossman, camps developed in association with them and reserves dominated and restricted Aboriginal movement.

Forced relocation of families continued well into the modern era, touching members of the claim group. Despite the influx of Europeans and others into wider areas of Kuku Yalanji land which resulted in violence and resentment, the evidence presented by the Anthropological Report makes it clear that Yalanji law, including land law and Yalanji custom, survived, and underpinning the continued connection of the Yalanji people with country.”

Currently, the former church mission on the Bloomfield River is now the Aboriginal Community Wujal Wujal and a small family population are still living on their traditional land at China Camp. A culture of welfare dependency has developed in the Wujal Wujal and Mossman Gorge community and it is a cycle of government dependence that members of the communities would like to break.

Opportunities for employment are rare, especially in Wujal Wujal which is more remote than Mossman Gorge community. It is hoped that employment and business opportunities that would be presented by Sustainable cultural and ecotourism opportunities will create assist in improving the welfare and culture of the Kuku Yalanji people.

2 Tourism Market in Daintree

The tourism market for sustainable business development for the Eastern Kuku Yalanji people was assessed within the context of ecotourism, cultural tourism and high profile walking tracks. The Wet Tropics and World Heritage Area provides a number of outstanding natural values that make this area a major drawcard for tourism. These features include:

- Spectacular expanses of rugged rainforest clad mountains and mountain streams,
- rainforest lined beaches and fringing reef,
- the visible coincidence of the Wet Tropics and Great Barrier Reef World Heritage Areas,
- rich lowland rainforests and wetlands,
- spectacular sea and range views and drives along coastline,
- largely intact rainforests and mangrove systems of the Daintree River valley bordered by
- spectacular mountain rainforest,
- high biodiversity and ecological integrity, and
- the richest assemblage of primitive flowering plants in the world.

The Wet Tropics Management Authority (2000) has developed the Wet Tropics Nature Based Tourism Strategy which documents a Strategy for the Development and Management of Nature Based Tourism. The tourism attributes and opportunities identified in the Strategy include:

- World renowned 'reef meets rainforest' icon provides unique presentation opportunities and visitor experiences
- scenic drives for free and independent travellers
- the Daintree River access for crocodile spotting and mangrove tours
- high capacity visitor infrastructure with sealed access at a few nodes along the Cape
- Tribulation road caters for large numbers of coach and 4WD guided nature based tours
- the sympathetic conservation design and meandering nature of the Cape Tribulation road enhances the ecotourism experience
- opportunities for highly specialised and personalised ecotours
- local 'host' community of residents
- cottage, hostel and resort accommodation within a precinct where the natural setting predominates throughout

It should be emphasised that these nature-based tourism settings exist within the context of aboriginal cultural landscapes with their own value system and land management practices.

Currently there is minimal indigenous tourism to complement the supply of nature based tourism. There are currently six walking tours in the Daintree with aboriginal guides: Kuku Yalanji Dreamtime Tours, Hazel Douglas, the Walker family at Bloomfield, the Walker family at Cooya Beach, Willie Gordon and Mason's Tours (who subcontract Hazel Douglas). One of these offers overnight tours and none offer a long distance walk through the rainforest.

2.1 Tourism Market

The Report on Economic Values of Tourism in the Wet Tropics World Heritage Area (Prideaux and Falco-Mammone, 2007) established that total annual visitor expenditure was

estimated to be \$2 billion. This research also estimated that the gross economic value of tourism directly generated by the WTWHA was \$426 million representing an increase of \$49 million over ten years since the previous economic evaluation undertaken in 1997. The Report continues that this estimated expenditure generated by visitors to the WTWHA represents 21.8% of all tourism expenditure by tourists in the study region.

Visitor profile research (Prideaux and Falco-Mammone, 2007) revealed that visitors spent an average of 3.17 days out of an average overall holiday time of 7.36 nights in the region. Survey respondents considered that experiencing nature including visiting National Parks was a very important part of their holiday experience.

This Report identified Daintree as one of the locations within the WTWHA that attracted the highest number of visitors. The Survey and Research results documented in the Report (Prideaux and Falco-Mammone, 2007) demonstrate that:

- The number of visitors to Daintree can be expected to increase significantly
- Visitors will spend money in Daintree
- There is high demand for a longer nature based experience

The survey did not provide figures to accompany the above dot points as this was based on research conducted by questionnaire however this information has been used to guide the development of options for this Feasibility Study as it shows that visitors are keen to experience the Daintree Rainforest.

2.2 Ecotourism

Ecotourism is a term that is increasingly being recognised by consumers. The most consistent definitions of ecotourism are:

- Nature based
- Ecologically sustainable
- Contributing to conservation and local communities
- Involving education and interpretation of the natural environment

The location of this study area in the WTWHA and the support and involvement of the Kuku Yalanji people make this the ideal setting to develop ecotourism. There are significant opportunities that make this potentially feasible and these are outlined as follows:

- Strong brand recognition associated with Daintree and Cape Tribulation as a premium eco-tourism destination
- The only destination in the world where two World Heritage Listed Sites meet (the Great Barrier Reef and the Daintree National Park)
- Existing tourism infrastructure within the area
- At least 400,000 tourists per year already visiting the area with a reported below average spend per head and need for 'something else'
- Strong and vibrant indigenous culture
- Existing network of trails and tracks including the Bi-Centennial horse trail, traditional Yalanji walking trails, the CREB Track, Thornton Peak, Mount Sorrow and other walking trails
- The timing of the project, which comes immediately following execution of the ILUAs, the recognition of native title rights by the Federal Court, and the setting up of the Eastern Kuku Yalanji People's land and native title management entity, Jabalbina Yalanji Aboriginal Corporation ('Jabalbina')

- Planned initiative by TTNQ to promote the FNQ region as a touring destination e.g. Tasmania, New Zealand, Scotland and to divide FNQ into different precincts

In the current tourism market, it is recommended that any tourism development seeks Advanced Ecotourism Accreditation. Each level of certification incorporates a more stringent set of assessment criteria and the Advanced Ecotourism encourages and rewards innovative best practice that exceeds the Eco Certification Program standards.

The Eco Certification Program accredits products not companies or organisations with accreditation is based upon the following principles:

1. Economic Sustainability

- Business Management and Operational Planning
- Business Ethics
- Responsible Marketing
- Customer Satisfaction

2. Environmental Sustainability

- Natural Area Focus
- Environmental Sustainability
- Interpretation and Education
- Contribution to Conservation

3. Social Sustainability

- Working with Local Communities
- Cultural Respect and Sensitivity

2.2.1 Ecotourism Market

The Queensland Ecotourism Plan 2003 – 2008 has determined that 46 per cent of interstate visitors and 80 per cent of international visitors to Queensland participate in ecotourism or outdoor activities.

Research by Tourism Queensland (Nature Based Tourism In Queensland, 2000) found that some of the motivating factors that caused visitors to seek an ecotourism experience included:

- Visit a unique attraction
- See somewhere totally different to home
- Visit somewhere new
- Opportunity to explore natural environment
- Visit somewhere I have heard a lot about

Over 800 visitors to the Wet Tropics were surveyed to estimate the economic contribution of tourism in the Wet Tropics World Heritage Area. The gross economic value was estimated to be \$426M - 21.8% of all tourism expenditure in the region (about \$2B). Visitors spent an average of 3.17 days in the Wet Tropics World Heritage Area out of an average stay of 7.36 nights in the region.

The estimation is considered to be conservative. It did not include any multiplier to calculate flow-on economic benefits, nor did it include the expenditure of local residents. (*Economic Values of Tourism in the Wet Tropics World Heritage Area*, Cooperative Research Centre for Tropical Rainforest Ecology **Bruce Prideaux and Fay Falco-Mammone 2007**)

2.2.2 Ecotourism Operators Review

A review of similar ecotourism enterprises was conducted to determine factors that contributed to successful and non-successful enterprises. The review was conducted by sending a questionnaire to tourism operators who identified their organisations as an ecotourist organisation. The tourism operators were then contacted by telephone to obtain their responses. Table 1 provides a summary of key lessons learnt from research and consultation with existing eco-tourism operators.

Table 1: Summary of lessons learnt from existing ecotourism operators

Name and Location of Destination	Positive Lessons Learnt	Negative Lessons Learnt
Seven Spirit Bay Basham Heads, Northern Territory, Australia	Operators have the view that the best way to conserve the natural environment is to manage the human impacts of tourism i.e. control where visitors go, for how long, presence of a guide etc Operators have developed a close working relationship with Rangers to monitor any changes to the natural environment	Not stated
Cow Bay Homestay, Daintree region, halfway between the Daintree River and Cape Tribulation	Not stated	Owner considers there to be a large demand for indigenous cultural tours in the region which would be hindered by climate i.e. wet and dry seasons
Heron Island Voyages Resort, Heron Island, 72km off the coast of Gladstone, Queensland	Important that visitors are well informed and guided by professionals to prevent disruption or damage to the environment Operators insist upon meet and greet sessions for visitors to outline the need for respecting the natural environment	Not stated
Gecko Villa, 20km southeast of Udon Thani, Thailand	Revegetation is an important step in enhancing the natural environment and reclaiming previously developed areas i.e. rice fields	Not stated
Fur n Feathers Rainforest Tree Houses, Atherton Tablelands, Queensland	Eco-sensitive design is fundamental to preservation and conservation of the rainforest Downtime in the wet season	Not stated
Sanctuary Retreat, Mission Beach, Far North Queensland	Visitors are mainly domestic Incorporates building and facilities design that mimics the natural environment and is constructed with least impact i.e. huts are connected by boardwalk to protect	Not stated

Name and Location of Destination	Positive Lessons Learnt	Negative Lessons Learnt
	the rainforest floor Operation is built to preserve the rainforest to provide a natural refuge for visitors and for wildlife	
Komodo Dragon Eco Lodge, Lesser Sunda Islands, Flores, Indonesia	Provide environmental training programs for staff, guests, government and the community Work closely with the local office of the Nature Conservation and the Komodo National Park to protect the natural environment within which the Lodge operates	Not stated
Gagudju Lodge Cooina, Kakadu National Park, Northern Territory	Operators insist on working with the local community and the National Park Authority to maintain safe and sustainable environmental practices	Not stated
Cooper Creek Wilderness, Mossman, Far North Queensland	Believes in the importance of conservation and protection of freehold World Heritage rainforest The operation is 'user pays' Important to implement measures which allow trail areas to regenerate i.e. closed periods High numbers lead to high impacts and therefore aim to remain small and exclusive Groups are supervised at all times and must stay on tracks	There is no government support for freehold land management of World Heritage rainforest Owner considers the greatest threat to an eco-tourism economy comes from government agencies that have failed to support eco-tourism in the Daintree
Mason's Tours – Cape Tribulation	Employees are paid for eight months work over a twelve month period.	It is very difficult to engage indigenous guides over the December / January period. Reliability and availability of indigenous guides is an issue.
Tjapukai	Very successful business owned by indigenous people. A large employer of indigenous people. Employ several people for one position to ensure reliability	Employees take advantage of overtime rules.

Research and consultation with ecotourism operators has highlighted the following key messages:

- Operators should consider the likely impacts to other local tourist operators i.e. as part of feasibility analysis and aim to develop a co-operative and mutual relationship
- Uncontrolled tourism can pose potential threats to the natural integrity of the environment. Management controls should be implemented such as limitations on tour sizes, restrictions on movement of visitors and guided supervision
- Revenue from entrance fees etc can be allocated specifically to pay for the protection and management of environmentally sensitive areas
- A good working relationship with government, community groups and other local stakeholders is important
- Operators in tropical climates are affected by the wet and dry season however this can facilitate 'closed periods' which allow for rest and regeneration of the environment
- Guided tours must run every day during the published tourist season
- Planning and operating tourism facilities in a way that minimises impacts to the environment is important e.g. green building design, environmental management planning
- The tourism industry can play a key role in providing environmental information and raising awareness among tourists of the environmental consequences of their actions

2.3 Cultural Tourism

Aboriginal people of the Wet Tropics have long identified tourism as an obvious economic development opportunity². Cultural tourism in the Daintree area requires detailed planning on the location of walking tracks and associated accommodation and other tourism infrastructure to maintain the privacy and integrity of the significant sacred Aboriginal sites in the area.

2.3.1 Indigenous Cultural Tourism Review

A review of similar cultural tourism enterprises was conducted to determine factors that contributed to successful and non-successful enterprises. The review was conducted by sending a questionnaire to tourism operators who identified their organisations as an indigenous cultural tourism organisation. The tourism operators were then contacted by telephone to obtain their responses. Table 2 provides a summary of key lessons learnt from research and consultation with existing indigenous cultural tourism operators.

Table 2: Summary of lessons learnt from existing Indigenous cultural tourism operators

Name and Location of Destination	Positive Lessons Learnt	Negative Lessons Learnt
Harry Nanya Tours, Mungo National Park, New South Wales	<p>Around 80% domestic and 20% international visitors</p> <p>Promotion through televised media is a successful form of marketing</p> <p>Owner considers Indigenous tourism to be a significant and culturally appropriate opportunity, that with the ongoing commitment of Indigenous people, can bring economic and social</p>	Not stated

² Cultural Tourism in the Wet Tropics World Heritage Area: A strategic overview for Bama Sarah Ignjic (Rainforest CRC 2001).

Name and Location of Destination	Positive Lessons Learnt	Negative Lessons Learnt
	stability and benefit to Indigenous communities	
Kooljaman, Cape Leveque, Dampier Peninsula, Western Australia	Domestic visitor market is strongest Important to build profile through tourism accreditation Government grants useful for implementing environmental initiatives	Not stated
Desert Tracks, Yalara, Uluru, Northern Territory	Visitation mainly from international markets Have a sister company which provides eco-tours by university degree qualified guides i.e. botanists, zoologists. This provides visitors with options to experience eco-tourism or Indigenous cultural based tourism experiences Promotion mainly through internet, magazine advertisement especially in-flight magazines on airlines and various print media	Not stated
Gunya Titjikala, Titjikala, 120km south of Alice Springs, Northern Territory	Visitors are mainly international Customised itineraries are a good approach to attracting visitors Cross cultural involvement in decision making Success built on providing a unique tourism experience involving interaction with living culture in local Indigenous communities Marketing is pitched around promoting indigenous community development and attracting visitors because of the benefit they will bring to the community Joint venture approach is a good platform to enable transfer of non-indigenous knowledge of tourist market and sales combined with local indigenous controlled and delivered tourism Significant opportunities to be gained for Indigenous groups to build capital ownership through operating venture on site	Initially very difficult to engage with Indigenous groups now have to dampen their enthusiasm to some extent Deliberately exclude government funding due to the baggage it can bring
Blue Mountains Walkabout, Blue Mountains, New South Wales	Such a venture takes time to build, comments include 'Don't over commit, enjoy the process, be patient and don't expect a flood of people regardless of	Owner considers attracting the domestic market like trying to 'get blood out of a stone' Greater visitation by international

Name and Location of Destination	Positive Lessons Learnt	Negative Lessons Learnt
	how good the experience is'	<p>market is due to time constraints imposed on international travellers who try to do as much as they can in a short visit to Australia.</p> <p>Australians are less likely to pay for an Indigenous cultural tour because they have a 'whole lifetime' to do something like that, its right at their door step.</p> <p>Owner considers it difficult to make money out of Indigenous cultural tourism unless it is sustained by hard work and commitment</p>
Koorie Heritage Trust, King Street, Melbourne, Victoria	<p>If there is a limited budget for marketing, undertake marketing in a way that does not cost large amounts of money such as public relations activities, staff attending functions and committee involvement, internet etc</p> <p>Diversity is the key: offers visitors a vast number of experiences i.e. art gallery, training and workshops, guided walking tours, gift shop</p>	Not stated

Research and consultation with indigenous cultural tourism operators has highlighted the following key messages:

- Visitors are a mix of domestic and international markets
- Indigenous cultural tourism can provide significant direct social and economic benefit to indigenous communities
- Cross-cultural ventures are a successful approach, offering a diversified operation that is founded on indigenous and non- indigenous persons sharing knowledge, different perspectives, new ideas and solutions
- Patience is required in terms of engaging with and gaining support of indigenous groups affected by and sought to be involved in tourism ventures
- Operators who are self sufficient favour this approach over a government funded operation which may bind an operator to certain conditions and requirements
- Accreditation programs are a good way to build a profile
- Key marketing approaches include television, print media, promotion at conferences and other tourist type gatherings and internet
- Diversity in terms of the types of activities on offer to visitors is key to attracting interest

2.3.2 Walking Tours/Tracks

A review of walking tours/ tracks was also conducted on a total of 41 walks from the Tropical North Queensland region as well as walks in the rest of Queensland, Australia and worldwide for this feasibility study. Full results of the research are shown in Appendix A. Following is a summary of the major points discovered in the competitor matrix research:

- There are currently six walking tours in the Daintree with aboriginal guides: Kuku Yalanji Dreamtime Tours, Hazel Douglas, the Walker family at Bloomfield, the Walker brothers at Cooya Beach, Willie Gordon's Guurrbi tours near Cooktown and Mason's Tours (who sub contract Hazel Douglas).
- These tours have been running for years.
- Kuku Yalanji Dreamtime Tours and Willie Gordon both won tourism awards in 2007.
- Elsewhere in Australia other indigenous walks include Echo Creek Walking Trail at Mission Beach, (as yet hasn't proved to be a sustainable business), the Jatbula Trail being developed in Arnhem Land, near Katherine Gorge and is yet to be advertised) and Nitmiluk in Arnhem Land.
- the higher end of the market in Australia is charging \$2,000-\$3,000 for fully catered walks (Cradle Mountain, Great Ocean Walk, Homestead and Cape to Cape Track, with deluxe accommodation and pack transfers, usually for about 4 or 5 days
- The latest and greatest walk in Australia is along the Great Ocean Road in Victoria, where the cost is \$2,695 for a six day walk, fully catered, and luxury accommodation. Bookings are required at least 6 weeks in advance.
- The more well known walks such as the Overland Track (Cradle Mountain) and Milford Sound need to be booked many months in advance.
- accommodation on the Bay of Fires walk includes an environmentally-friendly, demountable lodge in the sand dunes which can be taken away at the end of the season, each year
- there are hundreds of free unguided walking tracks in Queensland under control of the Environmental Protection Agency/Queensland Parks and Wildlife Service
- few of these tracks have attracted commercial tour operators
- QPWS is promoting five of its walks as Great Walks of Queensland with a sixth on the way
- The Kokoda Track is similar in difficulty in that humidity, ruggedness, lack of amenities etc would be similar to walking in the Daintree. Tours range from 6 to 10 days and the cost including airfares to Kokoda from Port Moresby are from \$5,000 per person.
- The State and Federal Governments have jointly spent millions of dollars on the Queensland Heritage Trails Network including an indigenous guided walk and cultural centre at Mission Beach.
- hundreds of thousands of people walk the Inca Trail to Machu Picchu each year
- walkers on Milford Sound are restricted to 40 walkers embarking each day;
- walkers on the Overland Track (Cradle Mountain) are limited to 34 starters per day in peak season and bookings are essential. Annually there are 8,000 to 9,000 walkers which equates to between 64 and 72 per cent capacity. The Tasmanian government charges a park fee of \$150 per walker, for unguarded walks and tour operators charge in addition;

- The closest long distance walk is the Thorsborne Trail on Hinchinbrook Island. The cost is minimal and guided tours are not offered. The 3,500 people who walk this island each year (maximum allowed) provide a sound benchmark in terms of estimating market size for a long distance walk in the Daintree.

2.4 Summary of Tourism Potential

Results of the above assessment clearly demonstrate that a market gap does exist in Far North Queensland and that a combination of eco and cultural tourism development based on a network of world-class walking tracks will provide the opportunity to leverage off this market.

The tourism market for sustainable business development for the Eastern Kuku Yalanji people was assessed within the context of ecotourism, cultural tourism and high profile walking tracks. The assessment determined that a market gap does exist in Far North Queensland and that a combination of eco and cultural tourism development based on a network of world-class walking tracks will provide the opportunity to leverage off this market.

The primary target market is international visitors, and in particular visitors from the UK and Europe. In 2006, a total of 345,400 visitors arrived in TNQ from UK & Europe and accounted for 3.35 million bed nights. The secondary target market is domestic visitors.

The recently released \$1m Action Plan was developed by Tourism Queensland in partnership with the Department of Tourism, Regional Development and Industry³. It concluded...

“The Cape York Peninsula and Torres Strait have stunning natural assets and a rich and diverse cultural heritage providing ideal foundations for the region to become a significant tourism destination.”

Tourism development throughout the Cape York Peninsula and Torres Strait will undoubtedly be a positive move towards meeting the increasingly diverse demands of both domestic and international visitors, but it is not exclusively for the benefit of visitors or the tourism industry alone. The development of tourism opportunities will in turn provide employment, training and career path opportunities for the locals of the Cape York Peninsula and Torres Strait.

A major focus of the plan is to increase the involvement of local Indigenous people in all facets of tourism by generating opportunities for locally-owned and managed businesses and joint commercial ventures with the commercial tourism industry. It is important that any tourism development on the Cape York Peninsula and Torres Strait is sustainable and protects the local culture, traditions and the environment. It goes on to say its objectives are to

“Encourage visitation to areas outside the Cairns corridor (stretching from Cairns to Port Douglas) including remote areas by encouraging investment.

- Encouraging development of tourism product
- Marketing of product and packages”

“Increase Indigenous participation in the tourism industry by

- Encouraging the implementation of the Cape York
- Identifying and encouraging appropriate tourism products and experiences”

The Daintree Yalanji project fits squarely into this Plan and should benefit from the general marketing campaign and some of the specific initiatives recommended.

³ Cape York Peninsula and Torres Strait Tourism Development Action Plan 2008-2011” Minister for Tourism, Regional Development and Industry, The Honourable, Desley Boyle, released Friday 7th November 2008 see <http://www.tq.com.au/destinations/tropical-north-queensland/>

3 Business Description

This Section identifies potential walking routes, camp & accommodation site locations and infrastructure requirements through the proposed area footprint.

3.1 Walking Track Overview

In order to assess feasibility, a 52.2 kilometre track through the Daintree has been roughly selected for assessing project feasibility (Figure 4). This is not intended to be the final track as this would be determined in the next stage by the traditional owners. This sample track however, does provide a starting point upon which to estimate market demand, environmental impacts, track and camp site construction costs, etc, for input into the financial analysis. This will be referred to as the Daintree Yalanji Walking Track (the Track) throughout this report.

The Key reasons for selection of the track include:

- The track is mostly within the ILUA footprint which gives the Kuku Yalanji maximum control over how the track is managed.
- Cross over at Daintree River gives people option of extending the walk to 5 nights with an extra stopover at Daintree Village and/or incorporate of river cruise enhancing the overall experience;
- The CREB⁴ track has been maintained by Ergon Energy however recent changes in power distribution in the region have meant that Ergon Energy may no longer require the CREB Track. Responsibility for Track maintenance and management is currently being negotiated between Ergon Energy and Cairns Regional Council. Provision of CREB track maintenance by an external agent should be followed up if this project proceeds as this would reduce potential maintenance costs of providing a separate track to transport provisions to each of the camp sites and to provide access for emergency vehicles for evacuation.
- Designed to be 4 nights / 5 days.

⁴ This track was originally built by Cairns Regional Electricity Board - hence the acronym CREB which is now Ergon Energy.



Figure 2 Location of walking track for feasibility assessment purposes

The Track is a five day, four nights, guided and fully catered walk with walkers carrying a day pack, and supplies stored at each camp site. The business will offer guided walks only. It will have an entrance/exit point at Wujal Wujal an entrance/exit point at Cape Kimberly. Walkers will be able to travel in either direction, which serves to increase the Track’s overall capacity.

Starting at Wujal Wujal, the track travels in a southerly direction for 13.3 km to the first camp site located near Duncan’s Flat. This camp site is the most remote of the four, and is likely to be rudimentary as there are no existing services and connection to power, water or sewerage is highly unlikely for economical and environmental reasons.

The second camp site at China Camp provides walkers with the opportunity to see Roaring Meg Falls. Here there is a small settlement. At present there is no access to running water

or septic systems. However, locating camp sites near existing indigenous communities has the benefit of providing an economic opportunity as well as impetus to drive infrastructure development. For example, for a number of years the community has been trying to raise funds to access water which is 1 km away. The community has also had discussions with the Centre for Appropriate Technology regarding the construction of community facilities. The Daintree Walk project could well increase the likelihood of these facilities becoming a reality and making it possible for more indigenous people to return to their country.

It makes for an easy commute rather locating camps that require those providing an optional tour to travel long distances to meet with walkers.

On Day 3 the route then turns in a southbound direction and roughly follows the Cairns Regional Electricity Board (CREB)⁵ Track for two days and nights after which walkers will reach the Daintree River. Camps 2, 3 and 4 will be sited to enable convenient access to running water and sewerage servicing.

The walking track would run parallel with the CREB Track to the Daintree River. This capitalises on the existence of a road that will accommodate supply and emergency vehicles.

Walkers would then board water transportation near the CREB Track crossing and continue down-stream in an easterly direction. Walkers would disembark near Daintree River ferry ramps and walk the last leg to Cape Kimberly beach. Obviously, starting at Cape Kimberly, the above is in reverse order.

Transportation to/from trailheads at Wujal Wujal and Cape Kimberly would be provided by the tour Daintree Yalanji Walks, with a number of pick up / drop off locations including Cape Tribulation, Mossman, Port Douglas and Cairns.

3.2 Evolution of the Product

It is recommended that in the first three years of business operation, that efforts be focussed on the construction, marketing and operation of one “signature” walking track. In these initial years, the camp site accommodation would be reasonably basic.

Also in the first year, the optional activities planned for the camp sites, would only be offered at one camp site. This allows for flexibility while the optional tours are in the development stage.

This simplifies the reservations process and provides time to smooth out the inevitable teething problems in a business environment that does not have the complexities associated with a plethora of various product options. It reduces the chance of errors and allows for one clear and concise message in marketing collateral.

The business model is designed to allow flexibility to allow tour options to be expanded in order to create business opportunities for the creation of new indigenous enterprises.

3.3 The Business Model

It is envisaged that Jabalbina would set up a separate, but wholly owned management company to run the Track, and for the purpose of this plan, this company will be referred to as Daintree Yalanji Walks. Daintree Yalanji Walks would operate five-day guided tours. Individuals and/or groups of Kuku Yalanji would be encouraged to either operate the guided walks, or to set up small business enterprises – operating optional tours at the camp sites on the main Track. These might include bush tucker demonstrations, visits to natural beauty spots or sharing of dreamtime stories.

⁵ This track was originally built by Cairns Regional Electricity Board - hence the acronym CREB which is now Ergon Energy. Ergon Energy maintains the track

Daintree Yalanji Walks is not just about employing indigenous people, but building capacity of individuals to enable them to set up their own ancillary business enterprises. To achieve this, the business model will be designed to have a significant training component. This training could potentially be accessed through James Cook University's Centre of Sustainable Indigenous Communities and the local TAFE's and corporate partners.

In addition, these business enterprises would be operated similar to franchises in that:

- Under this model, the enterprise being created is part of a business that is already operating. Daintree Yalanji Walks will have made mistakes along the way and will have learnt from them. This knowledge would be passed on to those setting up an enterprise – much the same as would happen within a franchise system.
- It enables business owners to start their business at a much higher point on the learning curve.
- With this model it would be intended that Daintree Yalanji Walks would provide a great deal of help and support to business owners and that the type of help would change as the businesses grows and learns, and its needs change.
- From time to time business owners will hit problems. Daintree Yalanji Walks should be able to provide the necessary technical support, or pass on information from other owners who may well have dealt with and resolved the same problem.

In summary, the philosophy behind adopting a franchise model is to greatly improve the success rate of the start-up business enterprises. The more successful the Track becomes as an ecotourism/indigenous product, the more business opportunities that will become available to the indigenous communities. These can be a small, low cost start up businesses that provide meals for campers, or extend to larger projects such as building and renting out superior accommodation on the Track.

3.3.1 Business Model Organisational Details

The proposed business model will consist of a Board of Directors and various management personnel according to the following:

Board of Directors

It is envisaged that the board of the Daintree Yalanji Walks will be made up of 7 people, and will include:

- Three members representing Jabalbina and
- Two selected professionals with specialist expertise in relevant tourism business areas
- Representative from funding source
- The Chief Executive Officer

The structure allows for Jabalbina directors if they so choose, to invite advisors to Board meetings.

Chief Executive Officer

The CEO's passion, skills and expertise will be key factors in determining the success of the venture. Ideally the CEO will be indigenous however, the imperative is to recruit the best person to make the business successful. If the initial CEO is not indigenous, it would be the intention for the CEO to recruit, train and mentor an indigenous successor. The important measure will be the number of employment opportunities that the business creates for indigenous people.

Other Staff

As with the CEO, Daintree Yalanji Walks will implement a preferential employment policy for indigenous people. The proposed organisational structure is provided in Figure 3.

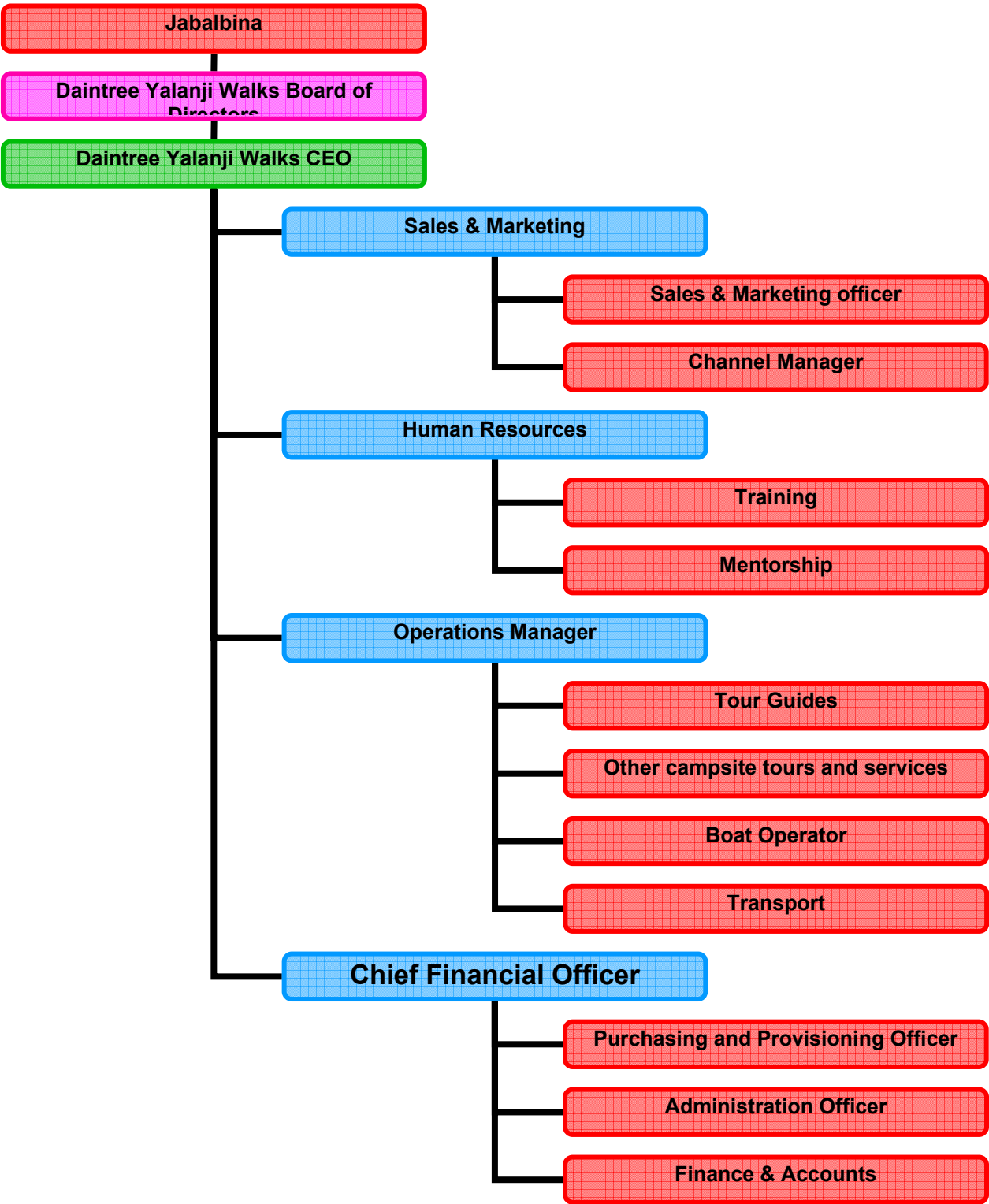


Figure 3 Proposed Business Model Organisational Chart**3.3.2 Involvement of Indigenous Capital Limited (ICL)**

- It is estimated that Daintree Yalanji Walks will require seed funding of around \$2.5 million to construct the track and camp site infrastructure and for working capital to get it to break even and for positive cash flow.

ICL will be there to help Jabalbina throughout the fundraising process if requested.

3.3.3 Daintree Yalanji Walks' Role And Responsibilities

Daintree Yalanji Walks would manage the following core areas of the business including:

- marketing including branding and business alliances;
- public relations;
- website and establishment of online reservations system;
- legal and insurance requirements;
- provision of tour guides on main track if not provided by business enterprises;
- provide track maintenance staff;
- provide transfers to trail heads for walkers from accommodation in Cooktown, Cape Tribulation, Mossman, Port Douglas and Cairns;
- provide river transport for Daintree river cruise section of Track;
- finance and accounting;
- the provision of seed capital to the business enterprises;
- staff and contractor recruitment;
- mentoring and training;
- quality assurance, environmental and safety procedures and implementation of best practice;
- links to corporate Australia;
- managing various partnerships with indigenous family groups who set up business enterprises offering optional tours, maintenance contractors, merchandise contractor, field officer contracts, wholesalers and selling agents, Environmental Protection Authority, all levels of government, accommodation providers, IT and internet suppliers, lawyers and insurers.

All Daintree Walk tour guides – regardless of whether employed by Daintree Yalanji Walks or one of the business enterprises, would be responsible for:

- delivery of 5-day guided walk on the Track;
- a duty of care to walkers;
- ensuring walkers are satisfied with meals and food supplied;
- ensuring walkers understand the use of facilities and accommodation;
- monitoring and reporting on walkers on the track;
- immediately reporting discrepancies in daily group numbers;
- co-ordinating the various optional tours and activities that will be on offer;
- reporting on the condition of the track and facilities after each tour;

- seeking feedback on how the facilities or experience can be improved.

3.3.4 Business Enterprises - Role And Responsibilities

Daintree Yalanji Walks would encourage members of Kuku Yalanji to set up ancillary business enterprises in order to offer walkers a wider range of activities whilst on the track. These options would be designed specifically to enhance the visitor's indigenous cultural experience.

These optional tours could range from simple bush food demonstrations, running night walks from the camp sites, to investing in upgraded accommodation (such as safari tents) and offering a "deluxe" accommodation option for walkers once the Track has established itself firmly on the international market. The latter would be on the proviso that any infrastructure met with Eco Accreditation.

Employees or owners of the business enterprises will be responsible for:

- a duty of care to walkers;
- ensuring walkers understand the use of facilities and accommodation;
- adhering to best practises as set by Daintree Yalanji Walks;
- monitoring and reporting on walkers on the track;
- ensuring walkers have the experience of a lifetime and can brag about the wow-factors of the Track;
- reporting on the condition of the track and facilities after each tour.

4 Detailed Product and Service Description

4.1 The Daintree Yalanji Walking Track

The Daintree Yalanji Walking Track used for this study 52.2 kilometres in length and is designed as a five-day walk with four overnight stays in rainforest camps. Camp sites are located 9-13.3kms apart so that walking will take up most of the day light hours. After a few years and once the Track is established in the market, a range of optional tours and activities will be offered each evening at the camp sites.

Highlights or “wow-factors” along the Track include Roaring Meg Falls, indigenous knowledge, stunning summits, rare botanical species, wildlife encounters and swimming holes.

Swing bridges and flying foxes will be constructed over some flood-prone creeks. This will reduce impact on the environment and add another highlight to the experience.

Guided walks

Tour guides will accompany groups and individuals along the Track providing commentary on biodiversity, fauna and the local natural history, tin and gold mining and cedar getting, Chinese settlement, European settlement and Kuku Yalanji culture. It is anticipated that there will be one guide for up to 8 walkers,

It is expected that guided walks will include the provision for all meals. Stores will be delivered to each campsite via 4WD and motorbikes along the CREB Track, which will in effect become a service route for camp sites 2, 3 and 4. Due to its vehicular inaccessibility, camp site 1 will be the only camp site where the guide and walkers will have to carry in meal provisions.

The walk will include transfers to and from accommodation in Cairns, Port Douglas, Mossman, Cape Tribulation and Cooktown. A boat service will also be supplied for the Daintree River section of the Track.

4.2 Highlights

Every major walk in the world has a signature highlight or wow-factor – it might be the views from the world’s highest peaks, ancient architecture, war battle history or striking geological formations.

It is considered that the Roaring Meg Falls, the rainforest, the river and the sharing of knowledge and history by indigenous people about aboriginal culture would be the “wow-factors” of the Daintree Yalanji Walking Track. In mapping out the final track, it is recommended that the route of the track adds to these highlights and this will result in an improved visitor experience. Potential highlights along the Track could include any or all of the following:

- Woobada Creek/valley/gorge/waterfall lookout;
- various mountain summits;
- untouched virgin rainforest valleys;
- scenic views;
- coral ferns;
- cave paintings;
- artefacts;
- changing vegetation;

- fan palm/other palm forests;
- fishing;
- Kauri pine; and
- Swimming holes;

Other highlights may include wildlife encountered, Daintree River boat transfer, flying fox crossings and swing bridge crossings.

There is further potential for Daintree Yalanji Walks to partner with universities and develop study tours that help students and other interested people understand the science and culture of the Daintree. ICL Director Roger Allen has already conducted promising initial talks with James Cook University Cairns in relation to establishing a study partnership.

4.3 Serious Challenge

The track is located in the Wet Tropics which means high levels of humidity and rainfall in the wet season. Tropical conditions are extreme and walkers, as are all visitors to Tropical North Queensland, could be exposed to Giardia and dengue fever.

There are measures that can be taken to minimise the risk of contracting these diseases. First of all people should treat all stream water with a water purification tablet, such as Aquatab, to kill all Giardia lamblia, before drinking. Secondly people should ensure they are protected by insect repellent, such as high DEET Bushman's, at all times, to avoid being bitten by dengue carrying mosquitoes.

Wildlife is another challenge for walkers who could stumble across wild pigs, cassowaries, snakes as well as other possibly dangerous wildlife. Other challenges walkers will face include biting or stinging insects that cause pain, for example March flies, ticks and mites and mosquitoes. Then there are other insects that can cause life threatening hypo-allergic reactions such as hornets and wasps. In addition leeches are present throughout the year, particularly during the wet season.

During the rain, walkers will have to deal with wet rocks and tree roots that become slippery and slow the pace of the walk substantially.

Another danger is the stinging tree that if brushed against the bare skin, is excruciatingly painful, and the only cure is to wax the area of the sting – which is just as excruciatingly painful!

Walkers will have to do all this carrying heavy packs.

The above is provided to illustrate that it is a serious challenge – and those who complete the work will have undertaken an extraordinary feat. People will need to train for the walk and this needs to be explained to potential walkers in all published material and at point of sale.

4.4 Value Adding Tours and Activities

With the optional tours, once up and running, the reservation system would enable walkers to pre-book and pre-pay for optional evening tours

These optional tours would be made available to unguided walkers as well as guided.

It is envisaged that most of these tours and activities will be conducted in the late afternoon or evening to allow walkers to arrive at camp and recover from a hard day's walk and then learn more about the Daintree. Suggestions for the franchisee tours and activities might include the following and are subject to further consultation:

- bush tucker demonstrations and tastings;

- additional walks along tracks to various wow-factors;
- dreamtime story telling;
- gunyah building;
- visit women's place (women only);
- visit men's place (men only);
- fishing;
- Aboriginal art;
- craft workshops eg. basket weaving; and
- walking stick carving.

4.5 Guided Walk Itinerary Example

To better envisage what it might be like to do the Daintree Yalanji Walking Track a sample itinerary has been developed (Table 3). In this example, it has been assumed that the Track has been operating for several years, several business enterprises have been established and camp sites have been improved.

Table 3: Sample Guided Walk Itinerary

Daily Itinerary	Optional Tour	Menu
<p>1. Transfer by vehicle to Wujal Wujal. Debrief and safety talks.</p> <p>Day one (13.3kms) walk with the track winding south into the first valley of the Daintree rainforest. Walkers will pass through diverse vegetation and jungle vines and cross a suspension bridge at a creek. Camp One is beside an ancient creek.</p>	Dreamtime story telling.	<p>Morning tea – damper with Cedar Bay Cherry jam.</p> <p>Lunch - ham and salad wraps.</p> <p>Afternoon tea - fresh fruit platter and energy bars.</p> <p>Dinner - kangaroo and yam stew.</p>
<p>2. Camp One to Camp Two (9.3kms): Today walkers will follow a ridge around a beautiful valley and climb a secondary range before reaching a clearing for an early lunch. Then walkers will proceed deep into the Daintree rainforest, passing stunning granite formations and endemic trees. By mid afternoon walkers will be able to hear a waterfall. By the end of the day walkers will understand its significance and beauty.</p>	<p>Visit women's place (women only).</p> <p>Visit men's place (men only).</p>	<p>Breakfast - toast, spreads cereals, muesli and yoghurt.</p> <p>Morning tea – rainforest fruits and nuts.</p> <p>Lunch - swagman's sandwiches.</p> <p>Afternoon tea - fresh fruit platter and energy bars.</p> <p>Dinner - spiral pasta with cream and mushroom sauce.</p>
<p>3. Camp Two to Camp Three (8.6kms): Today an indigenous guide will join walkers on the track to point out places of significance as they re-trace the steps of people who lived 9000 years ago. Lunch is beside a sacred aboriginal site. Walkers will pass through an historic area. Tonight walkers will camp beside a 500 year old tree.</p>	<p>Walking stick carving.</p> <p>Basket weaving.</p> <p>Gunyah building.</p>	<p>Breakfast - toast, spreads cereals, muesli and yoghurt.</p> <p>Morning tea – Davidson Plum muffins.</p> <p>Lunch - dry biscuits, cheese and cold meats platter.</p> <p>Afternoon tea - fresh fruit platter and energy bars.</p> <p>Dinner - barbeque steak and vegetables.</p>

Daily Itinerary	Optional Tour	Menu
<p>4. Camp Three to Camp Four (11kms):</p> <p>The walk starts early with a climb up the last big summit. There is a flying fox crossing over a creek. Lunch is at a lookout where walkers will catch views of the stunning Coral Sea and islands. Then there is a 5 hour descent through jungle vines. Camp Four is in a valley beside a tributary of the mighty Daintree River.</p>	<p>Bush tucker demonstrations and tastings.</p>	<p>Breakfast - toast, spreads, cereals, muesli and yoghurt.</p> <p>Morning tea - macadamia nut damper.</p> <p>Lunch – noodles.</p> <p>Afternoon tea - fresh fruit platter and energy bars.</p> <p>Dinner –Coconut and crocodile curry and rice.</p>
<p>5. Camp Four to Cape Kimberly (15.4kms):</p> <p>Today walkers reach the banks of the Daintree River where a boat will transport them to Daintree Village for lunch. Walkers will then re-board the vessel and watch for crocodiles as they admire a mysterious mountain. Disembarkation is 12km upstream. Walkers then hit the final section of the track, traversing true cassowary country before reaching the finish at the beautiful beach of Cape Kimberly. The arrival at Cape Kimberly is a marvellous achievement for all walkers and a feat to be proud of. A presentation is made over afternoon tea and a toast of celebration. Transfers by vehicle to accommodation.</p>	<p>Plant a tree.</p>	<p>Breakfast - toast, spreads, cereals, muesli and yoghurt.</p> <p>Morning tea – cheese and biscuits.</p> <p>Lunch – chicken and salad wraps.</p> <p>Afternoon tea- Afternoon tea – fresh fruit platter, nibbles and champagne.</p>

4.6 Infrastructure – Accommodation & Amenities

Infrastructure selection and development will be critical to Advance Ecotourism Accreditation. In determining construction of the track itself, and any infrastructure including swing bridges, flying foxes, accommodation and amenities, the following is recommended:

- that ecotourism infrastructure development and maintenance reflects best practice minimal impact design and procedures appropriate to the WTWHA
- encourage innovation in ecotourism infrastructure development
- provide safe, reliable, sustainable and appropriate access to ecotourism attractions
- ensure that strategic regional infrastructure needs are considered in the development of the State Infrastructure Plan – Implementation Plans
- Ensure infrastructure is located and developed in accordance with the WTMA, EPA and Indigenous Land Use Agreements

4.6.1 Accommodation

In order to maximise opportunities for revenue it would be ideal to capture the highest end of the long distance walking market by ultimately providing the highest standard of

accommodation possible. Although the walk will begin with basic accommodation and facilities, it is envisioned that these will be improved over the years as profits allow.

Appendix A highlights the range of accommodation options and bathroom facilities that walkers experience on the great walks of the world. While people may be attracted to the challenge of the Daintree Yalanji Walking Track, they may not be too thrilled about camping on it.

The modern day walker likes to be secure in the knowledge that there is a dry bed, a shower and a hot dinner at the end of a long day's trekking.

There are four camp sites along the Track. Camps two, three and four will be accessible for servicing and have the potential for water and septic systems to be installed. Only Camp One is very remote and may be more primitive than the other camp sites.

Five accommodation options have been evaluated in this feasibility study:

1. Two man tents - with built-in insect screens and ground sheets, lightweight, easy to carry and assemble. These would be set up at the beginning of the season, repaired as required, and taken down at the close of the season. The budget allows for tents to be erected on raised platforms.
2. Dorm Huts – these would be crude structures with a flat platform on poles, above the ground, and walls half way to the roof. This would provide dormitory style accommodation for campers and it is possible that at least two would have to be constructed at each site, one for males and one for females. Each hut would sleep up to 20 people.
3. Basic Tents – these tents would be constructed each season and last 8 months. These tents would be crude A-frame structures with waterproof material (canvass) providing a cover. There would be no door as such, just flat screening across each end and enough space for up to ten stretcher beds.
4. High-End Tents – solid pole and platform structures with inbuilt screens and waterproof covers sleeping two people in solid beds with good mattresses.
5. Gunyas modified – there may be an opportunity for a business enterprise to construct purpose-built Gunyahs that are insect and water proof and big enough to house two single stretcher beds. These gunyahs would become a unique feature of the walk.

There is an opportunity here to utilise the Kuku Yalanji Gunyahs in a modified fashion for today's adventurer. Basically the Gunyahs would need to be insect proof, high enough to accommodate two trestle beds (so people are sleeping above the ground) and wide enough for a person to get dried and changed. Ideally these modern Gunyahs would sleep two people.

This would be a truly unique feature of the Track – to be able to sleep under the same shelter as the Aborigines did for thousands of years - it would be a fantastic experience.

There would need to be 10 gunyahs big enough to sleep two people, at each site to accommodate the anticipated two groups of eight walkers and their guides each night.

Having a comfortable bed makes the walk so much more enjoyable and will mean hauling mattresses into and out of the rainforest each year, but walkers will be prepared to pay for it.

The advantages and disadvantages of the five accommodation options are identified in Table 4.

Table 4: Advantages and disadvantages of accommodation types.

Accommodation Type	Advantages	Disadvantages
Two man tents \$100/bed \$600	Minimal construction (raised platforms) Private. Insect-proof.	Greater footprint than communal options
Dorm Huts \$20,000 \$900/bed \$45,000	Could have less affect on the environment in the long term. Easy to construct. Most practical for larger numbers of walkers. Reasonable comfortable sleeping platforms	Not insect-proof. Not very private. Will be large buildings in the rainforests. Harder to manage environmental impacts during construction. Difficult to construct at the start of each walking season and de-mount at the end of each walking season.
Basic Tents \$2,000 \$200/bed	Easy and cheap to assemble. Transferable. Easy to repair. Lower impact construction. Easier to construct at the start of each walking season and de-mount at the end of each walking season.	Will need to be assembled each year and taken down each year. Not insect-proof. May not provide enough protection. Walkers must sleep on the ground.
High-end Tents \$5,000/bed \$15,000	Comfort. Privacy. Better experience. Insect-proof. Happier campers.	Many would need to be constructed for larger numbers of walkers. High construction costs. Ongoing repairs. Higher impact on environment for construction. Difficult to construct at the start of each walking season and de-mount at the end of each walking season.
Gunyas	Comfort. Privacy. More authentic experience. Unique. Insect-proof.	Many would need to be constructed for larger numbers of walkers. Labour intensive to construct. Ongoing repairs.

In weighing up cost, comfort and environmental impact, the basic tents or the two man tents appear to be the best choice to minimise cost in the early stages.

Centre for Appropriate Technology in Cairns is currently investigating and costing Dorm Huts and raised platform options for rainforest camping grounds. In fact they are currently assisting with the construction of a camping ground at china Camp and may become a future partner/supplier for Daintree Yalanji Walks. Another option is to have Engineers Without Borders to have a design competition for innovative ideas against a strict set of criteria.

All camping facilities would be de-mountable so that infrastructure can be removed at the end of each walking season (April to November). This will reduce impact on the environment and damage to property during the cyclone season.

As popularity of the Track grows, more comfortable accommodation could be constructed such as the High-end tents or possibly the modified Gunyahs.

Investigation into how and when these huts should be constructed should be investigated once the track is operational and revenue has been raised to re-invest back into the Track.

As the camp sites become more established, there will be increasing opportunities for the indigenous community to service the camp sites and possibly provide catering and more activities for walkers.

4.7 Concepts for bathroom facilities

Water supply at each camp site will be a natural waterway and hot water, if required, would be supplied via a “donkey” where you light a fire beneath a water tank. Hot water would also be provided with a gas burner. A camp shower head and privacy barrier would be located near the water supply. Campers could also use buckets for sponge baths.

Four toilet options have been evaluated as part of this study.

1. Drop Toilets - the traditional drop toilet as utilised by national parks in the past. Consists of a toilet seat over a large hole in the ground. The toilet seat is covered by a weather proof hut with a door.

2. Fly-out toilets - a tank with toilet seat on the top for use. The fibreglass tank can sit on the surface of the ground and people will need steps or gangway to reach the seat or seats at the top. Ideal in areas with an annual usage of 500-600 walkers a year and only has to be serviced every 18 months.

3. Hybrid toilets - waterless toilet systems that use chemicals rather than water to treat sewage which is then stored in a tank. These toilets cost about \$15,000-\$18,000 each.

4. Mobile toilets - alternatively people can carry their own toilet and paper with them. There is a facility called the Poo Tube which is a transportable toilet and sewerage system designed for trekking in environmentally sensitive areas. There is also a portable toilet chair that can be unfolded and waste is contained in a plastic bag. These mobile toilets are self contained. Cost is between \$20 to \$170.

The advantages and disadvantages of the four toilet options are identified in Table 5:

Table 5: Advantages and disadvantages of each toilet option

Toilet Type	Advantages	Disadvantages
Drop Toilets	Second cheapest option. Simple construction.	Harmful to a pristine rainforest environment. Outdated. Regulatory permission unlikely. Low consumer satisfaction.
Fly-out Toilets	Limited impact on the environment. Best accessibility to service. Good consumer satisfaction. Units are medium price. Regulatory permission likely.	Helicopter noise to residents. Not suitable for high usage. Helicopter use is expensive. Requires chemicals.

Toilet Type	Advantages	Disadvantages
Hybrid Toilets	Limited impact on the environment. Regulatory permission most likely. Holding tank can be trucked out Ideal for low use areas. Highest consumer satisfaction.	Regular servicing required. Requires chemicals. Expensive.
Mobile Toilets	Least environmental impact. Convenient. Most cost effective option. Minimise occurrence of human waste deposits along the side of the track.	People will have to carry their own waste out of the Track. Least amount of consumer acceptance. Would need to provide some kind of sewerage disposal.

The hybrid toilet is the recommendation at this point. Whilst the mobile toilet has the least impact on the environment, it is considered to be unacceptable to most walkers. The fly out toilets have perhaps slightly less impact on the environment, however they are very much in the development stage.

5 SWOT Analysis

The following SWOT analysis has been compiled from research undertaken during the study, as well as from a workshop held with Daintree tour operators and key tourism industry representatives.

5.1 Strengths

Strengths include the following:

- international profile of the Daintree brand;
- authentic Kuku Yalanji indigenous experience;
- concept has support from local and regional tour operators, accommodation houses, traditional landowners and regulatory agencies;
- excellent access with Cairns International Airport a two hour drive away;
- existing tourism infrastructure for example Mossman Gorge facilities, established accommodation and booking offices at the two trail heads;
- Indigenous Capital Limited support with a business model for a more successful outcome;
- World Heritage Listing by the United Nations Educational, Scientific and Cultural Organization which has identified Daintree to be of outstanding cultural and natural value to humanity; and
- The oldest rainforest on earth with unique tropical rainforest flora and fauna that is still yielding scientific discoveries.

5.2 Weaknesses

Weaknesses and proposed actions are identified in Table 6:

Table 6: Weaknesses and proposed actions of Project

Weakness	Action
The track will need to close for up to four months a year resulting in low cash flow.	Ensure that income is saved from the high turnover months to cover the low turnover months.
Staff numbers will have to be reduced during the closure each year of up to four months.	Spread the workload into the closed months to retain a skeleton staff to keep some continuity. Pay staff yr round spread the wages for 8 months over 12.
Availability of indigenous guides and the cultural shift from a culture of welfare to a culture of enterprise and sustainable work.	Design and implement a training program, where indigenous people can gain skills and qualifications in the first two years of operation and then operate their own business enterprise within the framework of Daintree Yalanji Walks franchisee system. Introduce traineeships at year 10 & 11 at Mossman State High School Tap into the Mossman Gorge program – offer Mossman Gorge staff variety and/or career path.

	Establish a training centre/course in conjunction with Bamanga Bubu Ngadimunku, Mossman State High School, Cooktown State High School and TAFE.
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5.3 Opportunities

Opportunities and proposed actions are identified in Table 7:

Table 7: Opportunities and proposed actions

Opportunities	Action
For the Walk	
The walk could become a carbon neutral trek. This would mean that carbon accounting would be conducted to determine the amount of carbon emissions associated with travelling to Daintree and walking / accommodation on the track .	Investigate offsets the walk could provide. Walkers could gather the seeds of a primitive plant such as the Myristica for propagation or plant a foundation species such as the fig. Engage a carbon economist to establish carbon emissions and the offset activities that could work in Daintree.
The Daintree Yalanji Walking Track could have its own carbon bank for walkers to gain credits for other activities eg international flights.	Investigate how carbon banks work and what regulations exist. Incorporate carbon emission economy into the commentary of the guided tour, explaining how it works.
Walkers may be able to volunteer some of their time to an environmental project as a free optional tour, such as tree planting.	Contact local tree planting groups.
There is the potential for tour guides to theme their walks and to specialise in various fields for example botany, archaeology, ecology, anthropology, Gondwanaland or bird watching.	Highlight these options to tour guides. Invite world renowned leaders in a particular fields to help guide the walk, perhaps once a year. Partner with James cook University in Cairns to aid scientific and cultural research.
Work with the Ma:Mu Canopy Walk – sell the two walks as a package.	Liaise with Queensland Parks and Wildlife Service.
There is the opportunity of closing the track to walkers and opening it up to other users, for example horse riders, motorcyclists, mountain bikers, for an event or period of time. Alternatively there could be parallel tracks for other users.	Let potential user groups know of the option.
Hiking equipment hire to trekkers.	Create awareness of these opportunities and the training for people to act on the opportunity.
Optional tours on the core walk eg. bush foods dinner.	“
Daily luggage transfer for walkers and portering (by vehicle and foot);	“

Supply and transport of food provisions.	“
Retail component for development and sale of merchandise, energy food and hiking supplies such as camel backs, boots, socks, blister packs, aspirin at the Mossman office/trail heads.	“
A cultural centre featuring art, artefacts and books.	“

Challenges

The following challenges (threats) have been identified as shown in Table 8:

Table 8: Challenges identified and proposed actions

Challenges	Action
For the Business	
Lack of experience so there will be a strong need for training, not just for specific jobs such as tour guiding, but also training about being in a real workforce and a real business.	Provide support to the indigenous community as it makes the cultural shift from welfare to real work, not CDEP. Provide education and training.
The possibility of losing franchisees and contractors each year due to the annual closure of the track.	Help them ensure they make enough money to see them through the closure.
For the walk	
Walkers may find biting insects and leeches off-putting.	Make walkers aware that powerful insect repellents are available and essential.
Toilet and shower facilities will be restricted.	Educate walkers about the environmental damage human waste can cause and the need to have low environmental impact facilities.
Sections of the walk may be quite steep and inaccessible to the average person.	Make it clear to people booking the walk that they need to have a certain level of fitness and that a training plan is recommended before the walk is attempted.
Fallen trees will block the track.	The maintenance contractors will have to be available to make repairs 24/7 with quick access to chainsaws, fuel and a motorbike to fix the track.
Emergency access will be difficult in the more remote sections of the rainforest.	Throughout the plotting of the track, designers will need to be mindful of the need for helicopter access, particularly between Cape Tribulation and China Camp.
Environmental	
Cross contamination of soil borne pathogens, particularly <i>Phytophthora cinnamomi</i> , from one vegetation type to another, via the feet of walkers.	Have treatment sites at the exit/entry points eg. a shoe dip.
Limiting impact on rare and threatened species through human contact and due to the construction of the track,	Ensure all workers and walkers comply with a code of behaviour in the rainforest that limits footprints.

bridges, toilets, flying foxes, emergency access etc	
Tropical climate concerns including flash flooding, cyclones, 90 per cent humidity, especially during the wet season.	Close the walk from December until March each year.

6 Marketing Strategy

6.1 Non Transferable Demand

There are two aspects of the Daintree Yalanji Walking Track that are likely to feature in the marketing communications.

One - The internationally recognised Daintree brand provides the opportunity for the Daintree Walk to become one of the top 10 walks in the world. One that walkers are encouraged to tick off their “must do” list – much like the Overland Trail (Cradle Mountain) in Tasmania, Milford Sound in New Zealand and the Kokoda Track.

Hence, it is critical that Daintree Yalanji Walks seeks an undertaking from the Queensland State Government that the Environmental Protection Agency will not create a long distance walking track in the surrounding Daintree National Park. The State Government Policy at present is that access to Parks in Queensland is free therefore should a “free” product be developed in the Park, it would severely impact on the viability of a Jabalbina venture.

Based on being able to obtain such an undertaking, Daintree Yalanji Walks would own the right to operate the only long distance walking track in the Daintree. This provides an essential point of difference to other rainforest walks.

Two – An authentic Aboriginal experience where visitors have the opportunity to meet and talk with members of the indigenous community that will share knowledge about their own country.

6.2 Profile of visitors to Region

Research has highlighted the following about the current visitor profile to the region:

- backpackers are the biggest visitor market to the Daintree;
- an estimated 302,000 tourists crossed the Daintree River on the ferry in the last 12 months (June 2007 to May 2008⁶)
- original backpackers from 20 years ago are returning with their young families;
- businesses are responding to increased demand for more medium to high end accommodation and tours;
- the European visitors actually do the walks, especially the Germans;
- the Australian visitors generally do not do the walks;
- there is keen interest in aboriginal culture from international visitors;
- there is increased interest in the aboriginal culture from younger Australians

6.3 Target Market

The primary target market is international visitors, and in particular visitors from the UK and Europe. In 2006, a total of 345,400 visitors arrived in TNQ from UK & Europe and accounted for 3.35 million bed nights.

The secondary target market is domestic visitors.

6.4 Pricing

By pricing other eco adventure and cultural experiences available in Tropical North Queensland and other well established Long Distance Walking Tracks around the world, for

⁶ Daintree Ferry Vehicle movements – Cairns Regional Council 2008

the purposes of this feasibility study has been concluded that the five day walk should be priced at \$1,500.

The \$1,500 price includes:

- Transfer to and from the trailheads to Cape Tribulation/Mossman/Port Douglas/Cairns
- Includes meals for 5 days
- Accommodation for 4 nights
- One guide per 8 walkers
- Daintree River cruise

Optional Tours

Pricing for optional tours has not been included at this stage as revenue is unlikely to have a significant impact on the tour's overall feasibility

How this price compares to other Walks

Table 9, below shows eight selected walks similar to the proposed Daintree Yalanji Walking Track – listing the number of walkers per year where known; and fees charged.

Table 9: Similar walking track visitor numbers

Track	Walkers per year	Nights	Cost
The Bama Way	1,515 in 2006	3	\$606-\$719 guided only.
Kuku Yalanji Dreamtime Tours		0	\$25 guided only.
Thorsborne Trail	40 campers per night, capped at 3,500 per annum.	3	\$4.50 per night unguided, need to provide own accommodation and food.
Jatbula Trail		4	\$995 guided.
Overland Track	34 per day, 8,000-9,000 per annum	5	\$1,500-\$2,200 guided, inclusive. From \$300 unguided.
Milford Sound	7,000 guided, 7,000 unguided, 14,000 per annum	3	\$360 unguided, need to pay for own meals and accommodation. Up to \$2239 guided.
Kokoda Trail	4,000 per annum	4-9	\$100 unguided. From \$5000 guided and fully inclusive with Kokoda-Port Moresby air fare.
Inca Trail	Hundreds of thousands per annum	3	\$430-1,030 guided, depending on food and accommodation.

6.5 How this compares to other adventure activities in the Region

It is also relevant to look at prices for other activities in the region – to understand where the Daintree Yalanji Walking Track would sit in the market.

Dive Market

In the dive market, there are four companies operating 3, 4, and 6 night stay-onboard trips to the Cod Hole on the Great Barrier Reef.

- Pro Dive is the largest and takes around 4,000 passengers each year with boats leaving twice a week from Cairns. It is able to command around 80% occupancy – the draw card being the Cod Hole which is among the top 20 dive sites in the world. Prices for a 4 day/ 4 night trip cost between \$1,550 and \$2,250 – plus extras
- Tusa Dive's charges for a 4 day trip range from \$1,475 to \$2,200 depending upon number of people sharing the cabin.
- Taka Dive operates 5 day trips from Port Douglas, with prices starting at \$2,215 per person Jan – Jul and \$2,615 from Aug to Dec.

In total, around 6,000 to 8,000 people opt for 3-7 days live-aboard dive trip each year, paying \$1,500+ for the experience.

6.6 Estimated demand

In 2006, international visitor nights in TNQ (from Cardwell north to Torres Strait) totalled 6.73 million and domestic visitor nights totalled 7.779 million. This means, the Track's maximum capacity represents less than .002 per cent of total visitor nights being achieved in the region.

TNQ is the second most popular destination in Australia for overseas visitors.

The Daintree is an international brand – and is not just familiar in the tourist industry, but is well known in the scientific community because of the rich biodiversity.

If an effective marketing campaign is implemented and effective and an efficient reservations system is in place, it is likely that within 4 – 5 years, demand will exceed capacity.

Based upon a maximum of four camp sites along the Track, each with a capacity of 22 beds [$4 \times 22 = 88$] and the maximum bed nights per annum, based upon the Track being operational for 35 weeks [$35 \times 7 = 245$ nights] there are an available 21,560 bed nights [$88 \times 245 = 21,560$].

Given that each walker will require 4 nights accommodation; this translates to a maximum of 5,380 walkers per annum. [$21,560$ divided by $4 = 5,380$].

red for 5,380 walkers per annum:

Table 10, below highlights the infrastructure that would be required for 5,380 walkers per annum:

Table 10: Estimated infrastructure requirements

Infrastructure requirement	One camp site	Four camp sites
Number of beds required including guides (1 guide per 8 walkers)	22	88
Number of two-man tents, gunyahs and luxury tents per camp site	11	44
Number permanent 10-man tents per camp site	2	8
Number dorm huts per camp site (internal partitions an option)	1	4
Number toilets (capacity 10 people a day for 8 months) per camp site	2	8
Number showers (1 for every 22 people) per camp site	1	4

6.7 Partnerships

Introducing a new tourism product into the global market, and particularly one such as a long distance walking track in Daintree Rainforest will take time, and considerable resources.

One option Daintree Yalanji Walks could consider is to partner with an existing operator who is already in the market with other similar products.

A partnership with the CAPTA group for instance would immediately give Daintree Yalanji Walks global distribution. Over the past two decades, the group has built up relationships with key wholesalers around the world – something that takes years to accomplish. It has an existing reservations system where travellers book pay over the internet for tours.

In setting up the partnership, it may well be for a finite period of time, after which Daintree Yalanji Walks has the resources and knowledge to go it alone, thus fulfilling the aims of Jabalbina to have all profits go back to indigenous people.

Links would also be made to local walking clubs such as the Cairns Bushwalkers Club and Tableland Walking Club as well as the National clubs and networks and the international eco-tourism association and leveraging off the research links that James Cook University has with both the wet tropics rainforest and indigenous culture.

7 Operational Plan

7.1 Staff

One of the key business objectives of Daintree Yalanji Walks is to provide meaningful and sustainable employment and business opportunities for the local indigenous people. To this end, a high priority will be placed on training.

Positions that Daintree Yalanji Walks will need to fill include:

Chief Executive Officer – responsible for all aspects of Daintree Yalanji Walks; management of contractors (i.e. maintenance/cleaners of track etc.) and will be a full time position and will report to the Board.

Chief Financial Officer – responsible for overall running of Daintree Yalanji Walks, complying with government regulations and liability issues and will be a full time position.

Marketing and Sales Officer – responsible for marketing, administration, ticketing, public relations and customer enquires and will be a full time position.

Training and Liaison Officer – responsible for recruiting and training all staff including tour guides and maintenance staff and will be a full time position.

Administration Officer – responsible for day to day paperwork, receptionist duties, telephone enquiries and processing of bookings and sales.

Tour guides – will be rostered to take groups of people on 5-day guided walks and ensuring everything is ready to go when walkers arrive and likely to be casual positions.

Purchasing and Provisioning Officer – responsible for purchasing supplies for each of the guided tours

Driver – responsible for delivering supplies to each of the camp sites

Board of Directors

It is envisage that a Board of Directors will be established for Daintree Yalanji Walks and it will act in an advisory role to the Chief Executive Officer. The board would ensure that the original aims of the Mission Statement are adhered to and help ensure the Daintree Yalanji Walking Track is a success.

There will be a culture of transparency in reporting between the CEO and the board which will be a mixture of 7 stakeholders and investors.

7.2 Training

The aim is to provide a structure that is suitable for local indigenous people to set up business enterprises that will allow them to become self sufficient and hence reduce their dependence on welfare programs. Training will need to be provided to help local indigenous people make this shift.

The best opportunity to train local indigenous people is when they are finishing their secondary education and are still willing to learn new pathways for the future.

Implementation of a tour guide and small business training course at Mossman TAFE or Mossman State High School will give local indigenous and non-indigenous people the best basis to take up business enterprises within this plan.

7.3 Premises

Mossman Office

In an effort to keep initial costs low, a basic office will be established in Mossman for administration and storage. Ideally this office would be established in a more cost-effective industrial area rather than a high premium retail area.

By establishing this base in Mossman for Daintree Yalanji Walks, the core staff of seven can work relatively close to the track and close to all facilities and services required.

Field Office at CREB Track

The field-office will be for essential communications, especially during emergencies, and to house a substantial first aid kit, medical supplies, emergency stores and maintenance equipment. The field office will be located at Camp Two.

The stores at this location need to be kept to a minimum but will prove to be practical when operations begin. For example, it could house toilet paper for when a tour runs out. Ideally the field office would be located where emergency vehicles such as four-wheel-drive ambulances can get access via the CREB Track.

These two offices will be linked online, via a website featuring a large back of house system so that most of the management can be co-ordinated online. Tour bookings and as many transactions and communications as possible should be conducted on line including self-managed employee details and timesheets.

The field office at China Camp may well result in upgraded infrastructure at China Camp which currently has no running water or power. A number of infrastructure projects for China Camp have been proposed over the years, in an effort to encourage Kuku Yalanji to return to country. The creation of Daintree Yalanji Walks has the potential to be the catalyst for one project to be realised.

Camp site	facilities
Camp site 1	Accommodation, toilet, shower.
Camp site 2 (China camp)	Accommodation, toilet, shower, food stores, camp oven, field office, medical supplies and emergency supplies.
Camp site 3	Accommodation, toilet, shower, food stores and camp oven.
Camp site 4	Accommodation, toilet, shower, food stores and camp oven.

7.4 Business Support

It has been identified that the development of the management organisations as well as training of indigenous guides will require financial and human resources and it is suggested that the support of organisations such as the following be obtained:

- Indigenous Business Australia
- Tourism Queensland (Indigenous Tourism Strategy)
- Indigenous Land Corporation
- Centre for Sustainable Indigenous Communities
- Centre for Appropriate Technology
- Indigenous Chamber of Commerce

7.4.1 Indigenous Business Australia

Indigenous Business Australia (IBA) is a statutory corporation which plays an important role in creating opportunities for Indigenous individuals and communities to build assets and wealth. It does so as an integral partner within the Australian Government's overarching Indigenous Economic Development Strategy.

IBA works closely with the private sector and local community groups to foster economic independence and home ownership among Indigenous people to achieve this whole-of-Government objective in service delivery.

IBA offers a range of services designed to develop and support initiatives for long term asset accumulation.

7.4.2 TQ's Indigenous Tourism Strategy

Tourism Queensland's Indigenous Tourism Strategy aims to increase Indigenous involvement in all aspects of Queensland's tourism industry. Its main objectives are to:

- assist Indigenous people in choosing how they participate in the tourism industry
- assist in the removal of obstacles faced by Indigenous people to increase participation in all aspects of tourism
- assist Indigenous people in developing tourism product that is culturally acceptable to Indigenous Australians and provides a valuable tourist experience as a basis for profitable business
- assist the established tourism industry in identifying Indigenous tourism opportunities and to develop partnerships with Indigenous communities and Indigenous tourism operations

7.4.3 Indigenous Land Corporation

The Indigenous Land Corporation (ILC) is a Commonwealth statutory authority that assists Indigenous Australians to acquire and manage Indigenous-held land in a sustainable way to provide cultural, social, economic or environmental benefits.

The ILC established a Tourism Advisory Committee in late 2005 to consider proposals for tourism activities on properties the ILC has acquired or is considering acquiring. Proposals must be sustainable, have an opportunity to generate a reasonable return and create employment and training opportunities. The Committee is chaired by ILC Board Director David Baffsky. Industry experts on the Committee, include Aden Ridgeway, Chairman, Indigenous Tourism Australia; Chris Fry, National Bank of Australia; Judy Freeman, Tjapukai Aboriginal Cultural Park; and Glen Miller, Tourism Queensland.

7.4.4 Centre for Sustainable Indigenous Communities

The Centre for Sustainable Indigenous Communities (CSIC) is located within the Australian Tropical Forest Institute at James Cook University and is supported by the US-based Christensen Fund. It aims to provide community based support to build capacity that will lead to the establishment of businesses, jobs and training for indigenous people.

7.4.5 Centre for Appropriate Technology

Centre for Appropriate Technology (CAT) is based in Northern Territory and Cairns. The Cairns office co-ordinates the following government funded programs Bushlight Program, Homelands Support Project, Regional Agents, Technical Support and Advice and various fee for service projects. CAT is currently working on an Eco-Campgrounds discussion paper and cost estimates for camping facilities in TNQ rainforests. One of their projects is establishing a camp ground at China Camp.

7.4.6 Australian Indigenous Chamber of Commerce

Australian Indigenous Chamber of Commerce was established in July 2008 with new Chairman Warren Mundine and Executive Director George Newhouse.

8 Financial Analysis

8.1 Key Financial Assumptions

8.1.1 Overview

The financial figures have been based on a number of assumptions. The main points to note about the projected results are:

- There are no historical figures on which to base income, expenditure and capital cost projections.
- Demand has been based on observations of other well-known, long distance walks, number of visitors on similarly priced 4-5 day adventures in the region, visitor numbers to the TNQ region and the proportion of those who visit the Daintree.
- The financials assumes that Daintree Yalanji Walks manages the walking track and operates the tours and camping facilities. Staffing levels, as well as income and expenditure, reflect this approach.
- Funding can either be in the form of equity or long term loan.
- Seed funding has been set to ensure positive cash flow on a monthly basis in Year 1, and annually thereafter.
- Financial years are assumed to run July-June. In the first year, start-up construction takes place from July to November; at the beginning of the first season in April, some pre-season maintenance has been included; income from hikers then starts in April.

8.1.2 Demand

- Demand has been based on the walking track being open for eight months each year – from April to November – a total of 35 weeks. Note: Year 1 only includes 13 weeks (Apr-June).
- Walks are assumed to take five days-four nights – and can be done both ways by guides (north-south or south-north) – this gives a total capacity of 490 guided “walks” per year.
- Guided walks would be limited to eight hikers plus one guide.
- Occupancy is assumed to reach 30% in Year 1, which is roughly equivalent to having guided tours start approximately 4 days per week from each end, each being 50% full (i.e. 4 hikers).
- Occupancy is assumed to improve each year by 10 percentage points, which equates to an increase of 11 walkers per week each year.
- Just over 430 hikers are expected in the first three months of seasonal operations; in the first full year (track open for 8 months), there will be 1,568 hikers.
- There is potential in the longer term to include walks of varying lengths to accommodate differing consumer needs. This has not been built into the model at this stage.

8.1.3 Pricing

- Guided walks are priced at \$1,500.
- Prices have been based on an analysis of similar feature walks around Australia as well as the cost of other 4-5 day adventure tours/activities in the FNQ region.

8.1.4 Capital Expenditure

- The track is estimated to be 52.2km in length, at a total cost of \$176,000, including the following works:

- Trail heads and car parks at each end.
- Provision has been made for some clearing and general track enhancements, as well as a couple of unique features (flying fox and swing bridge).
- Provision has been given for signage.
- Four camp sites are to be constructed, initially to a very basic standard at a cost of \$498,000:
- At each camp site four separate platforms will be built, each of which will sleep six people.
- Camp sites 1, 3 and 4 (Duncan's Flats, and the two nearby to the CREB Track) have no power or water. Toilets are composting.
- Camp site 2 (China Camp) will have an amenities block with water supply being provided from a water tank.
- Camp site 2 will also have storage and emergency supplies shed.
- Camp sites will have limited equipment, with a total cost of \$6,900, as follows:
- Each camp site will be stocked with a range of essential cleaning equipment.
- Camp site 2 will have some additional maintenance equipment (eg. chainsaw, tool kit, cutters, shovels, jerry cans etc).
- The storage shed at Camp site 2 will have a VHF Radio and a first aid kit.
- The administration office will be set up for four staff members, at a cost of \$31,305, including desks, chairs, filing cabinets, shelving, computers and server (networked), printer/fax, and phone system.
- A 4WD dual-cab ute, with a budgeted cost of \$40,000, will be acquired which will be used for delivery of provisions, site inspections and maintenance as required.
- A contingency of 10% has been allowed to account for unforeseen cost increases.

8.1.5 Staff

- The business will employ 22 people once fully operational.
- Full-time staff (wages) will include:
- Chief Executive Officer (\$100,000) – manages the facility, coordinates and reports to the management committee – employed from day one to project manage set-up and establish systems.
- Accountant (\$90,000) – manages budgets, financial reporting, management accounts – employed from second half of Year 1 to set up financial systems.
- Training Officer (\$60,000) – responsible for guide training and development, ensuring correct procedures followed, liaising with Traditional Owners – employed from second half of Year 1 to develop training manuals, HR systems.
- Sales & Marketing Officer (\$60,000) – manages the office and administrative duties, as well as sales and marketing – employed from second half of Year 1 to develop administration systems, marketing collateral and build sales networks.
- Purchasing & Provisioning Officer (\$40,000) – buys food and consumables and delivers to Camp sites 2, 3 and 4 – employed from second half of Year 1 to establish systems, provisioning orders etc.

- Administration Officer (\$40,000) - responsible for day to day paperwork, receptionist duties, telephone enquiries and processing of bookings and sales.
- Driver (\$35,000) – assists in the delivery of provisions to Camp sites 2, 3 and 4 – employed two months prior to the commencement of operations in the fourth quarter in Year 1 at the beginning of the first season to allow for driver and track training.
- Rostered/contract staff will include a pool of approximately 15 guides (\$30,000) – to provide a roster with up to 10 guides on hand at any one time (five groups going each way at any one time) – employed from two months prior to the commencement of the fourth quarter in Year 1 at the beginning of the first season to allow for guide training and track familiarisation. Guides will be paid full time over 12 months for their 8 months work.
- Provision has been made for 9% for superannuation and 20% for other employment on costs.

8.1.6 Expenses

- General operating costs are reasonable estimates.
- Some expenses incurred in Year 1 are at more than the typical annual rate to reflect heightened levels of activity and initial establishment costs.
- Employee costs are by far the largest expense for the Walking Track will full year wages and on costs in Year 2 coming to almost \$1.2million.
- Total operating expenses, excluding employee costs are \$758,954 in Year 2. The major component of these operating expenses comprises supplies for walkers, marketing spending and repayment of the seed funding.
- Expenses are increased each year based on increases in hiker numbers, and/or based on inflation.
- Annual maintenance will be via a maintenance contract worth \$40,000 per annum, which will cover the maintenance of the track and facilities, and provide the first response to call-outs for emergency repairs. In Year 1, the contract will be worth \$20,000 on the basis of post-wet season repairs and three months of operations.
- Vehicle costs in the first year are limited to a half year of operation.
- There is a budget of \$150,000 for advertising and promotions in Year 1 to accommodate additional expenditure on marketing collateral, websites, media 'famils' and so on.

8.2 Operating Results

Operating costs have been estimated at:

- The track will generate income of over \$2.4 million per annum in its first full year of operation.
- In its first year, the business will make a net loss of \$600,000. However, this will lift in the first full year of operations (Year 2) to a profit of \$380,000. The business will reach break even in year 3.

8.3 Cash Flow

See summary financials below and detailed spreadsheets in Appendix B.

Overview of Key Assumptions

Section	Item	Specific Assumption	Associated Assumption
Revenue	Tour types	All tours in years of plan are guided tours	Rest of year track is closed Rest of year track is closed
	Revenue Period	Year 1: 13 weeks (April to June) Years 2 to 6: 36 weeks per year (April to November)	
	Number of Walks Per Week , at full capacity	14 (7 North, 7 South)	
	Number of Walkers Per Walk	8	Increases by 5% each year
	Full Capacity	3,920 walkers per annum (@35 weeks of operations)	
	Capacity Utilisation	Year 1: 30%, Year 2: 40%, Year 3: 50%, Year4: 60%, Year5: 70%, Year 6:80%,	
	Price Per Walker	\$1,500	
Operating Expenses	Employee Costs	All employees except CEO employed for part of year in year 1, thereafter for full operating period	Assumed that selling of bookings occurs through Agent(s)\wholesalers
	Wages increase	4 % pa	
	Employees	Heritage Track CEO Chief Financial Officer Training & Liaison Officer Sales & Marketing Officer Purchasing & Provisioning Officer Admin Officer Driver	
	On-costs	15 Guides @ 29%	
	Commissions paid as % of Sales	40%	
	Advertising & promotion	Just under 23% of revenue in Year 1, declining thereafter to just over 3.3 % of revenue in Year 6	
	Tour Costs (Food Supplies)	\$200 per head	
Capital Expenditure	Design & management	Total cost of \$95,000	
	Camp Construction	Four Separate Camp Sites: Duncans Flat, China Camp, Creb Track, Creb Track South. Average cost of \$124,500 each.	
	Walking Track Construction	Total Cost of \$176,000	
	Contingency	10% of Camp & Walking Track Construction Costs	
	Plant & Equipment	Capex Costs primarily of one Vehicle, Computer Equipment and Peripherals, Camp Associated Service Equipment	

**Data for
Executive
Summary****P&L**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue (from Track Fees)	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Operating Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Employee Costs	\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
Commissions (to wholesalers), for Sales	\$261,600	\$987,840	\$1,296,540	\$1,633,640	\$2,001,209	\$2,401,451
Advertising & Promotions	\$150,000	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
Variable Tour Costs (Food Supplies etc)	\$87,200	\$326,144	\$407,680	\$489,216	\$570,752	\$652,288
Contingency	\$58,775	\$136,836	\$160,930	\$186,609	\$213,857	\$242,852
Training	\$32,000	\$10,400	\$10,816	\$11,249	\$11,699	\$12,167
Corporate (Audit, Legal etc)	\$21,000	\$41,680	\$44,867	\$49,312	\$52,514	\$55,725
Repairs & Maintenance	\$20,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000
Establishment Related Costs	\$15,000	\$0	\$0	\$0	\$0	\$0
Depreciation: Buildings, Plant & Equipment	\$9,972	\$39,888	\$39,888	\$39,888	\$39,888	\$39,888
Vehicle Operating Costs	\$7,810	\$16,330	\$17,892	\$19,610	\$21,500	\$23,579
Office Related Expenses	\$7,000	\$9,560	\$11,622	\$13,687	\$15,755	\$17,825
Utilities	\$4,400	\$8,896	\$10,596	\$12,300	\$14,008	\$15,720
Travel	\$3,000	\$3,000	\$3,750	\$4,500	\$5,250	\$6,000
Total Operating Expenses	\$1,254,494	\$2,894,475	\$3,400,437	\$3,939,702	\$4,511,910	\$5,120,792
Net Profit \ (Loss) Before Tax	-\$600,494	-\$424,875	-\$159,087	\$144,399	\$491,113	\$882,837
Accumulated Net Profit \ (Loss) Before Tax	-\$600,494	-	-	-	-\$548,943	\$333,893

Cash Balance

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Total Inflows	Cash	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Total Outflows	Cash						
<i>Capital Expenditure, Building</i>		\$836,400	\$0	\$0	\$0	\$0	\$0
<i>Capital Expenditure, P&E</i>		\$92,626	\$11,172	\$12,427	\$13,694	\$38,265	\$27,641
<i>Employment Expenses</i>		\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
<i>Other Operating Expenses</i>		\$652,785	\$1,680,686	\$2,139,693	\$2,630,123	\$3,151,544	\$3,707,607
		\$2,158,548	\$2,865,758	\$3,372,976	\$3,913,508	\$4,510,287	\$5,108,544
Tax		\$0	\$0	\$0	\$0	\$0	\$0
Net Cashflow		(\$1,504,548)	(\$396,158)	(\$131,626)	\$170,593	\$492,736	\$895,084
Closing Balance	Cash	(\$1,504,548)	(\$1,900,706)	(\$2,032,332)	(\$1,861,738)	(\$1,369,002)	(\$473,918)

Capex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Consultants Fees	\$ 75,000					
Council Fees	\$ 20,000					
Total Design & Project Management	\$ 95,000					
Camp Construction (4 Camps)						
Camp 1	\$ 116,000					
Camp 2	\$ 150,000					
Camp 3	\$ 116,000					
Camp 4	\$ 116,000					
Camp Construction Expenditure	\$ 498,000					
Walking Track Construction	\$ 176,000					
Sub Construction Expenditure	\$ 674,000					
Walking Construction, Contingency	\$ 67,400					
Total Construction Expenditure	\$ 741,400					
Total Construction Capital Expenditure	\$ 836,400					
Capital Expenditure on Plant & Equipment	\$ 92,626	\$ 11,172	\$ 12,427	\$ 13,694	\$ 38,265	\$ 27,641
TOTAL CAPEX	\$ 929,026	\$ 11,172	\$ 12,427	\$ 13,694	\$ 38,265	\$ 27,641
CUMULATIVE CAPEX	\$ 929,026	\$ 940,197	\$ 952,624	\$ 966,318	\$ 1,004,583	\$ 1,032,224

9 Consultation

9.1 Indigenous Consultation

On 9 December 2007, the Federal Court of Australia made a consent determination recognising the Eastern Kuku Yalanji People's native title rights and interests over 126,900ha of land and waters between Port Douglas and Cooktown in Far North Queensland. The responsibilities associated with the management of the ILUA will be managed and administered by Jabalbina Yalanji Aboriginal Corporation on behalf of the Eastern Kuku Yalanji Clan. This requires that all consultation be organized through Jabalbina Yalanji Aboriginal Corporation.

A number of meetings have been held with the traditional owners of the region represented by the Jabalbina Aboriginal Corporation and the Cape York Land Council. There has been good support for this project as the Yalanji people see this as an opportunity to realise economic benefits from their country through business development opportunities and employment. Jabalbina have made the following requirements for any future consultations and negotiations with the indigenous owners of this country.

When the court makes a determination that native title exists, native title holders are required by the Native Title Act 1993 to establish a body corporate to represent them as a group and manage their native title rights and interests. This body is called a 'prescribed body corporate' (PBC). A PBC is a native title corporation that may hold and/or manage native title for the whole group. Once the corporation is established by the native title holders, and approved by the court, it is entered onto the National Native Title Register and becomes a registered native title body corporate.

Once a PBC is registered it is the legal body used to contact the native title holders and to conduct business between the native title holders and other people with an interest in the area such as pastoralists, governments and developers.

Jabalbina Yalanji Aboriginal Corporation is a prescribed body corporate under the Native Title Act and represents the interests of the indigenous people who own the Daintree land proposed for a walking track. A number of meetings have been held with the traditional owners of the region represented by Jabalbina and the Cape York Land Council.

There has been good support for this project as the Yalanji people see this as an opportunity to realise economic benefits from their country through business development opportunities and employment. If the project proceeds, it will be a Yalanji project for Yalanji people. The Native Title Court Decision is regarded as the platform for economic development for the Yalanji and is seen as a Community asset - not broken up by clan divisions.

Decisions on land usage and which groups are involved in any business development ventures are therefore required to be made in consultation with Jabalbina. By developing cultural and ecotourism opportunities such as a long distance walking track within the ILUA footprint, Jabalbina can ensure exclusivity.

The Welfare Reform agenda is a high priority for the Yalanji and the transfer from welfare dependence is a priority. They wish is that all profits made from their country does not leave their country. The profit must remain within the Yalanji group.

As a result of consultation with Jabalbina, once this feasibility study has been completed, ICL will hand it over to the Jabalbina Aboriginal Corporation. It will be Jabalbina that determines whether or not the project proceeds to the next phase of business planning.

Should the project proceed to the next stage, Jabalbina will require resources. ICL is willing and has the skills and contacts to assist in accessing Government funds if Jabalbina

chooses to access this resource. Arup has also indicated that it has numerous resources available to it, specifically geared to this type of work.

9.2 Stakeholder Consultation

A number of other stakeholders have been consulted with ongoing liaison with several being conducted. To date, positive and informative consultation has taken place with the following authorities, organisations and key people:

- Cape York Land Council (CYLC)
- Jim Turnour – Federal Labour Member for Leichhardt
- Indigenous Coordination Centre (ICC)
- Wet Tropics Management Authority (WTMA)
- Environmental Protection Agency (EPA)
- Queensland Parks and Wildlife Services (QPWS)
- Department of Tourism, Regional Development and Industry (DTRDI)
- Ergon Electricity
- Douglas Shire Council (Former)
- Balkanu Cape York Development Organisation
- Daintree Village Tourism Association (DVTA)
- Daintree Cape Tribulation Tourism Association (DCTTA)
- Tropical Tourism North Queensland (TTNQ)

9.2.1 WTMA Walking Strategy

As the WTMA has primary jurisdiction over the WTWHA, their requirements regarding provision of walking tracks were discussed through consultation. The WTMA, in association with the Queensland Government has developed a Walking Strategy (WTMA 2001) which identifies a need for a diverse range of walks in the Wet Tropics, particularly long distance tracks.

The Walking Strategy highlights that the popularity of the Thorsborne Trail on Hinchinbrook Island which has 3,500 walkers per year - with a waiting list - suggests that further scope exists for long distance walks in remote areas. Overnight walks such as the Bartle Frere and the Goldfield Tracks are very well used by visitors each year, indicating a need for shorter, overnight walks.

Apart from the survey data documented in Section 1.6, the Walking Strategy highlights that there is little statistical data available to measure demand for walking in the Wet Tropics or to assess a need for particular types of walks. Tourism Queensland (2000) indicated a strong demand for long distance walks and anecdotal evidence supports this. Anecdotal evidence also shows that visitors are using unmanaged walking tracks for overnight walks which again demonstrates a demand. The Walking Strategy does not identify potential walks in the Daintree and Mossman areas.

The tourism industry, WTMA, QPWS, local government and walkers have all expressed support for the concept of developing more long distance walks in the Wet Tropics region. Long distance walks are viewed as important 'icon' walks (such as the Milford Track in New Zealand or the Cradle Mountain Track in Tasmania) to attract a different type of visitor to the Wet Tropics. The Far North Queensland Heritage Trails Network is currently working with several Shire Councils, WTMA and QPWS to develop a network of 'icon' long distance walks in the southern Wet Tropics consistent with the strategy. There has also been funding

allocated by QPWS to establish 'Great Walks of Queensland'. Remote long distance walks of several days duration with overnight camping, similar to the popular Thorsborne Trail.

Remote long distance walks of several days duration offer a unique opportunity to experience the Wet Tropics as a natural and cultural landscape. There are however, factors which adversely affect the development of further long distance walks:

- they will only be used by a small percentage of visitors,
- building and maintaining any new, extended tracks is expensive,
- transport and access to remote track heads is often difficult and seasonal,
- extreme rainfall variation can mean that remote, long walks are either too wet and inaccessible or too dry for much of the year.

The development of remote, long distance walks with overnight camping or accommodation provided will therefore need to consider a number of factors which are identified throughout this Report.

9.3 Consultation Summary

The results of consultation show support for implementation of this project from all stakeholders including WTMA and Jabilibina. It must be stressed however that the ultimate decision regarding the ecotourism arrangements will be made by Jabilibina. The outcome of consultation has been incorporated into the development of ecotourism options for this study

10 Legal and Other Requirements

10.1 Wet Tropics World Heritage Area

The Wet Tropics World Heritage Area (WTWHA) covers a number of tenures which are mostly National Park. The National Parks are managed and maintained by the Queensland Environmental Protection Agency (QEPA). Queensland Parks and Wildlife Services (QPWS) in liaison with the Wet Tropics Management Authority (WTMA).

The Wet Tropics Management Authority (WTMA) is an independent body responsible for managing the WTWHA. This is administered through the Wet Tropics Management Plan (WTMP). The WTMP contains assessment criteria for proposed activities such as constructing walking tracks

10.2 Indigenous Land Use Agreements

On 9 December 2007, the Federal Court of Australia made a consent determination recognising the Eastern Kuku Yalanji People's native title rights and interests of over 126,900 ha of land and waters between Port Douglas and Cooktown in far north Queensland.

This consent determination followed the signing of 15 indigenous land use agreements (ILUAs) in March 2007, which took over a decade to negotiate. The agreements are between the Eastern Kuku Yalanji People, Queensland Government, Douglas Shire Council, Cook Shire Council, Wujal Wujal Aboriginal Shire Council, Burungu Aboriginal Corporation, Bana Mindilji Aboriginal Corporation, the Wet Tropics Management Authority, Telstra, Ergon, and grazing and mining lessees. The agreement area is around 103,272ha larger than the determination area.

The ILUAs settled a range of land use issues and ensured the protection of environmentally and culturally sensitive areas. The agreement package established a cooperative approach to land ownership, land use, land management and community development. The Tribunal registered all 15 ILUAs in October 2007. The agreement package includes:

- almost doubling the national park estate in the coastal area from Mossman to Black Mountain, south of Cooktown, to about 159,000 hectares
- a greater role for the Kuku Yalanji people in the management of national parks and some reserves
- ensuring the further preservation of environmental and cultural values through State granted tenures over an area of about 48,000 hectares to be held and managed by the Eastern Kuku Yalanji as Aboriginal freehold, subject to conservation agreements
- the Eastern Kuku Yalanji holding smaller areas totalling about 16,500 hectares as Aboriginal freehold for their use in providing some residential and economic potential. These areas are also subject to regulatory controls such as the Wet Tropics Management Plan.

The extent of the ILUA is shown in Figure 4. The responsibilities associated with the management of the ILUA will be managed and administered by Jabalbina Yalanji Corporation on behalf of the Eastern Kuku Yalanji Clan. This requires that all consultation be organized through Jabalbina Yalanji Corporation.

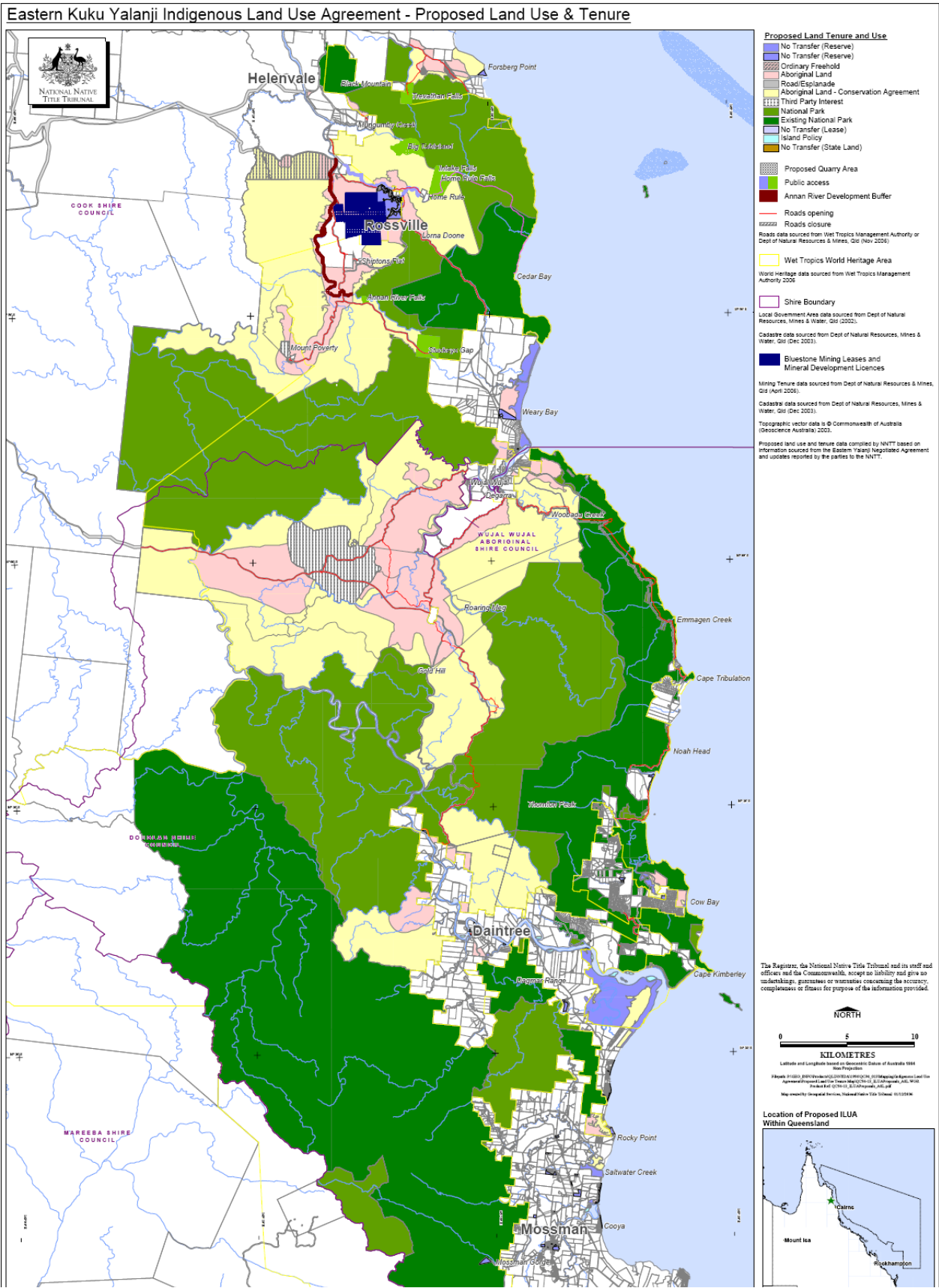


Figure 4 Extent of Indigenous Land Use Agreement

10.3 Legislation

This section details the results of research to identify legislation to confirm approvals that may be required as part of the project.

10.3.1 Commonwealth Government

Table 11 details relevant Commonwealth Government legislation

Table 11: Commonwealth legislation

Legislation	Trigger	Responsible Authority	Relevance & Requirements
Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)	Impact to matters of National Environmental Significance (NES) as defined by the EPBC Act	Department of the Environment, Water, Heritage and the Arts	The project area is within the Wet Tropics World Heritage Area and adjacent to the Great Barrier Reef Marine Park which are considered matters of NES. A referral will need to be completed under the EPBC Act for approval by the Federal Environment Minister
Australian Heritage Council Act 2003	Impacts to conservation of a National Heritage or Commonwealth Heritage estate	Department of Environment, Water, Heritage and the Arts	n/a

10.3.2 State Government

Table 12 details relevant State Government legislation:

Table 12: Qld State Government Legislation

Legislation	Trigger	Responsible Authority	Relevance & Requirements
Integrated Planning Act 1997(IPA) (and associated regulations)	IPA establishes the Integrated Development Assessment System (IDAS). IDAS is the system for integrating State and local government assessment processes for development	Various	See details below under the following legislation: Vegetation Management Act 1999 Coastal Protection and Management Act 1995 Fisheries Act 1994 Development approval and relevant permits will be required
Nature Conservation Act 1992 (and associated regulations)	Interring with protected flora or fauna	Queensland Environmental Protection Agency	Subject to whether flora and fauna under this Act have been identified in the study area Commercial Activity Permit required
Environmental Protection Act 1994 (and associated regulations and	Undertaking an Environmentally Relevant Activity (ERA) requires IDAS approval under this	Queensland Environmental Protection Agency	Subject to construction methods, operation etc. A permit to undertake an ERA may be required.

Legislation	Trigger	Responsible Authority	Relevance & Requirements
policies for air, noise, water and waste)	Act		
Transport Infrastructure Act 1994	Constructing miscellaneous transport infrastructure and/or use and occupation of land to enable construction of miscellaneous transport infrastructure	Queensland Department of Main Roads	Subject to planning and construction methods
Vegetation Management Act 1999	Impact to i.e. clearing of protected vegetation on freehold land. Protected vegetation is native trees and plants	Queensland Department of Natural Resources and Water	Subject to determining if protected vegetation will be cleared as part of the project. A permit will be required if vegetation clearing is undertaken
Coastal Protection and Management Act 1995 (and associated regulation)	Material change of use, building work seaward of a coastal building line, reconfiguring a lot or operational work within a Coastal Management District	Queensland Environmental Protection Agency	Subject to planning and construction methods
Fisheries Act 1994 (and associated regulation)	Required for any works that may impact on fisheries or fish habitat areas	Queensland Department of Primary Industries and Fisheries	
Marine Parks Act 2004 (and associated legislation)	Interfering with the marine environment i.e. reclamation of tidal land, entry to or use of marine park	Queensland Environmental Protection Agency	Subject to planning and construction methods
Water Act 2000	If excavation or fill exceeds 500m ³ and/or 0.25 ha of vegetation to be cleared near a freshwater watercourse	Queensland Department of Natural Resources and Water	Subject to construction methods required. A Riverine Protection Permit may be required
Aboriginal Cultural Heritage Act 2003	Any construction work or other ground disturbing activities	Queensland Department of Natural Resources and Water	Subject to a cultural heritage study.
Queensland Heritage Act 1992 (and associated regulation)	Provides for conservation of Queensland's cultural heritage i.e. regulates offences to archaeological artefacts, offences in a culturally significant	Queensland Environmental Protection Agency	Subject to planning and construction methods. Cultural heritage study.

Legislation	Trigger	Responsible Authority	Relevance & Requirements
	protected area		

A Commercial Activity Permit is required under the Nature Conservation Act 1992 and Recreation Areas Management Act 2006.

10.4 Other

This section details other regulatory considerations relevant to the Daintree Walk proposal.

Table 13: Other Regulatory considerations

Legislation	Trigger	Responsible Authority	Relevance & Requirements
Indigenous Land Use Agreement (ILUA)	The project is within the ILUA area.	Jabalbina Yalanji Corporation ¹	ILUA requirements must be addressed

¹Jabalbina Yalanji Aboriginal Corporation is the entity that holds Native Title.

11 Environmental Assessment

This feasibility study has developed possible walking track and associated indigenous ecotourism options as concepts only and site-specific environmental impacts cannot therefore be identified until the exact location of the track, buildings and infrastructure is determined⁹. Following is a discussion of generic environmental impacts and proposed management strategies including legislative requirements.

11.1 Management of Environmental Impacts

Any development must be conducted in accordance with the following:

- Tourism must be ecologically sustainable and compatible with conservation of WTWHA values
- The precautionary principle will apply when making decisions about tourism with the potential for serious or irreversible impacts on World Heritage Values
- Tourism access will be limited to activities and operations which have least impact on WTWHA values and which will benefit World Heritage conservation through promotion of an understanding and appreciation of those values.
- Tourism in the WTWHA will be managed in the context of the Queensland Ecotourism Plan 2003 – 2008 Sustainable Tourism in Queensland's Natural Areas to ensure it is ecologically, commercially, culturally and socially sustainable
- Permit systems are used as a method to achieve environmental management objectives
- Appropriate levels of access will be managed through a combination of:
 - a) Regional and site based planning
 - b) Marketing consistent with available opportunities (i.e. supply driven in preference to demand driven
 - c) Active management to mitigate potential or existing impacts
 - d) Infrastructure provision and maintenance of facilities designed to encourage appropriate use at specific sites
 - e) Permit systems are used as a method to achieve environmental management objectives
- Site specific planning and infrastructure development determined through consultation with indigenous community (through Jabalbina)
- Indigenous community are partners in management with WTMA and QEPA.

Protocols will be established for the presentation of cultural heritage information incorporating procedures for the endorsement of interpretive material by traditional owners for use at specific sites and appropriate training for guides approved for accessing culturally sensitive sites.

11.2 Infrastructure Development

Infrastructure selection and development will be critical to the development of ecologically sustainable tourism that also addresses the needs of the Kuku Yalanji. To achieve this it is important that the following recommendations are implemented:

- that ecotourism infrastructure development and maintenance reflects best practice minimal impact design and procedures appropriate to the WTWHA
- encourage innovation in ecotourism infrastructure development

- provide safe, reliable, sustainable and appropriate access to ecotourism attractions
- ensure that strategic regional infrastructure needs are considered in the development of the State Infrastructure Plan – Implementation Plans
- Ensure infrastructure is located and developed in accordance with the WTMA, QEPA and Indigenous Land Use Agreements

11.3 Information and Research

The following information needs to be determined to develop appropriate environmental management measures:

- Ecosystem and social carrying capacities
- Methodology for site monitoring
- Tourism demand assessment
- Risk Assessment
- Visitor expectations and satisfaction
- Best practice visitor information and presentation mechanisms
- Marketing Guidelines

This information will be obtained and assessed if the decision to proceed is made.

11.4 Monitoring

Monitoring and Response procedures will be established for tourism and visitor activities based on the carrying capacity and limits of acceptable change models (Wet Tropics Nature Based Tourism Strategy, 2000).

The monitoring and response program will need to identify both positive and negative impacts relating to environmental condition, visitor experience and condition of tourism infrastructure and services.

12 Conclusion

The tourism market for sustainable business development for the Yalanji people was assessed within the context of ecotourism, cultural tourism and high profile walking tracks. The assessment determined that a market gap does exist in Far North Queensland and that a combination of eco and cultural tourism development based on a network of world-class walking tracks.

A number of meetings have been held with the traditional owners of the region represented by the Jabalbina and the Cape York Land Council. As a result of consultation with Jabalbina, once this feasibility study has been completed, ICL will hand it over to the Jabalbina Aboriginal Corporation. It will be Jabalbina that determines whether or not the project proceeds to the next phase of business planning.

The feasibility study concludes that the proposed business is economically viable and sustainable and would create significant employment and wealth creation opportunities for the Eastern Kuku Yalanji people.

This is an important conclusion in the context of their recent ILUA which whilst addressing a fundamental right in returning a portion (a very small portion it should be said) of their traditional land provides no economic or social benefits. A goal of the ILUA is to provide a 'platform' for Kuku Yalanji socio-economic development.

Appendices

Product Matrix

A1

A1 Product Matrix

Name	Location	Days	Walk in time	Kms	Walk kms	Grading	Season 2	Season	Guided	Type	Cost per person	Comments
Cape Tribulation, Duuji, Myall Beach and Goolkee walks	Cape Tribulation	<1	2 hours and 30 minutes, no breaks	6.7	6.7	Easy	six months	May - October	No	Beach and rainforest.	Free	Combination of government constructed boardwalks and beach.
Mason's Tours	Cape Tribulation	<1	1/2 day guided walks; 2-hr guided walks, croc spotting night walks			Easy			Yes	Rainforest, creeks.	\$42-\$49	On private property.
Beach Walking	Cape Tribulation	<1	Kulki car park to Mason's shops & return	Lots	Guessed at 3 kms	Easy			No	Beaches and mangroves	Free	Beautiful stretches of sand line the Daintree Coast begging to be explored.
Cooper Creek Wilderness	Cooper Creek	<1	2 hours			Easy			Yes	Rainforest	\$40 - \$140	Adults \$40.00 Children (under 14) \$30.00 for 2 hour guided walk (day or night) - \$10 transfer from Cape Trib. 6 hour walk/cruise & the day and night walks combined are \$120/person
Rainforest Morning Walk	Cow Bay	<1	3 hours			Easy			Yes	Rainforest	\$25	Morning and night walks.
Fan Forest Night Walk	Cow Bay	<1	Guided night walks through fan palm forests every night						Yes			
Mt Sorrow Ridge Trail	Cape Tribulation, Daintree National Park	1-2	6 hours, no breaks	7	7km return	Hard		Daylight hours only and not recommended on rainy days.	No	Rainforest	Free	No camping or overnight stays allowed. Recommended for the experienced and fit bush walker. Very steep and some scrambling is required. Track is tagged with 1km markers. 680m.
Native Guide Safari Tours	Mossman, Cape Tribulation		Variable		Variable	Easy		May be closed in wet season due to flooding.	Yes	Interpretative Aboriginal guide, rainforest.	Variable	Hazel's product would be ideal for the Daintree Yalanji Walking Track. Very flexible and very authentic. She visits Kuku Yalanji Dreamtime Tours and does tailor-made tours throughout the Daintree.
Thornton's Peak	Daintree	2-3	2-3 days			Very Hard		May be closed in wet season due to flooding.	No	Rainforest mountains.	\$11	Can be done overnight. Fresh water creek at the top. Need to book with QPWS who restrict groups to four people at a time on the mountain. Third highest mountain in Qld. Very hard, recommended for the experienced and fit bush walker. Very steep and some scrambling is required. 1374m. No, track is tagged with 1km markers.
Devils Thumb	Daintree/ Mossman	3-4	10-12 hours return	9	9kms	Hard		May be closed in wet season due to flooding.	No	Rainforest, coral fern field and mountains.	Free	Track is marked with tape and paint on rocks at the top. QPWS seems to be discouraging people from doing this trek although there is good elevated infrastructure above the coral fern field. Hard, climbing the ridge of a range, scrambling and climbing required.

Mossman Gorge	Mossman Gorge, Daintree National Park	<1	10 minutes and one hour for the circuit track	2.7	800m return, 2.7km circuit track	Easy		May be closed in wet season due to flooding.		Rainforest and gorge.	Free	There is a dedicated pebbled pathway with infrastructure such as concrete steps, bridges and boardwalks. Popular local and visitor swimming spot with up to 1 million visitors a year.
Mossman Gorge	Mossman Gorge, Daintree National Park	<1	1 hour and 30 minutes	1.5	1.5km	Easy		May be closed in wet season due to flooding.		Rainforest and indigenous cultural walk	\$25	Costs \$25 per adult, \$14.50 per child including damper and tea break. Tour led by aboriginal interpreters
Bump Track	Mowbray National Park	<1	2-3 hours return	12	6km each way	Medium		May be closed in wet season due to flooding.		Rainforest and bush walk with historical significance	Free	The Bump Track was an important road in pioneer times. Now it is a feeder track for the Bicentennial National Trail. Medium with a steep 1 in 3 grade section at the eastern end.
The Bama Way	Daintree National Park	2	2			Easy			Yes	Interpretative Aboriginal guide, rainforest.	\$606-\$719	Walkers are taken on three different aboriginal tours spanning the northern tip of the Daintree near Cooktown to the southern end at Cooya Beach. Homestead accommodation and meals included.
Mt Bartle Frere East	Bellenden Kerr Range 70km south of Cairns	2	11 hours return with minimal breaks - 2 days	15	15kms	Very hard		May be closed in wet season due to flooding. Best time is May to October.	No	Granite mountain ascent and descent through rainforest.	Free	Should only be attempted by fit and experienced walkers who are fully equipped. This is Queensland's highest mountain. Only the Hannells Spur walk on Mt Kosciusko has a higher altitude for a walk in Australia. A fee is payable for camping at the top. Lots of rock hoping. Track is marked with paint along the rocks. Very hard, recommended for the experienced and fit bush walker. Very steep and some scrambling is required. 1622m.
Mt Bartle Frere West	Bellenden Kerr Range 70km south of Cairns	2	12 hours return with minimal breaks - 2 days.	19	19kms	Very Hard		May be closed in wet season due to flooding. Best time is May to October.	No	Granite mountain ascent and descent through rainforest.	Free	The advantage to walking Mt Bartle Frere from the west is that you start at 700m rather than at sea level, where you start from the eastern approach.
Josephine Falls	Bellenden Kerr Range 70km south of Cairns	<1	1 hour return	1.4	1.4km return	Easy		May be closed in wet season due to flooding. Best time is May to October.	No	Rainforest and waterfall	Free	Near the start of the Mt Bartle Frere East walk. Impressive waterfall and popular yet dangerous swimming hole. Easy, level sealed pathway
Goldfield Trail	Babinda to Boulder Goldsborough Valley	1	1 day	19	19km one way	Medium to hard		May be closed in wet season due to flooding. Best time is May to October.	No	Rainforest, mountain streams, views, rare flora and fauna.	Free	A track blazed by miners and loggers over the saddle between Mount Bellenden Ker and Mount Bartle Frere to the Goldsborough Valley. Swim in streams. Rare king ferns and feather palms. Some commercial guided tours are available. Camping permitted.
Misty Mountains Trail	Eacham, Herberton, Cardwell and Johnstone Shires.	8-9	8-9 days, can be broken down into four overnight walks and shorter day walks.	130	Total of 130km of walking tracks, broken up into four major overnight tracks.	Medium		May be closed in wet season due to flooding. Best time is March to October.	No	Rainforest, wildlife and waterfall.	Free	Opened in August 2003. Permits required and camping fee is \$4.50 per person per night. There are designated camping grounds along the track. Pathway is well defined with steep ascents and descents.

Echo Creek Walking Trail	King Ranch Cultural Theatre, Mission Beach	<1	1/2 day	8	8km, circuit	Easy to medium		May be closed in wet season due to flooding.	Yes	Aboriginal interpretative with the Jirrbal people, bush tucker, waterfalls, rainforest.	\$65	King Ranch has camping, permanent accommodation and offers other activities such as abseiling, as well as the cultural centre. The interpretative walk costs \$65 and there are no other walking tracks associated with the ranch.
Thorsborne Trail	Off the coast of Cardwell	4	4 days, 4-5 hours of walking each day. Creek level and tide dependent.	32	32km	Medium	six months	Best time is April to September	No	Rainforest, beach, mountains, wildlife and bushlands.	Free. Camping fee is \$4.50 per night	Must register as there is only camping facilities for 40 people. Ferry across. There is one luxury resort on the island and the rest of the accommodation is National Parks camping grounds with basic toilets and natural fresh water. track is unimproved, creek crossings, some scrambling required
Wet Tropics Great Walk of Queensland	West of Cardwell	3	2.5 hours to 3 days	110	110km of tracks	Medium	five months	May be closed in wet season due to flooding. Best time is May to October.	No	Rainforest, some indigenous cultural and historical indicators.	Free. Camping fee is \$4.50 per night	There is a variety of tracks and various drop off and pick up points. Permits required for government run camping grounds that have toilets and water available. Some steep sections, partly improved tracks and old forestry roads.
Mackay Highlands Great Walk of Queensland	80km west of Mackay	5	30 minutes to 5 days	56	56km of tacks	Medium to easy	six months	May be closed in wet season due to flooding. Best time is May to October.	No	Rainforest, palm groves, farmland, cliffs and peaks.	Free. Camping fee is \$4.50 per night	There is a variety of tracks and various drop off and pick up points. Permits required for government run camping grounds that have toilets and water available. Some commercial accommodation is available nearby. Ranges from medium for entire walk to easy for short walks. Partly improved tracks.
Whitsunday Great Walk of Queensland	10km from Airlie Beach	2-3	2-3 days for the entire track with a variety of smaller walks from 45 minutes to 4 hours.	30	30km of tracks	Medium	six months	May be closed in wet season due to flooding. Best time is May to October.	No	Rainforest, bush land and vistas of the Whitsunday Islands.	Free. Camping fee is \$4.50 per night	There is a variety of tracks and various drop off and pick up points. Permits required for government run camping grounds that have toilets and water available. Ranges from medium for entire walk to easy for short walks. Track is an old forestry road and improved tracks.
Fraser Island Great Walk of Queensland	Off the coast of Hervey Bay	2-8	6-8 days with a large variety of short walks, half day, full day and 2-5 day walks.	90	90kms	Easy	six months	Best time to visit is May-October		Rainforest, lakes, coloured sands, vast dunes and wildlife.	Free. Camping fee is \$4.50 per night	A large range of guided commercial walks are on offer including a 5-day fully catered walk on the island. There is a variety of tracks and various drop off and pick up points. Permits required for government run camping grounds that have toilets and water available. Commercial accommodation is available nearby. Easy walking tracks with few steep sections.
Sunshine Coast Hinterland Great Walk of Queensland	90km north of Brisbane	4-6	4-6 days for the entire walk with a variety of shorter walks from 1-2 hours.	58	58kms one way	Easy	year round	Year round		Subtropical rainforest, gorges, waterfalls, eucalypt forest, rural and Pacific Ocean views.	Free. Camping fee is \$4.50 per night	The 58km walk is not a return track. Permits required for government run camping grounds that have toilets and water available. Commercial accommodation is available nearby.
Gold Coast Hinterland Great Walk of Queensland	West of Nerang			54	54km		year round	Year round		Beech forests, waterfalls and geological formations,	Free	Permits required for government run camping ground that has toilets and water available. Commercial accommodation is available nearby. This track is still under construction and not been opened to the public as yet. Still under construction, 90 percent complete.

Carnarvon Gorge	720km by road, northwest of Brisbane. Between Roma and Emerald.	3	Three days to do all tracks. Longer treks have to be negotiated with QPWS.		11 tracks varying in time from 45 minutes to 4 hours. One overnight trek available but closed due to flood damage.	Easy to Medium	seven months	April-October due to the scorching heat in summer months		Gorges, unique forests, sandstone walls of 200m, canyons, aboriginal art and culture and historical.	Free	A Great Walking track of Queensland is due to be completed at this site in 2009. QPWS rangers conduct free guided tours during the school holidays. Commercial companies also conduct short tours, but not overnight tours.
Main Range Walk	Charlotte Pass, Mt Kosciuszko, Snowy Mountains	1	One day, there are 29 other tracks in the national park that take between 45 minutes and 4.5 hours to walk.	21.5	21.5km circuit track plus another 29 tracks varying from 2-13 kms.	Medium		Summer		Alpine wildflowers, snow gums, historic hut and Blue Lake.	Free	This walk takes people to the cairn on the summit of the highest mountain in Australia, Mt Kosciusko (2228m). Has a 633m ascent and well maintained walking track. Camping allowed virtually anywhere in this park.
Mt Kosciusko and The Lakes circuit	Mt Kosciusko 2228m, Mt Townsend 2209m, Mt Twynam 2022m, Snowy Mountains	3	3 days	38	38kms	Hard		Summer		Alpine, reach the top of Australia's three highest peaks.	Free. \$22 for a chairlift.	This is a very exposed walk, above the tree line. The most strenuous days have a 535m ascent and a 640m descent. \$22 for chairlift, no permits required, camping is allowed anywhere except near water catchments. Hard, well made tracks. Some scrambling and climbing required.
Great Ocean Walk	Apollo Bay to Glenample Homestead	6	6 days, 17-20km per day	91	91kms	Medium		September-May		The 12 Apostles, stunning coastline, beaches, seaside villages, forests and waterfalls.	\$2,695	This tour includes luxury accommodation at the Aire Valley Guest House each night with transfers, meals, wine and tour guide included at a cost of \$2695 per person.
Great Ocean Walk	Apollo Bay to Glenample Homestead	8	8 days with the option of many shorter walks from 1 hour, half day, full day or as many nights as you like. There are also several side tracks.	91	91kms	Medium		Open all year but can get blustery in winter		The 12 Apostles, stunning coastline, beaches, seaside villages, forests and waterfalls.	\$20 per night at walker's camps.	Australia's newest walking track. Accommodation is in dedicated walker's camps (\$20 per night) or private accommodation houses along the way. New pathways and some walking beside a roadway.
The Overland Track	Cradle Mountain to Lake St Clair	6-7	6-7 days	65-80	65-80km	Medium		Best time to walk is December-April. Bookings required and a fee payable between November 1 and April 30.)		Waterfalls, rainforest, bush, mountains, alpine vistas, rivers and lakes.	From \$300 unguided, from \$1500 guided.	There are numerous side tracks which can get muddy, off the main track, which has recently been upgraded. Between 8000-9000 people walk the Overland Track per year with numbers limited to 34 starters per day. Huts and tent platforms are provided for campers. Natural water supply is within 30m of each camp site. There is plenty of commercial accommodation and transfers to the site. The government charges a \$150 fee for doing the walk. Several commercial operators guide tours along the track providing camping accommodation (about \$1500). Well serviced track and infrastructure.
Cradle Mountain Walk	Cradle Mountain to Lake St Clair	6	6 days, 4-6 hours walking per day	60	60kms	Medium		Early November-early Mau.		Waterfalls, rainforest, bush, mountains, alpine vistas, rivers and lakes.	\$2,450	Accommodation is in well appointed luxury huts along the track and all meals are catered for. There is an option to walk up the highest mountain in Tasmania, Mt Ossa (1617m). Cost is \$2450. well serviced track and infrastructure.

Bay of Fires Walk	Northeast of Launceston	4	4 days with a total of 11 hours of guided walks plus optional walks.	23	23km of guided walks	Medium		Early October-early May		Wilderness coastline, indigenous culture and artefacts lighthouse.	\$1,850	Accommodation is two nights in a luxury lodge and one night in a demountable camp with twin share bedrooms and all meals are provided. There is no prescribed walking on the third and fourth days. Well serviced track and infrastructure. Guided only. Cost is \$1850.
Cape to Cape Track	Near Augusta from Cape Naturaliste to Cape Leeuwin	7	7 days	134	133.5kms	Medium		Open all year, best to visit in October-December for the whales and wildflowers.		Karri forests, coastal vistas, beaches, wildflowers, lighthouses, granite and limestone cliff faces, birds, whale and dolphin spotting.	Free	Hailed as Western Australia's premier coastal walk and starts at one lighthouse and finishes at another. No permits or fees payable. Walker's camp sites are available and commercial accommodation is dotted along the track, which passes by some small towns. On a well made and wide track with little elevation.
Cape to Cape Track	Near Augusta from Cape Naturaliste to Cape Leeuwin	8	8 days	134	133.5kms	Medium		Open all year, best to visit in October-December for the whales and wildflowers.		Karri forests, coastal vistas, beaches, wildflowers, lighthouses, granite and limestone cliffs, birds, whale and dolphin spotting.	\$2,125	Includes all meals, luxury accommodation and a visit to a winery for \$2125, several other tours provides the service for about the same price. On a well made and wide track with little elevation.
Jatbula Trail	Katherine Gorge to Edith Falls, in Jawoyn country, Arnhem Land.	4	4 days	66	66kms	Medium		May to September, mostly for water supply, because it can be dry for the rest of the year. Maybe closed from October to April due to flooding.		Waterfalls, gorges, over a sandstone plateau, aboriginal rock art, swimming holes, wildlife, spectacular scenery and rainforest,	\$20	Walkers' camp sites are available with varying facilities and cost \$3.30 per night camping fee plus a \$50 deposit. Although the park is run is association with the local indigenous people, there are no guided tours offered by them. There is no commercial accommodation available.
Jatbula Trail	From Nitmiluk to Edith Falls, in Jawoyn country, Arnhem Land.	4-5	4-5 days			Medium		May to September, mostly for water supply, because it can be dry for the rest of the year. Maybe closed from October to April due to flooding.			\$995	Only one company appears to be conducting guided tours and they charge \$995 for tour including all meals and camping facilities.
The Dreaming Place Cultural Trail	From a local aboriginal community to Nitmiluk	5	5 days		undefined as yet	Medium		May to September, mostly for water supply, because it can be dry for the rest of the year. Maybe closed from October to April due to flooding.		Cultural interpretation, waterfalls, gorges, over a sandstone plateau, aboriginal rock art, swimming holes, wildlife and spectacular scenery.	\$995	This is a new tour that is yet to be launched by Gecko Canoeing. This tour compliments the above tour. Walkers spend a day in an aboriginal community before embarking on the four day walk along the top of Nitmiluk. All meals and camping accomodation is provided for \$995.
The Bicentennial National Trail	From Cooktown in Queensland to Healesville in Victoria.	365+	More than a year	5330	5330kms	Very Hard		Open all year but subject to local weather conditions		Historical and all the sites, wilderness and experiences of eastern Australia from the tropics to the snowfields	Free	The trail is the longest marked non-motorised, self reliant multi-use trekking route in the world. Guide books and maps are required and available for purchase. Daintree rainforest tops the list of the most popular walks on the Bicentennial National Trail.

Milford Sound	South Island	4	4 days	54	54kms	Medium to Hard		Peak season is late October-late April with bookings essential as only 40 people are permitted on the track each day. Bookings are not essential for the rest of the year.		Lake walk, mountain and glazier views, waterfalls, beech forest, swimming holes, suspension bridges and alpine vegetation.	\$360	The walk must be done over three nights and four days. There is one accommodation hut for each night. Heat, cooking facilities, flush toilets and cold water showers are provided. Independent travellers cannot use the tour facilities. Includes a boat crossing. Accommodation is in huts along the track and fees of \$120 per person per night is payable during peak season. The second day involves a 1037m ascent and an 8km descent, creek crossings, although the tracks are well maintained. Bookings open July 1 each year.
Milford Sound	South Island	5	5 days	55	55kms	Medium to Hard		November 1-April 30			\$2,239	Tour includes all meals, twin share lodging with ensuite within huts with hot water, shampoo and conditioner provided. The second day involves a 1037m ascent and an 8km descent, creek crossings, although the tracks are well maintained. Cost is \$2239.
Routeburn Track	Southern end of the South Island of New Zealand	3	3 days	32	32km	Medium		1 October - 30 April		Sub-alpine, forest, bridges, creeks, lakes and bays.	\$5-\$40	One of New Zealand's nine "Great Walks". Wildflowers in January, scenic Dart River Valley, location of Lord of the Rings scenes, swing bridges. Cheaper rate during the off season. Open year round but must be careful in wet weather as track becomes slippery.
Kokoda Trail	Kokoda to Village Ower's Corner or vice versa	5-12	5-12 days	96	96kms	Very Hard		Best to walk between May-September but is open all year round. Occasionally closed due to political unrest or flooding.		Rainforest, mountains, significant WWII history and monuments and indigenous culture.	\$100	There are accommodation huts and camping grounds along the way that need to be booked in advance. Steep inclines and descents along a barely defined, single file track. Many creek and river crossings and a mountainous climb peaking with Mt Bellamy at 2190m Trekkers must register and pay a \$100 fee before embarking on the track. Hiring a guide is highly recommended because the path is not clearly marked in places. About 2000 people do the walk each year.
Kokoda Trail	Kokoda to Village Ower's Corner	6-10	6-10 days	96	96kms	Very Hard		Best to walk between May-September but is open all year round. Occasionally closed due to political unrest or flooding.		as above	\$4,000 to \$7,000	Camp sites consist of huts for swags, grass for pitching tents, an undercover table and bench chairs for meals, enclosed hole-in-the-ground toilets and a nearby natural water supply. Ranked as one of the hardest walks in the world, particularly when it rains. Cost is \$4000 including a flight back from the end of the track, camping, guides and basic camp food. A personal porter costs \$520 extra. Steep inclines and descents along a barely defined, single file track. Many creek and river crossings and a mountainous climb peaking with Mt Bellamy at 2190m. Some Kokoda tours cost more like \$6000-\$7000.
Mt Kinabalu	Kinabalu National Park.	3 days	3 days recommended but can be done in two.			Medium to hard			Yes	Highest mountain in Borneo at 4095m. Visit Poring Hot Springs.	\$490	The three day tour requires a 3am start on the second day. Costs do not include a porter or botanical guides. Cost includes meal, accommodation, mountain guide and transfer from Kota Kinabalu.

Inca Trail to Machu Pichu	Peru	4	4 days	43	43kms	Hard		April-September		Ancient mountains, jungle and indigenous culture.	\$45	This is rated as one of the top five walking tracks in the world. The government charges \$45 entry fee to the area, even if you do not walk along the trail. It is still possible to do the trail independently but hiring a qualified guide is highly recommended and trekkers must register before embarking on the walk. High altitude trekking, well defined path
Inca Trail to Machu Pichu	Peru	4	4 days	43	43kms	Hard		April-September		Ancient mountains, jungle, indigenous culture	\$430 - \$1030	Hundreds of thousands of tourists complete the trek each year. A fully guided and assisted tour costs from \$430-\$1030, depending on how many in the group and includes tour guide, camping accommodation and all meals. High altitude trekking, well defined path. Porters cost at least \$60 for the trip.
Mt Everest Base Camp Trek	Himalayas, Nepal	16-22	16 -22 days.			Extreme		September, October, November		Base camp of the largest mountain in the world. Snow, glaciers and Nepalese culture.	\$1,250+	Possibly the number one trek in the world. High altitude trekking, steep ascent and descent. Tour includes some equipment and all accommodation and meals in teahouses along the way with prices starting from \$1250
Torres del Paine	Chile, South America	7	7 days			Very Hard to Extreme		October-April. Best in summer, December-March		Southern tip of the Andes, alpine flora and fauna, condors, dramatic rock formations, lakes and glaciers.	\$1,844	One of the classic walks of the world as it is at the most southern tip of the continent, or, at the end of the world. Tour includes guides, porters, hut accommodation and all meals for \$1844. Very hard to extreme, mountainous walk, along well travelled path.
Mt Kilimanjaro	Africa	5-8	There is a choice of 7 tracks of varying difficulty that take 5-8 days to ascent and descend.			Extreme		January-March and September-October		Mountain, alpine desert, glaciers and crater rim.	\$2,000 - \$5,000	Another top ten trek and is rated as the highest walkable mountain in the world at 2750m (5895m above sea level). Tour companies charge between \$2000 and \$5000 and advice is to pay at least \$2400 if you want decent food. Their prices include all accommodation (camping), meals, porters and guides. Extremely hard, a lot of climbing, steep ascents and descents and maybe some snow. Guide a necessary requirement.
Hadrian's Wall Path	Wallsend to Bowness-on-Solway.	5	5 days (28-38kms a day)	134	134kms	Medium		All year round		English countryside, ancient ruins, wilderness, a beach and historical markers.	\$580	Self guided tour with tour company providing maps, literature, bed and breakfast accommodation and luggage transfers along the way. Costs \$580.
Wainright's Coast to Coast Walk	St Bees to Robin's Hood Bay	12	12 days (17.5km per day), (can be done up to 18 days or more).	304	304kms	Medium to Hard		April to October		English countryside, ancient ruins, wilderness, a beach, historical, mountains and lakes.	\$1,365	Self guided tour with tour company providing maps, literature and bed and breakfast accommodation and luggage transfers along the way. Costs \$1365.

Appendices

Appendix B

Financials

Overview of Key Assumptions

Section	Item	Specific Assumption	Associated Assumption
Revenue	Tour types	All tours in years of plan are guided tours	
	Revenue Period	Year 1: 13 weeks (April to June) Years 2 to 6: 36 weeks per year (April to November)	Rest of year track is closed Rest of year track is closed
	Number of Walks Per Week , at full capacity	14 (7 North, 7 South)	
	Number of Walkers Per Walk	8	
	Full Capacity	3,920 walkers per annum (@35 weeks of operations)	
	Capacity Utilisation	Year 1: 30%, Year 2: 40%, Year 3: 50%, Year4: 60%, Year5: 70%, Year 6:80%,	
	Price Per Walker	\$1,500	Increases by 5% each year
Operating Expenses	Employee Costs	All employees except CEO employed for part of year in year 1, thereafter for full operating period	
	Wages increase	4 % pa	
	Employees	Heritage Track CEO Chief Financial Officer Training & Liaison Officer Sales & Marketing Officer Purchasing & Provisioning Officer Admin Officer Driver 15 Guides	
	On-costs	@ 29%	
	Commissions paid as % of Sales	40%	Assumed that selling of bookings occurs through Agent(s)\wholesalers
	Advertising & promotion	Just under 23% of revenue in Year 1, declining thereafter to just over 3.3 % of revenue in Year 6	
	Tour Costs (Food Supplies)	\$200 per head	
Capital Expenditure	Design & management	Total cost of \$95,000	
	Camp Construction	Four Separate Camp Sites: Duncans Flat, China Camp, Creb Track, Creb Track South. Average cost of \$124,500 each.	
	Walking Track Construction	Total Cost of \$176,000	
	Contingency	10% of Camp & Walking Track Construction Costs	
	Plant & Equipment	Capex Costs primarily of one Vehicle, Computer Equipment and Peripherals, Camp Associated Service Equipment	

Data for Executive Summary

P&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue (from Track Fees)	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Operating Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Employee Costs	\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
Commissions (to wholesalers), for Sales	\$261,600	\$987,840	\$1,296,540	\$1,633,640	\$2,001,209	\$2,401,451
Advertising & Promotions	\$150,000	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
Variable Tour Costs (Food Supplies etc)	\$87,200	\$326,144	\$407,680	\$489,216	\$570,752	\$652,288
Contingency	\$58,775	\$136,836	\$160,930	\$186,609	\$213,857	\$242,852
Training	\$32,000	\$10,400	\$10,816	\$11,249	\$11,699	\$12,167
Corporate (Audit, Legal etc)	\$21,000	\$41,680	\$44,867	\$49,312	\$52,514	\$55,725
Repairs & Maintenance	\$20,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000
Establishment Related Costs	\$15,000	\$0	\$0	\$0	\$0	\$0
Depreciation: Buildings, Plant & Equipment	\$9,972	\$39,888	\$39,888	\$39,888	\$39,888	\$39,888
Vehicle Operating Costs	\$7,810	\$16,330	\$17,892	\$19,610	\$21,500	\$23,579
Office Related Expenses	\$7,000	\$9,560	\$11,622	\$13,687	\$15,755	\$17,825
Utilities	\$4,400	\$8,896	\$10,596	\$12,300	\$14,008	\$15,720
Travel	\$3,000	\$3,000	\$3,750	\$4,500	\$5,250	\$6,000
Total Operating Expenses	\$1,254,494	\$2,894,475	\$3,400,437	\$3,939,702	\$4,511,910	\$5,120,792
Net Profit \ (Loss) Before Tax	-\$600,494	-\$424,875	-\$159,087	\$144,399	\$491,113	\$882,837
Accumulated Net Profit \ (Loss) Before Tax	-\$600,494	-\$1,025,369	-\$1,184,456	-\$1,040,057	-\$548,943	\$333,893

Cash Balance

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Total Cash Inflows	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Total Cash Outflows						
<i>Capital Expenditure, Building</i>	\$836,400	\$0	\$0	\$0	\$0	\$0
<i>Capital Expenditure, P&E</i>	\$92,626	\$11,172	\$12,427	\$13,694	\$38,265	\$27,641
<i>Employment Expenses</i>	\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
<i>Other Operating Expenses</i>	\$652,785	\$1,680,686	\$2,139,693	\$2,630,123	\$3,151,544	\$3,707,607
	\$2,158,548	\$2,865,758	\$3,372,976	\$3,913,508	\$4,510,287	\$5,108,544
Tax	\$0	\$0	\$0	\$0	\$0	\$0
Net Cashflow	(\$1,504,548)	(\$396,158)	(\$131,626)	\$170,593	\$492,736	\$895,084
Closing Cash Balance	(\$1,504,548)	(\$1,900,706)	(\$2,032,332)	(\$1,861,738)	(\$1,369,002)	(\$473,918)

Capex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Consultants Fees	\$ 75,000					
Council Fees	\$ 20,000					
Total Design & Project Management	\$ 95,000					
Camp Site Construction (4 Camps)						
Camp 1	\$ 116,000					
Camp 2	\$ 150,000					
Camp 3	\$ 116,000					
Camp 4	\$ 116,000					
Camp Site Construction Expenditure	\$ 498,000					
Walking Track Construction	\$ 176,000					
Sub Total Construction Expenditure	\$ 674,000					
Walking Track Construction, Contingency	\$ 67,400					
Total Construction Expenditure	\$ 741,400					
Total Construction Capital Expenditure	\$ 836,400					
Capital Expenditure on Plant & Equipment	\$ 92,626	\$ 11,172	\$ 12,427	\$ 13,694	\$ 38,265	\$ 27,641
TOTAL CAPEX	\$ 929,026	\$ 11,172	\$ 12,427	\$ 13,694	\$ 38,265	\$ 27,641
CUMULATIVE CAPEX	\$ 929,026	\$ 940,197	\$ 952,624	\$ 966,318	\$ 1,004,583	\$ 1,032,224

Daintree Walks Financials

Tabs:	Description
P&L	Income & Expenditure: 6 years and first year monthly
Cflow	Cashflow: 6 years and first year monthly
Fund	Source of funds - Government, Seed Funds etc
Inc	Income summary
Exp	Expenditure details
Wages	Summary of personnel and wages
Capex	Capital Expenditure
Equip	Plant & Equipment Schedule
Hikers	Summary of Hikers and income from them
Hike 4-nt	Calculations of hikers doing 4-night/5-day hikes
Hike 1-nt	Calculations of hikers doing just 1 overnight (NB: this is assumed to be zero at this stage)
Lse	Summary of income from Licensees

Daintree Walks Financials

Statement of Income & Expenditure

Operating Income	Notes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Grants - Operating	1	\$0	\$0	\$0	\$0	\$0	\$0
Track Fees	2	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Total Income		\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628

Operating Expenses		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Accountant & Audit Fees		\$3,000	\$3,120	\$3,245	\$3,375	\$3,510	\$3,650
Advertising & Promotions		\$150,000	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
Bank Charges		\$500	\$500	\$625	\$750	\$875	\$1,000
Cleaning		\$1,000	\$4,000	\$5,000	\$6,000	\$7,000	\$8,000
Commission - Capta		\$65,400	\$246,960	\$324,135	\$408,410	\$500,302	\$600,363
Commission - Wholesalers		\$196,200	\$740,880	\$972,405	\$1,225,230	\$1,500,907	\$1,801,089
Communications: Phone, Fax, Internet		\$1,000	\$4,000	\$5,000	\$6,000	\$7,000	\$8,000
Consumables		\$3,500	\$3,500	\$4,375	\$5,250	\$6,125	\$7,000
Depreciation: Plant & Equipment		\$4,745	\$18,978	\$18,978	\$18,978	\$18,978	\$18,978
Electricity		\$2,400	\$2,400	\$3,000	\$3,600	\$4,200	\$4,800
Employee Costs		\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
Fees & Licences		\$1,000	\$1,040	\$1,082	\$1,125	\$1,170	\$1,217
Insurance	3	\$12,000	\$12,000	\$15,000	\$18,000	\$21,000	\$24,000
IT Support		\$2,000	\$1,560	\$1,622	\$1,687	\$1,755	\$1,825
Lease Fees - Govt		\$0	\$25,000	\$25,000	\$26,250	\$26,250	\$26,250
Legals		\$5,000	\$520	\$541	\$562	\$585	\$608
Rates, Water, Other Levies		\$1,000	\$2,496	\$2,596	\$2,700	\$2,808	\$2,920
Repairs & Maintenance contract		\$20,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000
Tour Costs - Food & Supplies		\$87,200	\$326,144	\$407,680	\$489,216	\$570,752	\$652,288
Training		\$32,000	\$10,400	\$10,816	\$11,249	\$11,699	\$12,167
Travel		\$3,000	\$3,000	\$3,750	\$4,500	\$5,250	\$6,000
Vehicle Costs		\$7,100	\$15,620	\$17,182	\$18,900	\$20,790	\$22,869
Vehicle Registration		\$710	\$710	\$710	\$710	\$710	\$710
Contingency		\$58,775	\$136,836	\$160,930	\$186,609	\$213,857	\$242,852
Total Operating Expenses		\$1,234,267	\$2,873,565	\$3,379,527	\$3,918,792	\$4,491,000	\$5,099,882

Operating Surplus/(Deficit) Before Tax		-\$580,267	-\$403,965	-\$138,177	\$165,309	\$512,023	\$903,747
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Non-operating Items		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Depreciation - Building		(\$5,228)	(\$20,910)	(\$20,910)	(\$20,910)	(\$20,910)	(\$20,910)
Establishment Costs	3	(\$15,000)	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss) before Tax		(\$600,494)	(\$424,875)	(\$159,087)	\$144,399	\$491,113	\$882,837
Less Tax	30%	\$0	\$0	\$0	\$0	\$0	\$100,168
Profit/(Loss) after Tax		(\$600,494)	(\$424,875)	(\$159,087)	\$144,399	\$491,113	\$782,669
Accumulated Profit/Loss		(\$600,494)	(\$1,025,369)	(\$1,184,456)	(\$1,040,057)	(\$548,943)	\$333,893

Daintree Walks Financials

Statement of Income & Expenditure

Operating Income	Notes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Track Fees							
- No of Hikers South		218	784	980	1,176	1,372	1,568
- No of Hikers North		218	784	980	1,176	1,372	1,568
- Total Hikers		436	1,568	1,960	2,352	2,744	3,136
Percentage of Total Track Capacity (Number of Hikers)	5380	22%	29%	36%	44%	51%	58%
- Price per Hiker		\$1,500	\$1,575	\$1,654	\$1,736	\$1,823	\$1,914
Total Income from Hikers		\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Grants - Operating	1	\$0	\$0	\$0	\$0	\$0	\$0
Total Income		\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Operating Expenses		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Management Expenses		\$32,400	\$35,136	\$42,085	\$49,049	\$56,027	\$63,020
Operational Expenses		\$150,010	\$395,874	\$490,138	\$584,575	\$679,201	\$774,034
Commission	3	\$261,600	\$987,840	\$1,296,540	\$1,633,640	\$2,001,209	\$2,401,451
Other Expenses		\$213,519	\$280,815	\$329,908	\$381,837	\$434,085	\$488,080
Wages and On-Costs		\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297
Total Operating Expenses		\$1,234,267	\$2,873,565	\$3,379,527	\$3,918,792	\$4,491,000	\$5,099,882
Operating Surplus/(Deficit) Before Tax		-\$580,267	-\$403,965	-\$138,177	\$165,309	\$512,023	\$903,747
Non-operating Items		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Depreciation - Building		(\$5,228)	(\$20,910)	(\$20,910)	(\$20,910)	(\$20,910)	(\$20,910)
Establishment Costs	3	(\$15,000)	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss) before Tax		(\$600,494)	(\$424,875)	(\$159,087)	\$144,399	\$491,113	\$882,837
Less Tax	30%	\$0	\$0	\$0	\$0	\$0	\$100,168
Profit/(Loss) after Tax		(\$600,494)	(\$424,875)	(\$159,087)	\$144,399	\$491,113	\$782,669
Accumulated Profit/Loss		(\$600,494)	(\$1,025,369)	(\$1,184,456)	(\$1,040,057)	(\$548,943)	\$333,893

Daintree Walks Financials

Monthly Statement of Income & Expenditure Year 1

Operating Income	Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
Grants - Operating		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Track Fees		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,000	\$218,000	\$218,000	\$654,000
Total Income		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,000	\$218,000	\$218,000	\$654,000

Operating Expenses	1	2	3	4	5	6	7	8	9	10	11	12	Total
Accountant & Audit Fees	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000
Advertising & Promotions	\$22,500	\$22,500	\$7,500	\$7,500	\$7,500	\$7,500	\$22,500	\$22,500	\$7,500	\$7,500	\$7,500	\$7,500	\$150,000
Bank Charges	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$500
Cleaning	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$1,000
Commission - Capta	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$65,400
Commission - Wholesalers	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$16,350	\$196,200
Communications: Phone, Fax, Internet	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$1,000
Consumables	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$3,500
Depreciation: Plant & Equipment	\$395	\$395	\$395	\$395	\$395	\$395	\$395	\$395	\$395	\$395	\$395	\$395	\$4,745
Electricity	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400
Employee Costs	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$41,925	\$94,063	\$94,063	\$94,063	\$94,063	\$94,063	\$576,738
Fees & Licences	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
Insurance	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,000
IT Support	\$1,000	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$2,000
Lease Fees - Govt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legals	\$1,667	\$1,667	\$1,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Rates, Water, Other Levies	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$1,000
Repairs & Maintenance contract	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$10,000	\$1,667	\$1,667	\$1,667	\$20,000
Tour Costs - Food & Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,067	\$29,067	\$29,067	\$87,200
Training	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,000	\$0	\$0	\$0	\$32,000
Travel	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000
Vehicle Costs	\$592	\$592	\$592	\$592	\$592	\$592	\$592	\$592	\$592	\$592	\$592	\$592	\$7,100
Vehicle Registration	\$710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$710
Contingency	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$4,898	\$58,775
Total Operating Expenses	\$78,595	\$63,976	\$48,976	\$47,309	\$47,309	\$47,309	\$93,484	\$150,622	\$172,622	\$161,355	\$161,355	\$161,355	\$1,234,267

Operating Surplus/(Deficit) Before Tax		-\$78,595	-\$63,976	-\$48,976	-\$47,309	-\$47,309	-\$47,309	-\$93,484	-\$150,622	-\$172,622	\$56,645	\$56,645	\$56,645	-\$580,267
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Non-operating Items	1	2	3	4	5	6	7	8	9	10	11	12	Total
Depreciation (Building)	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$436	-\$5,228
Establishment Costs	-\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$15,000
Net Profit/(Loss) before Tax	-\$93,595	-\$63,976	-\$48,976	-\$47,309	-\$47,309	-\$47,309	-\$93,484	-\$150,622	-\$172,622	\$56,645	\$56,645	\$56,645	-\$600,494
Less Tax 30%													\$0
Profit/(Loss) after Tax													(\$600,494)

Monthly Statement of Income & Expenditure Year 2

Operating Income	Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
Grants - Operating		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Track Fees		\$308,700	\$308,700	\$308,700	\$308,700	\$308,700	\$0	\$0	\$0	\$0	\$308,700	\$308,700	\$308,700	\$2,469,600
Total Income		\$308,700	\$308,700	\$308,700	\$308,700	\$308,700	\$0	\$0	\$0	\$0	\$308,700	\$308,700	\$308,700	\$2,469,600
Operating Expenses		1	2	3	4	5	6	7	8	9	10	11	12	Total
Accountant & Audit Fees		\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$3,120
Advertising & Promotions		\$15,000	\$15,000	\$5,000	\$5,000	\$5,000	\$5,000	\$15,000	\$15,000	\$5,000	\$5,000	\$5,000	\$5,000	\$100,000
Bank Charges		\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$500
Cleaning		\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$4,000
Commission - Capta		\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$20,580	\$246,960
Commission - Wholesalers		\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$61,740	\$740,880
Communications: Phone, Fax, Internet		\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$4,000
Consumables		\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$3,500
Depreciation: Plant & Equipment		\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$1,582	\$18,978
Electricity		\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400
Employee Costs		\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$1,173,900
Fees & Licences		\$1,040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,040
Insurance		\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,000
IT Support		\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$1,560
Lease Fees - Govt		\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$25,000
Legals		\$43	\$43	\$43	\$43	\$43	\$43	\$43	\$43	\$43	\$43	\$43	\$43	\$520
Rates, Water, Other Levies		\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$2,496
Repairs & Maintenance contract		\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$5,000	\$10,000	\$2,500	\$2,500	\$2,500	\$40,000
Tour Costs - Food & Supplies		\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$27,179	\$326,144
Training		\$867	\$867	\$867	\$867	\$867	\$867	\$867	\$867	\$867	\$867	\$867	\$867	\$10,400
Travel		\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000
Vehicle Costs		\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$15,620
Vehicle Registration		\$710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$710
Contingency		\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$11,403	\$136,836
Total Operating Expenses		\$257,901	\$244,151	\$234,151	\$234,151	\$234,151	\$234,151	\$244,151	\$246,651	\$241,651	\$234,151	\$234,151	\$234,151	\$2,873,565
Operating Surplus/(Deficit) Before Tax		\$50,799	\$64,549	\$74,549	\$74,549	\$74,549	-\$234,151	-\$244,151	-\$246,651	-\$241,651	\$74,549	\$74,549	\$74,549	-\$403,965
Non-operating Items		1	2	3	4	5	6	7	8	9	10	11	12	Total
Depreciation (Building)		-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$1,743	-\$20,910
Establishment Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss) before Tax		\$50,799	\$64,549	\$74,549	\$74,549	\$74,549	-\$234,151	-\$244,151	-\$246,651	-\$241,651	\$74,549	\$74,549	\$74,549	-\$424,875
Less Tax	30%													\$0
Profit/(Loss) after Tax														(\$424,875)

Monthly Statement of Income & Expenditure Year 3

Profit/(Loss) after Tax	(\$159,087)
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Daintree Walks Financials

Cash Flow Summary

Cash Inflows	Notes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Grants		\$0	\$0	\$0	\$0	\$0	\$0	\$0
ICL - Seed Funding		\$1,650,000	\$0	\$0	\$0	\$0	\$0	\$1,650,000
Track Fees		\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628	\$21,455,703
Total Cash Inflows		\$2,304,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628	\$23,105,703

Cash Outflows								Total
Capital Expenditure - Building	4a	\$836,400	\$0	\$0	\$0	\$0	\$0	\$836,400
Capital Expenditure - Plant & Equipment	4b	\$92,626	\$11,172	\$12,427	\$13,694	\$38,265	\$27,641	\$195,824
Employment Expenses		\$576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297	\$6,934,959
Other Operating Expenses		\$652,785	\$1,680,686	\$2,139,693	\$2,630,123	\$3,151,544	\$3,707,607	\$13,962,438
Total Cash Outflows		\$2,158,548	\$2,865,758	\$3,372,976	\$3,913,508	\$4,510,287	\$5,108,544	\$21,929,621

Taxation								
Company Tax		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Nett Cash Flow								Total
Nett Cash Flow		\$145,452	(\$396,158)	(\$131,626)	\$170,593	\$492,736	\$895,084	\$1,176,082
Opening Balance		\$0	\$145,452	(\$250,706)	(\$382,332)	(\$211,738)	\$280,998	
Closing Balance		\$145,452	(\$250,706)	(\$382,332)	(\$211,738)	\$280,998	\$1,176,082	

Net Present Value								
NPV @ 6%	6%	\$808,450						
NPV @ 8%	8%	\$715,342						
NPV @ 10%	10%	\$633,653						

Daintree Walks Financials

Cash Flow Year 1

Cash Inflows	1	2	3	4	5	6	7	8	9	10	11	12	Total
Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Seed Funding	\$247,500	\$247,500	\$206,250	\$206,250	\$206,250	\$41,250	\$165,000	\$165,000	\$165,000	\$0	\$0	\$0	\$1,650,000
Track Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$218,000	\$218,000	\$218,000	\$654,000
Total Cash Inflows	\$247,500	\$247,500	\$206,250	\$206,250	\$206,250	\$41,250	\$165,000	\$165,000	\$165,000	\$218,000	\$218,000	\$218,000	\$2,304,000

Expenses	1	2	3	4	5	6	7	8	9	10	11	12	Total
Capital Expenditure - Building	\$167,280	\$167,280	\$167,280	\$167,280	\$167,280	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$836,400
Capital Expenditure - Plant & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$30,875	\$30,875	\$30,875	\$0	\$0	\$0	\$92,626
Employment Expenses	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$41,925	\$94,063	\$94,063	\$94,063	\$94,063	\$94,063	\$576,738
Other Operating Expenses	\$67,450	\$52,830	\$37,830	\$36,164	\$36,164	\$36,164	\$51,164	\$56,164	\$78,164	\$66,897	\$66,897	\$66,897	\$652,785
Total Expenses	\$245,480	\$230,860	\$215,860	\$214,194	\$214,194	\$46,914	\$123,964	\$181,101	\$203,101	\$160,960	\$160,960	\$160,960	\$2,158,548

Taxation	1	2	3	4	5	6	7	8	9	10	11	12	Total
Company Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Nett Cash Flow	1	2	3	4	5	6	7	8	9	10	11	12	Total
Monthly	\$2,020	\$16,640	(\$9,610)	(\$7,944)	(\$7,944)	(\$5,664)	\$41,036	(\$16,101)	(\$38,101)	\$57,040	\$57,040	\$57,040	\$145,452
Cumulative	\$2,020	\$18,660	\$9,050	\$1,106	(\$6,838)	(\$12,502)	\$28,534	\$12,433	(\$25,669)	\$31,372	\$88,412	\$145,452	

Daintree Walks Financials

Cash Flow Year 2

Cash Inflows	1	2	3	4	5	6	7	8	9	10	11	12	Total
Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Seed Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Track Fees	\$308,700	\$308,700	\$308,700	\$308,700	\$308,700	\$0	\$0	\$0	\$0	\$308,700	\$308,700	\$308,700	\$2,469,600
Total Cash Inflows	\$308,700	\$308,700	\$308,700	\$308,700	\$308,700	\$0	\$0	\$0	\$0	\$308,700	\$308,700	\$308,700	\$2,469,600

Expenses	1	2	3	4	5	6	7	8	9	10	11	12	Total
Capital Expenditure - Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditure - Plant & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$3,724	\$3,724	\$3,724	\$0	\$0	\$0	\$11,172
Employment Expenses	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$97,825	\$1,173,900
Other Operating Expenses	\$158,495	\$144,745	\$134,745	\$134,745	\$134,745	\$134,745	\$144,745	\$147,245	\$142,245	\$134,745	\$134,745	\$134,745	\$1,680,686
Total Expenses	\$256,320	\$242,570	\$232,570	\$232,570	\$232,570	\$232,570	\$246,294	\$248,794	\$243,794	\$232,570	\$232,570	\$232,570	\$2,865,758

Taxation	1	2	3	4	5	6	7	8	9	10	11	12	Total
Company Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Nett Cash Flow	1	2	3	4	5	6	7	8	9	10	11	12	Total
Monthly	\$52,380	\$66,130	\$76,130	\$76,130	\$76,130	(\$232,570)	(\$246,294)	(\$248,794)	(\$243,794)	\$76,130	\$76,130	\$76,130	(\$396,158)
Cumulative	\$197,833	\$263,963	\$340,093	\$416,224	\$492,354	\$259,784	\$13,491	(\$235,303)	(\$479,097)	(\$402,966)	(\$326,836)	(\$250,706)	

Daintree Walks Financials

Cash Flow Year 3

Cash Inflows	1	2	3	4	5	6	7	8	9	10	11	12	Total
Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Seed Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Track Fees	\$405,169	\$405,169	\$405,169	\$405,169	\$405,169	\$0	\$0	\$0	\$0	\$405,169	\$405,169	\$405,169	\$3,241,350
Total Cash Inflows	\$405,169	\$405,169	\$405,169	\$405,169	\$405,169	\$0	\$0	\$0	\$0	\$405,169	\$405,169	\$405,169	\$3,241,350
Expenses	1	2	3	4	5	6	7	8	9	10	11	12	Total
Capital Expenditure - Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditure - Plant & Equipmen	\$0	\$0	\$0	\$0	\$0	\$0	\$4,142	\$4,142	\$4,142	\$0	\$0	\$0	\$12,427
Employment Expenses	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$101,738	\$1,220,856
Other Operating Expenses	\$200,992	\$184,200	\$171,700	\$171,700	\$171,700	\$171,700	\$184,200	\$187,325	\$181,075	\$171,700	\$171,700	\$171,700	\$2,139,693
Total Expenses	\$302,730	\$285,938	\$273,438	\$273,438	\$273,438	\$273,438	\$290,080	\$293,205	\$286,955	\$273,438	\$273,438	\$273,438	\$3,372,976
Taxation	1	2	3	4	5	6	7	8	9	10	11	12	Total
Company Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Nett Cash Flow	1	2	3	4	5	6	7	8	9	10	11	12	Total
Monthly	\$102,439	\$119,231	\$131,731	\$131,731	\$131,731	(\$273,438)	(\$290,080)	(\$293,205)	(\$286,955)	\$131,731	\$131,731	\$131,731	(\$131,626)
Cumulative	(\$148,267)	(\$29,036)	\$102,695	\$234,425	\$366,156	\$92,718	(\$197,363)	(\$490,568)	(\$777,524)	(\$645,793)	(\$514,063)	(\$382,332)	

Note 1

Income from Programs & Grants

Capital Grants / Seed Funding	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Commonwealth Grants						
State Grants						
Sub-state Grants	\$ -					
Seed Funding - eg ICL	\$ 1,650,000					
Total Capital Grants/Seed Funding	\$ 1,650,000	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Grants						
from somewhere						
Total Operating Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Grants	\$ 1,650,000	\$ -	\$ -	\$ -	\$ -	\$ -

Notes & Assumptions:

1.1 Commonwealth grant matches total State grants

1.2 Commonwealth Government funding - source not identified

1.3 State Government funding - source not identified

1.4 Source of Government Operating Grants not identified

1.5 Seed funding based on an interest-free loan, repayable in proportion to the business making profits

Term	Interest Rate	Pay per Year	Monthly Repayments						Annual Repayments					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
15	0%	12	\$9,166.67	\$9,166.67	\$9,166.67	\$9,166.67	\$9,166.67	\$9,166.67	\$110,000.00	\$110,000.00	\$110,000.00	\$110,000.00	\$110,000.00	\$110,000.00
			\$9,166.67	\$9,166.67	\$9,166.67	\$9,166.67	\$9,166.67	\$9,166.67	\$110,000.00	\$110,000.00	\$110,000.00	\$110,000.00	\$110,000.00	\$110,000.00

[illegible]

Daintree Walks Financials

Note 3a

Wages & On Costs

Administration Staff				- Year 1 -	Year 2	Year 3	Year 4	Year 5	Year 6	Wage Increase
			Prop.n	Wages						
Heritage Track CEO	1	\$ 100,000	100%	\$ 100,000	\$ 104,000	\$ 108,160	\$ 112,486	\$ 116,986	\$ 121,665	4%
Chief Financial Officer	1	\$ 90,000	50%	\$ 45,000	\$ 93,600	\$ 97,344	\$ 101,238	\$ 105,287	\$ 109,499	4%
Training & Liaison Officer	1	\$ 60,000	50%	\$ 30,000	\$ 62,400	\$ 64,896	\$ 67,492	\$ 70,192	\$ 72,999	4%
Sales & Marketing Officer	1	\$ 60,000	50%	\$ 30,000	\$ 62,400	\$ 64,896	\$ 67,492	\$ 70,192	\$ 72,999	4%
Purchasing & Provisioning Officer	1	\$ 40,000	50%	\$ 20,000	\$ 41,600	\$ 43,264	\$ 44,995	\$ 46,794	\$ 48,666	4%
Admin Officer	1	\$ 40,000	50%	\$ 20,000	\$ 41,600	\$ 43,264	\$ 44,995	\$ 46,794	\$ 48,666	4%
Driver	1	\$ 35,000	42%	\$ 14,583	\$ 36,400	\$ 37,856	\$ 39,370	\$ 40,945	\$ 42,583	4%
Guides	15	\$ 30,000	42%	\$ 187,500	\$ 468,000	\$ 486,720	\$ 506,189	\$ 526,436	\$ 547,494	4%
Total Administration Staff Wages				\$ 447,083	\$ 910,000	\$ 946,400	\$ 984,256	\$1,023,626	\$1,064,571	
Employee Superannuation	9%			\$ 40,238	\$ 81,900	\$ 85,176	\$ 88,583	\$ 92,126	\$ 95,811	
Employee: Other On costs	20%			\$ 89,417	\$ 182,000	\$ 189,280	\$ 196,851	\$ 204,725	\$ 212,914	
Total Employee Costs				\$ 576,738	\$1,173,900	\$1,220,856	\$1,269,690	\$1,320,478	\$1,373,297	

Notes & Assumptions:

3a.1 CEO manages facility, coordinates and reports to management committee etc. - employed from day 1 to project manage & establish systems etc

3a.2 CFO sets budgets, manages accounts etc

3a.3 Admin Officer manages the office, does administrative duties, as well as sales & marketing - employed from second half of Yr 1.

3a.4 Purchasing & Provisioning Officer buys food & consumables and delivers to Camps 2-4 - employed from 2nd half of year during wet to establish system prior to season.

3a.4 Driver assists in the delivery of provisions to Camps 2-4 - employed 2 months before beginning of hiking season for training.

3a.5 Guides - a pool of 15 is required to provide a roster with 10 on hand at any one time (5 groups going each way). Employed two months prior to the beginning of hiking season in Yr 1 for training.

3a.5 Other on-costs includes provision for sick leave etc.

3a.6 Superannuation is based on current requirements.

3a.7 NB: Maintenance - contractors maintain track and facilities; provide first response; also employed during construction.

Daintree Walks Financials							
Note 2							
Income Summary							
Income	Notes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Capital Grants		\$ 1,650,000	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Grants		0	0	0	0	0	0
Grants	1	\$ 1,650,000	\$ -	\$ -	\$ -	\$ -	\$ -
License Agreements		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services		\$ 654,000	\$ 2,469,600	\$ 3,241,350	\$ 4,084,101	\$ 5,003,024	\$ 6,003,628
Total Track Fees	2	\$ 654,000	\$ 2,469,600	\$ 3,241,350	\$ 4,084,101	\$ 5,003,024	\$ 6,003,628
Total Income		\$ 2,304,000	\$ 2,469,600	\$ 3,241,350	\$ 4,084,101	\$ 5,003,024	\$ 6,003,628

Daintree Walks Financials

Note 3

Expenses

Number of Participants	Notes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Day Hikers		0	0	0	0	0	0
Overnight Hikers		436	1,568	1,960	2,352	2,744	3,136
Total Hikers		436	1,568	1,960	2,352	2,744	3,136
Increase in Hikers				25.0%	20.0%	16.7%	14.3%

Operating Expenses	Ann. Est.		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Inflation
Accountant & Audit Fees	\$ 3,000		\$ 3,000	\$ 3,120	\$ 3,245	\$ 3,375	\$ 3,510	\$ 3,650	4%
Advertising & Promotions	\$ 100,000		\$ 150,000	\$ 100,000	\$ 125,000	\$ 150,000	\$ 175,000	\$ 200,000	
Bank Charges	\$ 500		\$ 500	\$ 500	\$ 625	\$ 750	\$ 875	\$ 1,000	
Cleaning	\$ 1,000		\$ 1,000	\$ 4,000	\$ 5,000	\$ 6,000	\$ 7,000	\$ 8,000	
Commission - Capta	10%		\$ 65,400	\$ 246,960	\$ 324,135	\$ 408,410	\$ 500,302	\$ 600,363	
Commission - Wholesalers	30%		\$ 196,200	\$ 740,880	\$ 972,405	\$ 1,225,230	\$ 1,500,907	\$ 1,801,089	
Communications: Phone, Fax,	\$ 1,000		\$ 1,000	\$ 4,000	\$ 5,000	\$ 6,000	\$ 7,000	\$ 8,000	
Consumables			\$ 3,500	\$ 3,500	\$ 4,375	\$ 5,250	\$ 6,125	\$ 7,000	
Depreciation: Plant & Equipment			\$ 4,745	\$ 18,978	\$ 18,978	\$ 18,978	\$ 18,978	\$ 18,978	
Electricity	\$ 2,400		\$ 2,400	\$ 2,400	\$ 3,000	\$ 3,600	\$ 4,200	\$ 4,800	
Employee Costs		3a	\$ 576,738	\$ 1,173,900	\$ 1,220,856	\$ 1,269,690	\$ 1,320,478	\$ 1,373,297	
Fees & Licences	\$ 1,000		\$ 1,000	\$ 1,040	\$ 1,082	\$ 1,125	\$ 1,170	\$ 1,217	4%
Insurance	\$ 12,000		\$ 12,000	\$ 12,000	\$ 15,000	\$ 18,000	\$ 21,000	\$ 24,000	
IT Support	1,500		\$ 2,000	\$ 1,560	\$ 1,622	\$ 1,687	\$ 1,755	\$ 1,825	4%
Lease Fees - Govt	\$ 25,000		\$ -	\$ 25,000	\$ 25,000	\$ 26,250	\$ 26,250	\$ 26,250	5%
Legals	\$ 500		\$ 5,000	\$ 520	\$ 541	\$ 562	\$ 585	\$ 608	4%
Rates, Water, Other Levies	\$ 2,400		\$ 1,000	\$ 2,496	\$ 2,596	\$ 2,700	\$ 2,808	\$ 2,920	4%
Repairs & Maintenance contra	\$ 40,000		\$ 20,000	\$ 40,000	\$ 50,000	\$ 60,000	\$ 70,000	\$ 80,000	
Tour Costs - Food & Supplies	\$ 200 /head		\$ 87,200	\$ 326,144	\$ 407,680	\$ 489,216	\$ 570,752	\$ 652,288	4%
Training	\$ 10,000		\$ 32,000	\$ 10,400	\$ 10,816	\$ 11,249	\$ 11,699	\$ 12,167	4%
Travel	\$ 3,000		\$ 3,000	\$ 3,000	\$ 3,750	\$ 4,500	\$ 5,250	\$ 6,000	
Vehicle Costs			\$ 7,100	\$ 15,620	\$ 17,182	\$ 18,900	\$ 20,790	\$ 22,869	
Vehicle Registration	\$ 710		\$ 710	\$ 710	\$ 710	\$ 710	\$ 710	\$ 710	
Contingency	5%		\$ 58,775	\$ 136,836	\$ 160,930	\$ 186,609	\$ 213,857	\$ 242,852	
			\$ 1,234,267	\$ 2,873,565	\$ 3,379,527	\$ 3,918,792	\$ 4,491,000	\$ 5,099,882	

Non-operating Expenses		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Establishment Costs		\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation - Building	2.50%	\$ 5,228	\$ 20,910	\$ 20,910	\$ 20,910	\$ 20,910	\$ 20,910
Interest							
Total Non-operating Expenses		\$ 20,228	\$ 20,910	\$ 20,910	\$ 20,910	\$ 20,910	\$ 20,910

Notes & Assumptions:

- 3.1 Operating Expenses are reasonable estimates
- 3.2 Some expenses are incurred at more than the full annual rate in Year 1 to reflect heightened level of activity/establishment cost.
- 3.4 Depreciation in Year 1 is based on 3 months on the basis of opening in Month 10 (5 mth construction period + 4 mths wet).
- 3.5 Expenses increased each year based on increase in hiker numbers or increase in inflation depending on nature of expense.
- 3.6 Maintenance is by contract - in Yr1 there is modest amount to rectify any damage caused during wet season.
- 3.7 Vehicle costs in first year are limited to half year of operation.

Daintree Walks Financials

Note 4a

Capital Expenditure

Building Design & Project Management	Units	Price	Price	Sub-tot Cost
Consultants Fees			\$75,000	\$75,000
Council Fees			\$20,000	\$20,000
Total Design & Project Management				\$95,000

Construction

Camp Sites				
Camp 1 - Duncans Flats: Raised covered platform to sleep 6	4	\$20,000	\$80,000	
Camp 1 - Duncans Flats: Composting toilet	2	\$18,000	\$36,000	\$116,000
Camp 2 - China Camp: Raised covered platform to sleep 6	4	\$20,000	\$80,000	
Camp 2 - China Camp: Amenities block with running water	1	\$50,000	\$50,000	
Camp 2 - China Camp - Water Tank	1	\$10,000	\$10,000	
Camp 2 - China Camp - Storage & Emergency Supplies Shed	1	\$10,000	\$10,000	\$150,000
Camp 3 - CREB Track: Raised covered platform to sleep 6	4	\$20,000	\$80,000	
Camp 3 - CREB Track: Composting toilet	2	\$18,000	\$36,000	\$116,000
Camp 4 - CREB Track sth: Raised covered platform to sleep 6	4	\$20,000	\$80,000	
Camp 4 - CREB Track sth: Composting toilet	2	\$18,000	\$36,000	\$116,000
Sub-total Camp Site Construction				\$498,000
Walking Track				
Trail Head - each end			\$10,000	
Carpark & Landscaping - each end			\$20,000	
Flying Fox			\$5,000	
Swing Bridge			\$20,000	
General Track enhancement to minimise damage (53km)	53	\$2,000	\$106,000	
Signage			\$10,000	
Clearing			\$5,000	
Sub-total Walking Track Construction				\$176,000
Sub-total				\$674,000
Contingency			10%	\$67,400
Total Construction Expenditure				\$741,400
Total Capital Expenditure				\$836,400

Notes & Assumptions:

- 1 Camp 1 - Duncans Flats - remote location with only rudimentary facilities (no power, water) - raised platforms @ \$20,000
- 2 Camp 2 - China Camp - access to bore water - raised covered platform @ \$20,000; shower/toilet amenities block @ \$40,000
- 3 Camp 3 - CREB Track - semi-remote location with only rudimentary facilities (no power, water) - raised platforms @ \$20,000
- 4 Camp 4 - CREB Track - semi-remote location with only rudimentary facilities (no power, water) - raised platforms @ \$20,000
- 5 Walking Track length - 53km
- 6 Assumes construction starts 1 July and takes 5 months (Jul-Nov) to complete - immediately prior to wet season.

Daintree Walks Financials
Note 4b

Plant & Equipment Schedule

Track & Operations Equipment	Units	Unit Cost	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Effective Life	Deprec. Rate	Ann. Deprec.	Inflation
Overnight Huts												
Camp 1 - Duncans Flats - basic cleaning gear	1	\$100	\$100	\$104	\$108	\$112	\$117	\$122	1	100%	\$100	4%
Camp 2 - China Camp:												
- Chainsaw & Fuel Cans	1	\$500	\$500	\$0	\$0	\$0	\$0	\$608	5	20%	\$100	4%
- Tool kit	1	\$500	\$500	\$0	\$0	\$0	\$0	\$608	5	20%	\$100	4%
- Track maintenance tools - shovels, secateurs etc	1	\$500	\$500	\$0	\$0	\$0	\$0	\$608	5	20%	\$100	4%
- Cleaning gear - brooms, buckets etc	1	\$100	\$100	\$104	\$108	\$112	\$117	\$122	1	100%	\$100	4%
Camp 3 - CREB Track - basic cleaning gear	1	\$100	\$100	\$104	\$108	\$112	\$117	\$122	1	100%	\$100	4%
Camp 4 - CREB Track sth - basic cleaning gear	1	\$100	\$100	\$104	\$108	\$112	\$117	\$122	1	100%	\$100	4%
			\$0	\$0	\$0	\$0	\$0	\$0	10	10%	\$0	
			\$1,900	\$416	\$433	\$450	\$468	\$2,312				
Vehicles												
4WD Ute	1	\$40,000	\$40,000	\$0	\$0	\$0	\$0	\$0	10	10%	\$4,000	
			\$0	\$0	\$0	\$0	\$0	\$0	10	10%	\$0	
			\$40,000	\$0	\$0	\$0	\$0	\$0				
Radio & Communications												
- VHF DSC Radio - Camp 2	1	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$3,650	5	20%	\$600	4%
			\$0	\$0	\$0	\$0	\$0	\$0				
			\$3,000	\$0	\$0	\$0	\$0	\$3,650				
Uniforms												
3 sets per staff member	20	\$300	\$6,000	\$6,240	\$6,490	\$6,749	\$7,019	\$7,300	1	100%	\$6,000	4%
			\$6,000	\$6,240	\$6,490	\$6,749	\$7,019	\$7,300				
First Aid & Safety												
- First Aid Kit	2	\$500	\$1,000	\$0	\$0	\$0	\$0	\$1,217	5	20%	\$200	4%
			\$0	\$0	\$0	\$0	\$0	\$0				
			\$1,000	\$0	\$0	\$0	\$0	\$1,217				
Consumables												
- eg fuel, ropes, cables etc		\$1,000	\$1,000	\$1,000	\$1,250	\$1,500	\$1,750	\$2,000				
			\$1,000	\$1,000	\$1,250	\$1,500	\$1,750	\$2,000				
Sub-total Track & Operations Equipment			\$52,900	\$7,656	\$8,172	\$8,699	\$9,237	\$16,478			\$11,500	
Contingency		10%	\$5,290	\$766	\$817	\$870	\$924	\$1,648			\$1,150	
Total Track Equipment			\$58,190	\$8,422	\$8,989	\$9,569	\$10,161	\$18,126			\$12,650	
Furniture & Fittings												
Administration Office												
- Waiting Area Furniture & Fittings	1	\$1,000	\$1,000	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$75	
- Workstations - Staff	3	\$600	\$1,800	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$135	
- Chairs - Staff	3	\$275	\$825	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$62	
- Filing Cabinets	2	\$315	\$630	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$47	
- Bookshelves	2	\$300	\$600	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$45	
- Meeting Room / Lunchroom Tables	1	\$250	\$250	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$19	
- Meeting Room / Lunchroom Chairs	6	\$100	\$600	\$0	\$0	\$0	\$0	\$0	13.33	8%	\$45	
			\$5,705	\$0	\$0	\$0	\$0	\$0				
Computer Equipment & Peripherals												
- Server & Networking	1	\$10,000	\$10,000	\$0	\$0	\$0	\$11,699	\$0	4	25%	\$2,500	4%
- TV/DVD Player	1	\$600	\$600	\$0	\$0	\$0	\$702	\$0	4	25%	\$150	4%
- PCs - with standard software	3	\$2,500	\$7,500	\$0	\$0	\$0	\$8,774	\$0	4	25%	\$1,875	4%
- Printer/Copier/Fax	1	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$3,650	5	20%	\$600	4%
- Telephone System	1	\$2,000	\$2,000	\$0	\$0	\$0	\$0	\$0	10	10%	\$200	
			\$23,100	\$0	\$0	\$0	\$21,174	\$3,650				
Consumables												
- misc		\$2,500	\$2,500	\$2,500	\$3,125	\$3,750	\$4,375	\$5,000				
			\$2,500	\$2,500	\$3,125	\$3,750	\$4,375	\$5,000				
Sub-total Furniture & Fittings			\$31,305	\$2,500	\$3,125	\$3,750	\$25,549	\$8,650			\$5,753	
Contingency		10%	\$3,131	\$250	\$313	\$375	\$2,555	\$865			\$575	
Total Furniture & Fittings			\$34,436	\$2,750	\$3,438	\$4,125	\$28,104	\$9,515			\$6,328	
Total Plant & Equipment Expenditure			\$92,626	\$11,172	\$12,427	\$13,694	\$38,265	\$27,641			\$18,978	

Notes & Assumptions:

- 1 Camp 1 - Duncans Flats - remote location with only rudimentary facilities (no power, water)
2 Camp 2 - China Camp - serviced location with facilities & tank water and maintenance hut
3 Camp 1 - Duncans Flats - remote location with only rudimentary facilities (no power, water)

Daintree Walks Financials

Number of Hikers - Summary

Number of Hikers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Overnight Hikers	0	0	0	0	0	0
4-night Hikers	436	1,568	1,960	2,352	2,744	3,136
Total Hikers	436	1,568	1,960	2,352	2,744	3,136

Number of Walks/Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Overnight Hikers	0	0	0	0	0	0
4-night Hikers	490	490	490	490	490	490
Total Walks	490	490	490	490	490	490

Revenue From Fees												
Overnight Hikers	\$	-	\$	-	\$	-	\$	-	\$	-		
4-night Hikers	\$	654,000	\$	2,469,600	\$	3,241,350	\$	4,084,101	\$	5,003,024	\$	6,003,628
Total Fees	\$	654,000	\$	2,469,600	\$	3,241,350	\$	4,084,101	\$	5,003,024	\$	6,003,628

Daintree Walks Financials

Note 2a

Income from 4-night Hikers

Number of Hikers	Ann. Wks	No. Walks /Wk	No. Walks/Yr	Capacity /Walk	Occupancy:	- Year 1 - Wks	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
							30%	40%	50%	60%	70%	80%
North -> South	35	7	245	8		13	218	784	980	1,176	1,372	1,568
South -> North	35	7	245	8		13	218	784	980	1,176	1,372	1,568
Unguided Hikers	35	0	0	0		13	0	0	0	0	0	0
Total Hikers			490	8	3920		436	1,568	1,960	2,352	2,744	3,136

5380

Walk Fees	- Year 1 -	Year 2	Year 3	Year 4	Year 5	Year 6
North -> South	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823	\$1,914
South -> North	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823	\$1,914
Unguided Hikers	\$400	\$400	\$400	\$400	\$400	\$400

Income	- Year 1 -	Year 2	Year 3	Year 4	Year 5	Year 6
North -> South	\$327,000	\$1,234,800	\$1,620,675	\$2,042,051	\$2,501,512	\$3,001,814
South -> North	\$327,000	\$1,234,800	\$1,620,675	\$2,042,051	\$2,501,512	\$3,001,814
Unguided Hikers	\$0	\$0	\$0	\$0	\$0	\$0

Total Income	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
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Aggregate Income	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
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Notes & Assumptions:

1. Walking Track open for 8 months, April - November: 35 weeks.
2. Start-up occupancy is based on 30% => ie roughly equivalent to tours starting up at 4 days per week, each around 50% full (ie 4 hikers per group).
3. Occupancy is improved by 5% after the first year.
4. Yr1 is only operational for Apr-Jun (13 weeks) - NB: financial year is July-June
5. No unguided tours initially

Daintree Walks Financials

Note 2b

Income from Overnight Hikers

Number of Hikers	No. Wks	No. Walks /Wk	No. Walks/Yr	Capacity /Walk	Occupancy:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
						70%	75%	80%	85%	90%	95%
Overnight Hikers	35		0	16		0	0	0	0	0	0
Unguided Hikers	35		0	6		0	0	0	0	0	0
Total Hikers			0			0	0	0	0	0	0

Walk Fees	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Overnight Hikers	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
Unguided Hikers	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Overnight Hikers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unguided Hikers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Aggregate Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Notes & Assumptions:

1. Walking Track open for 8 months, April - November: 35 weeks
2. Start-up occupancy is based on 70% => ie tours start approximately 5 days per week

Daintree Walks Financials

Note 2c

Income from Licensees

Base License Agreements		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Rent Adjustment
Day Hikers		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5%
Overnight Hikers		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5%
Total Rent		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Service Fees		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Rate Adjustment
Day Hikers		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5%
Overnight Hikers		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5%
Total Common User Fees		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Total Lease & Hire Payments		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Day Hikers		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overnight Hikers		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Lease & Hire Payments		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Comparison to Tour Fees charged to Walkers	\$ 654,000	\$ 2,469,600	\$ 3,241,350	\$ 4,084,101	\$ 5,003,024	\$ 6,003,628
License Payments as % of Fees	0%	0%	0%	0%	0%	0%

Notes & Assumptions:

2.1 Assumes all fees are charged direct to hikers - no licensed/franchised operations initially

Daintree Walks Financials

Note 2c

Vehicle Operating Costs

Vehicle	No. of Vehicles	Km's per Year	Litres / 100km	Cost Fuel	Maintenance	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Work Vehicle	1	40,000	15	\$ 1.70	\$ 4,000	\$ 14,200	\$ 15,620	\$ 17,182	\$ 18,900	\$ 20,790	\$ 22,869	10%
Total Cost						\$ 14,200	\$ 15,620	\$ 17,182	\$ 18,900	\$ 20,790	\$ 22,869	

Notes & Assumptions:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Total Income	\$654,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628
Total Operating Expenses	\$971,957	\$1,885,015	\$2,082,277	\$2,284,441	\$2,489,081	\$2,697,720
Operating Surplus/(Deficit)	-\$317,957	\$584,585	\$1,159,073	\$1,799,660	\$2,513,943	\$3,305,908
Capex Grants	\$1,650,000	\$0	\$0	\$0	\$0	\$0
Depreciation - Building	(\$5,228)	(\$20,910)	(\$20,910)	(\$20,910)	(\$20,910)	(\$20,910)
Establishment Costs	(\$15,000)	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss) before Tax	\$1,311,816	\$563,675	\$1,138,163	\$1,778,750	\$2,493,033	\$3,284,998
Less Tax	\$0	\$0	\$0	\$0	\$0	\$0
Profit/(Loss) after Tax	\$1,311,816	\$563,675	\$1,138,163	\$1,778,750	\$2,493,033	\$3,284,998

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Total Cash Inflows	\$2,304,000	\$2,469,600	\$3,241,350	\$4,084,101	\$5,003,024	\$6,003,628	\$23,105,703
Total Cash Outflows	\$2,158,548	\$2,865,758	\$3,372,976	\$3,913,508	\$4,510,287	\$5,108,544	\$21,929,621
Net Cash Flow	\$145,452	(\$396,158)	(\$131,626)	\$170,593	\$492,736	\$895,084	\$1,176,082
Opening Balance	\$0	\$145,452	(\$250,706)	(\$382,332)	(\$211,738)	\$280,998	
Closing Balance	\$145,452	(\$250,706)	(\$382,332)	(\$211,738)	\$280,998	\$1,176,082	

Daintree Walks Financials

Note 4a

Capital Expenditure

Initial Funding Requirements	
Design & Project Management	\$95,000
Construction Expenditure	\$741,400
Total Construction Cost	\$836,400
Specialist / Training Equipment	\$58,190
Furniture & Fittings	\$34,436
Total Equipment Cost	\$92,626
Total Setup Costs	\$682,143
Total Initial Funding Requirement	\$1,611,169

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Net Cash Flow	\$145,452	(\$396,158)	(\$131,626)	\$170,593	\$492,736	\$895,084

Net Present Value	
NPV @ 6%	\$808,450
NPV @ 8%	\$715,342
NPV @ 10%	\$633,653

Appendices

Appendix C

Letters of Support



November 10, 2008

To whom it may concern,

Re: Daintree Yalanji Walking Track

Engineers Without Borders Australia (EWB) has had preliminary conversations with Indigenous Capital Limited about the proposed Daintree Yalanji walking track. This project is consistent with the objectives of EWB and subject to more specific details and a formal engagement agreement, EWB is very happy to support the project

Kind regards,

Daniel Almagor
CEO
Engineers Without Borders Australia

JCU Letter of Support to be provided.