

ESTABLISHMENT OF A TOURIST CHALET IN THE POJORATA COMMUNE, SUCEAVA COUNTY

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The project proposes "Establishment of three stars chalet in Pojara locality, Suceava County" on a field situated within the locality found in the solicitant's concession. The capacity of accommodation of the chalet is of 8 rooms and an apartment, all equipped with own bathrooms. The capacity of the chalet for catering service is of 50 seats in the tavern and 20 on the terrace.

It were analyzed the present and future conditions of the Romanian economy by superior assessing of the touristic resources, in a given area trough investments in the establishment of a tourist chalet.

I made a overall presentation of the agro touristy potential of a certain touristic area presenting under demographic aspect the whole sucevean rural area, but also the main strong points of attraction of these area.

In the present and future conditions of the Romanian economy development, superior assessing of the touristic resources is imposed with striking character, because the tourism is manifesting as a distinct component of the tertiary sector of the economy and not only but and with a active presence in the social economic life, with a significant participation at the general progress and not least as a promoter of the globalization and factor of the sustainable development.

Trough the dynamism and scale of transformations from all the sectors of economic and social life, the tourism has been a phenomenon of these social and economic evolutions, proper to modern civilization, being in a relationship of inter-conditioning with this.

This area is frequented throughout the year, both for the picturesque natural landscape and for their accessibility due to the existence of a wide network and well maintained road of access.

Key words: tourist chalet, rural, area, globalization, project, development.

The Pojorata locality is situated in the Northp-East of Romania in the western part of the Suceava County, between 47° 27' and 47° 32' north latitude and between 25° 01' and 25° 33' east longitude, as high being situated between 675 m (Moldova Valley) and 1875 m (Giumalau Peak).

The commune territory overlaps on the mountain area formed, partially, from the last ramifications of Obcina Fedeleului, Obcina Mestecanisului and part of the Giumalau massive, being crossed by the valley of the Moldova river and its

affluent, and streamlets: Putna, Giumalaului Spring, Pojoratei Valley, Carstea, Frumosu, Timis and Putnisoara. The linear development with certain ramifications, of the residential area of the commune is specific to the communes from the mountain area and is due to the reduced land of the favorable fields for constructions, limited by mountainous versants with fast hillsides, fact that determined the restriction of the occupied surfaces by the population households.

The territory of Pojorata commune is characterized by a high accessibility determined by the existence of a network of channels of communication, well developed. The Pojorata commune comprises an within locality area in the total surface of 640.70 hecatares – composed from the structural perimeters of the Pojorata locality, commune headquarters and of the Putna Valley locality.

The Pojorata commune territory has a total surface of 13785 hectares which is divided on nature of use and forms of ownership as follows:

Table 1

The Pojorata administrative commune territory

Structural land use	Total Area		From which: private property	
	Ha	% from total	Ha	%
1.Agricultural land	2618,0	18,99	1740,0	71,16
From which:				
Arable	73,5	0,54	51,0	2,08
Pastures	1275,05	9,25	420,0	17,18
Hay field	1269,0	9,20	1269,0	51,90
2. Forests	10554,0	76,56	318,0	13,0
3. Waters	158,0	1,15	-	-
4. Networks ways	33,0	0,24	-	-
5. Land for infrastructure	250,0	1,81	220,0	9,0
6. Others non- productive land	172,0	1,25	167,0	6,84
TOTAL administrative territory	13785,0	100,0	2445,0	100,0

In consequence, the basic occupation of the population is structured on the exploitation and wood processing and raising the animals, priority sector within the economic activity.

The chalet from Pojorata will provide on the market hotel services, catering and other related services. The touristic services provided by an appropriate level of quality of a 3 stars chalet. The accommodation capacity will be of 8 rooms, a bachelor's room and the chalets person. Each room can be used as a double room at the tariff of 13n RON per day or as a single, for 110 RON per day (both shown tariffs are without VAT included). It must be noted that these tariffs includes breakfast in value of 15 RON/client, the minibar products in value of 12 RON, both with 19% VAT included. For the bachelor's rooms it will be charged the tariff of 183 RON per day without VAT included. And in this case includes the breakfast in value of 15 RON/client for 2 clients, the minibar products in value of 12 RON, with VAT of 19% included.

The practiced tariffs by the present competitors in the area vary greatly, depending on the comfort degrees that it offers to the customers. Thus, the charge for a single room is between 47 RON and 160 RON, the one for a double room is

between 120 RON and 200 RON, and for the apartment, between 160 RON and 300 RON.

The implementation of the proposed investment project will materialize in realizing a construction with the principal destination of chalet with restaurant. Both the chalet and the restaurant will be equipped with furniture and specific equipments to this type of activity. Also, the realized construction works have imposed and realization of an arrangement at the field on which the construction will be completed. The value of these fixed assets is as follows:

- Building: 1.235.377 RON
- Restaurant facilities: 152270 RON
- Furniture 117.400 RON

In this phase of realization of the project, haven't yet been established the providers of fixed assets wt which will be called for their acquisition.

After the credit period, because the reputation and prestige wining, the average annual degree of occupying for the accommodation services we estimate that will increase to 60%, value at which will stabilize starting with the 6 year, and the average daily number of clients for the catering activity will increase to over 100, in the conditions in which aren't necessary new investments (if it will be the case just for maintenance) and will not be modified the structure of the submitted staff (*table 2*).

Table 2

Activity prognosis

No.	Specification	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	...	Year 15
1.	The average annual degree of occupying for the accommodation services	47,5%	50%	52,5%	55%	57,5%	60%	60%	60%
2.	The average daily number of clients for the catering activity	80	84	88	93	97	102	102	102

The company which makes the investment doesn't have in property any fixed asset. It must be mentioned however that the commercial company has granted on 15 years a terrain of 29.187sqm.

According to the general estimate made by the architect, the cost of the new investment is 1.933.247 RON (value VAT included).

The commercial company will apply the linear regime of amortization. As a result, the annual costs with the amortization will be:

From the annual total of the costs of personnel, the expenses with the earnings amounts 147.600 RON, and the social duties attached to these, 45.204 RON. Having in view the fact that in the first year of the forecast period, the business will only work for 5 months, the total personnel costs for this year will be of 80.355 RON (61.500 Ron – expenses with the salaries and 18.835 RON – social tasks attached to salaries).

As regards the expenditure with consumable materials for the chalet and restaurant, these were estimated contractual to a monthly value of 1.000 RON for the chalet, and respectively, 1.000 RON for the tavern. Having in view the fact that

in the first year of the period of forecast, the business will work only 5 months, the total expenses with materials for the first year of operation totaled 10.000 RON.

Starting from these assumptions, the annual expenses with the raw materials, consumable materials and goods were estimated at the following values (*table 3*): The maximum annual incomes that can be obtained (in the case of a purely hypothetical employment of 100% annually) are:

1. 2 cam. single x 110 RON / day of accommodation x 360 days of accommodation / year = 79.200 RON / year
 2. 6 cam. single x 13m RON / day of accommodation x 360 days of accommodation / year = 298.080 RON / year
 3. 1 bachelor's rooms x 183 RON / day accommodation x 360 days of accommodation / year = 65.880 RON/ year
- TOTAL (1+2+3) = 443 Ron / year

Also, the annual estimated incomes from the accommodation services will be: for the first year of operating the incomes from the catering activity will be of only 300.000 RON (60.000 RON x 5 months of operation), since the location will work only the last 5 months of the year.

Table 3

The annual estimated incomes from the accommodation services

No	Specification	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	...	Year 15
1.	Consumable materials	72000	181539	181539	200048	209852	220048	220048	220048
2.	Raw materials	10000	25.214	25214	27784	29146	30562	30562	30562
3.	Commodity	48000	121026	121026	133365	139901	146698	146698	146698
4.	Total	130000	327779	327779	361197	378900	397308	397308	397308

From the obtained incomes from the catering activity I considered that 60% from these come from selling of gastronomy products, and the rest of 40%, from the sales of goods (soft drinks, alcoholic drinks, snacks, etc.)

The annual dynamic of the incomes from catering was determined taking into account that as the location is gaining notoriety, the customer's number will increase by an average annual rhythm of 5% in the 6 year, after which it is stabilizing.

Referring to the other activities bringer of incomes, their estimation was done so:

- The incomes from the commerce in tourism were contractually estimated to 100 RON / day, resulting a annual value of 100 RON / day x 360 days / year = 36.000 RON / year.

Regarding the financial and extraordinary incomes, these, being insignificant, have been neglected in order not to affect the accuracy of the forecast. The profits made by the commercial company will be kept at the company's disposal, for the business expansion in the future. No dividends will be granted. The distribution of the net profit on destinations will be made every year after the approval of the annual financials statements as follows: 5% - to Reserves and 95% to own funds.

The profit evolution in the first 6 years of the forecast period is:

The updated cumulated cash flows available were determined by taking into account the elements already forecasted.

VAN determines the next option of decision:

If $VAN > 0$, the investment is accepted;

If $VAN = 0$, the investment is rejected for reasons of prudence;

If $VAN < 0$, the investment is rejected.

The forecasted investment will bring on a period of 15 years (the employment period of granting the 2 credits) a $VAN = 7.386.785$ RON, which certifies the fact that from the point of view of this criteria the investment must be accepted. Basically, the investment will add the amount of 7.386.785 RON to the value of the commercial company.

Calculation of the period of investment recovery.

The recovery duration of the investment is the period in which the value of the investment expenditure is recovered by the commercial society after the conducted activity.

The duration of recovery of the investment was calculated with the following formula:

$$Dr = (i - 1) + \frac{|FDAC_{i-1}|}{FDAC_i + |FDAC_{i-1}|}$$

Where I – number of years after which the available actualized cumulated cash flows passes from a negative value to a positive one;

$FDAC_i$ – available actualized cumulated cash flows for the year i ;

Applying the presented formula, we obtain for the proposed investment project a period of recovery of the investment by 4.51 years (approximately 4 years and 6 months).

CONCLUSIONS

On the touristic market from the Suceava county, the demand is growing, after having recorded a period of recession in the 90's, due to the national economy evolution. The average occupying degree for the accommodation services taken into account when making the estimations was one average beside market. In the first year of operation was estimated an average degree of only 47,5%, forecasting then an annual increase with + 2.5% in absolute terms, until the 6 year, after which it was considered that its value remains at the 60% level.

The total value of investment (including VAT) is of 1.933.247 RON, which will be covered in proportion of 23,35% from own sources (451.509 RON – temporary shares of capital from the shareholders), the rest, of 76.65%, being covered from BCR credits (1.184.738 RON – mortgage credit and 297.476 RON – credit for investment).

Both loans were assumed that will be repaid on 15 years, with a grace period of 2 years. The annual rate of the percentage considered was of 12% and was assumed to remain unchanged throughout the period of loan.

The cash flows generated after realizing the proposed investment are positive, and covers beside the current necessities of funding, and those resulting from loan repayment and the afferent interests payment.

In the conditions in which was used as rate of update the cool medium cost of the capital (19,14%), the net actualized value was of 7.386.785 RON, value that exceeds 4.55 times the value with VAT of the investment.

The internal rate of profitableness obtained from the calculations was of 21.48%. Since this value is situated as level over the actualized used rate, we can appreciate that the proposed investment project is feasible.

The recovery period of the investment is of 4.51 years (approximately 4 years and 6 months), which is an acceptable value.

The rate o coverage of the debt service is situated, on the entire period of forecast, with the exception of 1 year over the critical value of 1, which shows a good capability for repayment of the financial debts.

The general degree of indebtedness records inadequate values (supra-unitary) for the first years of the forecast period, but, then are recorded adequate values (sub-unitary), which decrease continuously until the end of the forecasted period, on the measure as thy decrease and the debts on long and medium term.

The liquidity rates records corresponding values on the entire period of forecast (supra-unitary for the current liquidity rate and of over 0, 5 for the rate of rapid liquidity). It must be noted that both rates are over-dimensioned due to the fact that the associations don't want dividends, but is capitalizing the obtained profits in the view of opening a new chalet in the future.

Indicators of management shall, also, good business functionality.

The economic rate of profitableness and the financial rate of profitableness are recording values of over 17.8% and respectively 24.6%, considered acceptable fort the hotel sector.

The rate of the added value records values of over 50% throughout the entire period of forecast, considered acceptable for the hotel sector.

In conclusion the proposed investment project is feasible, the business generating enough liquidity to ensure the payment of the interests, repayment of both loans and for covering the current operating expenses.

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