

EXECUTIVE SUMMARY

Cueva De Kipot Resort is a fascinating place that can provide the local and foreign tourists with efficient services where they can relax, enjoy and spend their vacation. The resort would also be the best place for nature lovers and those who love adventures.

Cueva De Kipot Resort will be an income-generating project of the Local Government Unit of Mambusao. The resort will be established at Sitio Agcaningay, Barangay Burias, and 9 kilometers from the town of Mambusao.

Cueva De Kipot Resort will provide different services, such as cave visitation, cottage accommodation, boating, convention hall, conference hall and restaurant. The target market of the proposed project are the students, faculty, employees, and community groups within the area, government and non-government organizations and tourists from other places. The site was chosen by the proponents because of the existing caves and for the tourists to relax and enjoy. In determining the price of the services offered, the management adopts the status quo pricing in order to discourage competitors to engage in the same kind of business and to encourage everyone to patronize or avail the services offered by the resort. And to promote the business, the management will use streamers and fliers to inform the public about the project.

The business proponents of the proposed project are the three BSC major in Accounting Management and Finance, one BSC major in Marketing Management and a BSBA major in Financial Management. The management of the resort is composed of General Manager, assistant Manager, three Department Heads (Operation, Administration, and Finance), cashier, two receptionist, two security guards, six janitors/caretakers, four tour guides and an electrician. These are the personnel who are responsible in the day to day operation of the business. They will receive

salaries based on their position. The personnel of the resort will enjoy benefits such as: SSS, Phil health, Pag-ibig and the 13th month pay.

The buildings of the different services including the labor cost is amounting to P2,320,095. The total installation cost of electricity is P154,943. The resort is covered by the operation of the Capiz Electric Cooperative. The management will provide an individual circuit breaker for every service for proper use of electric power. The water supply in the resort will be made available through installation of the water system. This will be used by the management and customers. The segregation of waste will be practiced in the practiced in the entire operation. Garbage cans for the biodegradable and non-biodegradable should be provided.

The total project cost of the proposed business is P7,302,973 which will be funded by the Local Government of Mambusao. The projected net income for five years of operation are as follows: P538,000, P679,860, P769,997, and P863,703 respectively. The projected Ending cash flows of the proposed business for the five years of operation are as follows: P3,022,044; P4,042,978; P5,119,186; P6,238,622; P7,306,296; and P8,409,293, respectively.

The proposed project was found be financially attractive considering a payback period of 3.44 years, a return on investment of 10.04%, a net present value of P10,100,693 and internal rate of return of 16.2%.