

International Experience of Government Support for Tourist Investors

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Balkhash Resort



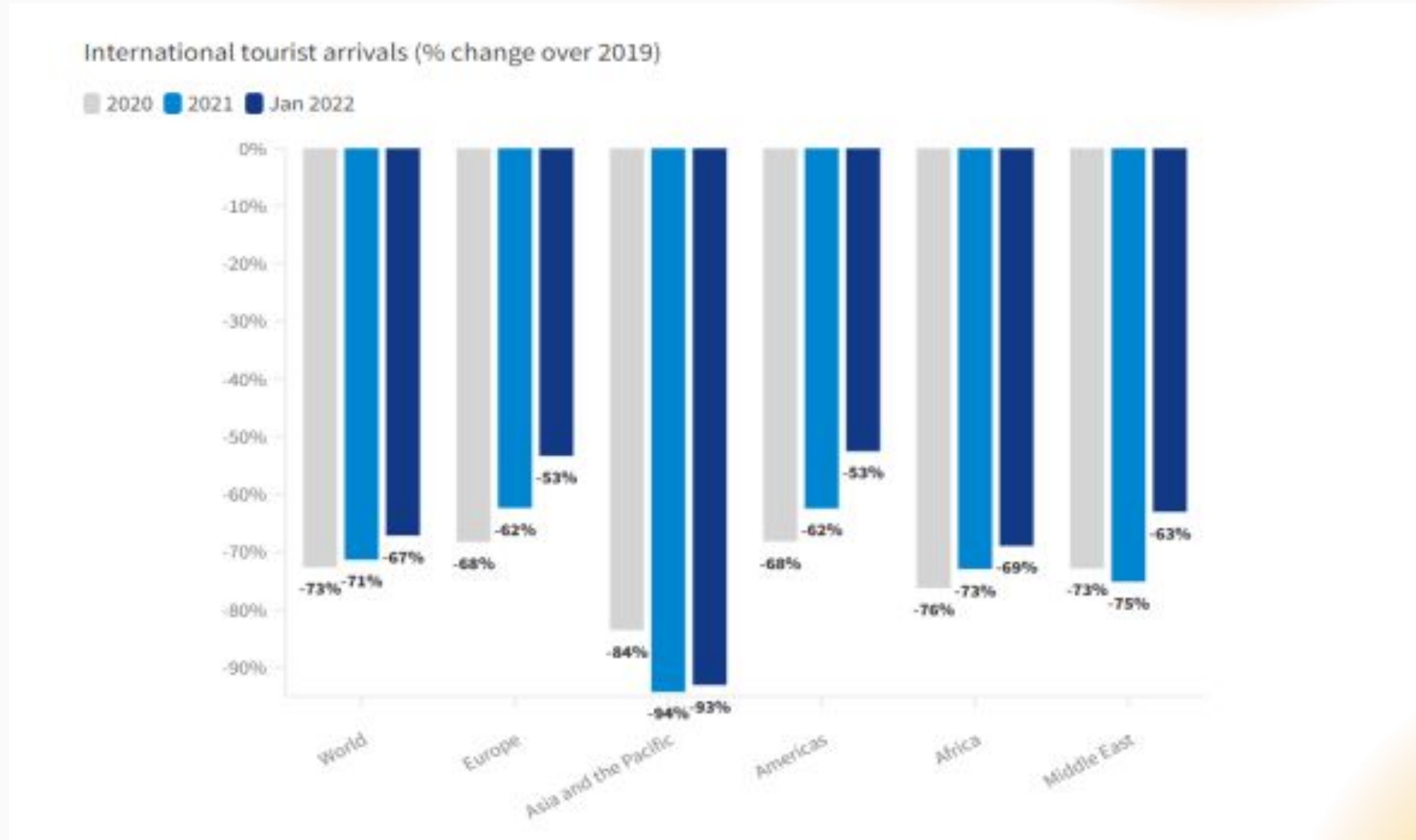
Project aim:

In the result of analyzing international examples of government investment in the tourism industry and resources of Kazakhstan, to develop an effective project of the “Balkhash Resort” hotel to increase the economy, develop a personal brand and recognize the country.

Relevance of the project:

The practice of state assistance in tourism direction is a successfully widespread trend on the world market, given the prospects and scale of tourism development in Kazakhstan, as well as the geographical and resource position of the country, the implementation of the project is extremely effective and important.

Introduction



Strengths:

- Location uniqueness
- Cultural, health and leisure tourism
- Well developed infrastructure
- Geopolitical position
- Favorable climate
- Competitors absence (low competition on the market)
- Price-quality compliance
- 150 rooms, SPA and outdoor activities
- Good conditions for investors (tax payment strategy)

Opportunities:

- Domestic and International Tourism development
- Partner with local suppliers and stores to benefit from local sources
- Local workforce development (employment opportunities)
- Consumer growth
- Development of country's self brand position on the international market

Weaknesses:

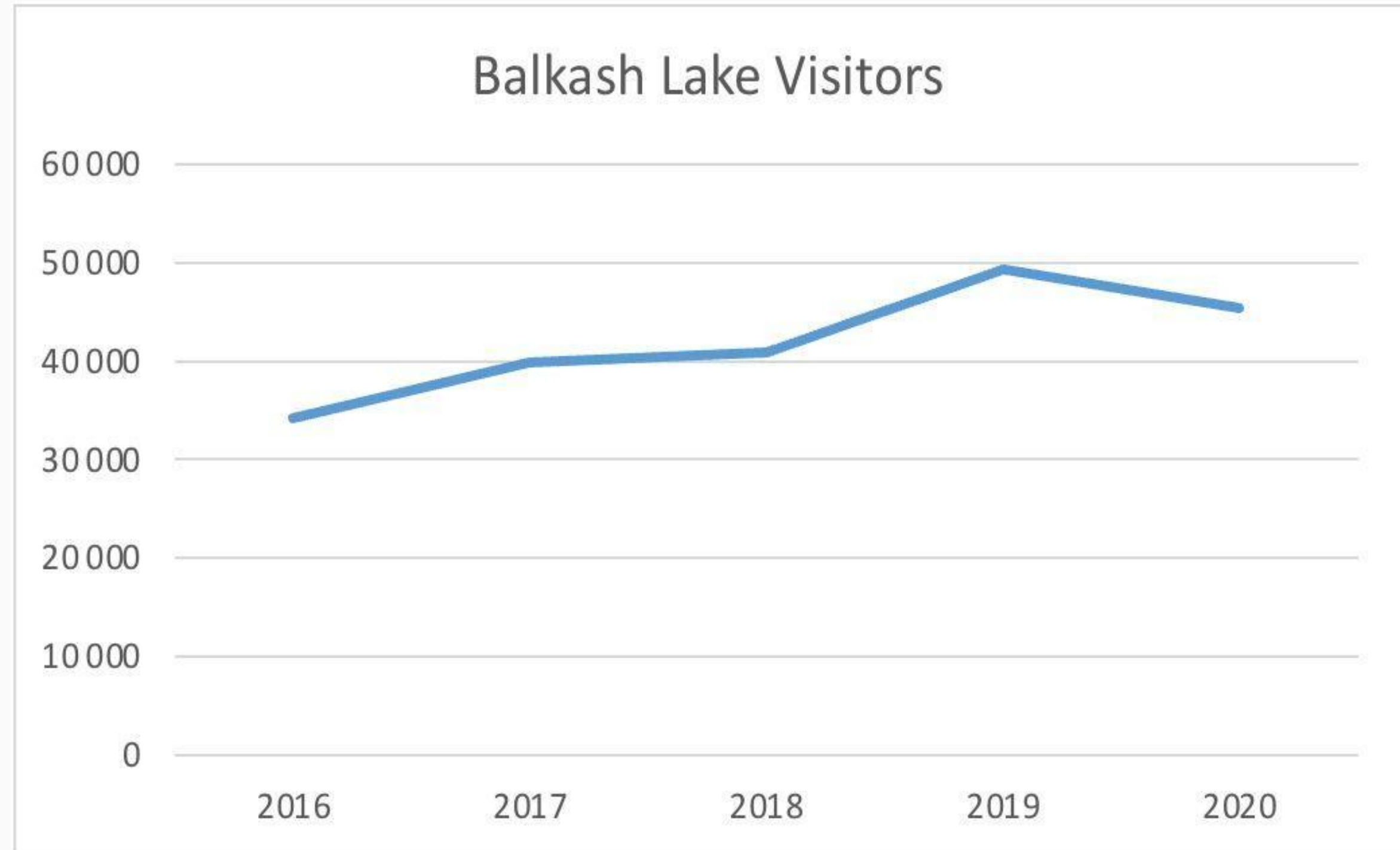
- Long term project
- Short period of hot season
- Dependence to investors
- Not a chain or a brand strategy

Threats:

- Unfavorable economic conditions
- Pandemics
- Appearance of competitors
- The danger of limited funding

Marketing and Sales of Product

“Kids Go Free”:
children from 2 to
17 years receive a
free flight to any
destination.



Management and Implementation

Organizational plan

Organizational structure

Project structure

Budgeting of main capital expenditures

Project implementation schedule



№	Activity Name	Duration w days
1.	Hotel Construction and Development	467
1.1.	Finding and <u>Acquiring</u> required Land in Priozersk	21
1.2.	Budgeting and Cost Planning	44
1.3.	Budget Approval	11
1.4.	Loan Application and Obtaining funds	21
1.5.	Tender Announcement	21
1.6.	Analysis of Potential Options	21
1.7.	Approval and Contract signing	21
1.8.	The Hotel Construction and Development	293
1.9.	Project completion and acceptance	21
2.	Operations Launch	116
2.1	Development <u>Operating Budget</u>	21
2.2.	Budget Assessment and Approval	15
2.3.	Development <u>of Operational Plan</u>	21
2.3.1.	Sales and Marketing Planning (budgeting, planning, implementation)	42
2.3.2.	HR recruitment	42
2.3.3.	Signing contracts with online and offline tourism agencies	21
2.3.4.	Launch of online promotion activities	63
2.3.5.	Procurement of office and hotel furniture	76
2.3.6.	Procurement of raw materials, office supplies and IT equipment	63
3.	Final Activities	38
3.1.	IT infrastructure development (installation of software and hardware)	42
3.2.	Checking Information System	10
3.3.	Employee Training (orientation program)	31
3.4.	Launch of Operations	3

Management and Implementation

Stage 1: Hotel Construction and Development: 467 days

Stage 2: Operational launch
116 days

Stage 3: Final Activities: 38 Days

Total: 621 days

Financial Screen

Time horizon of the project for a private investor is **12-years**.

Both private and public sector will finance the project with equal share of capital (50/50).

Inflation rate is expected to be 10% per annum and hotel average daily rates are adjusted to annual inflation rate.

The financial profitability of the project was conducted for three years since the hotel launch in 2024.

Average daily rates used in calculation of financial profitability are the prices when the hotel is occupied by 50%.

Financial Screen

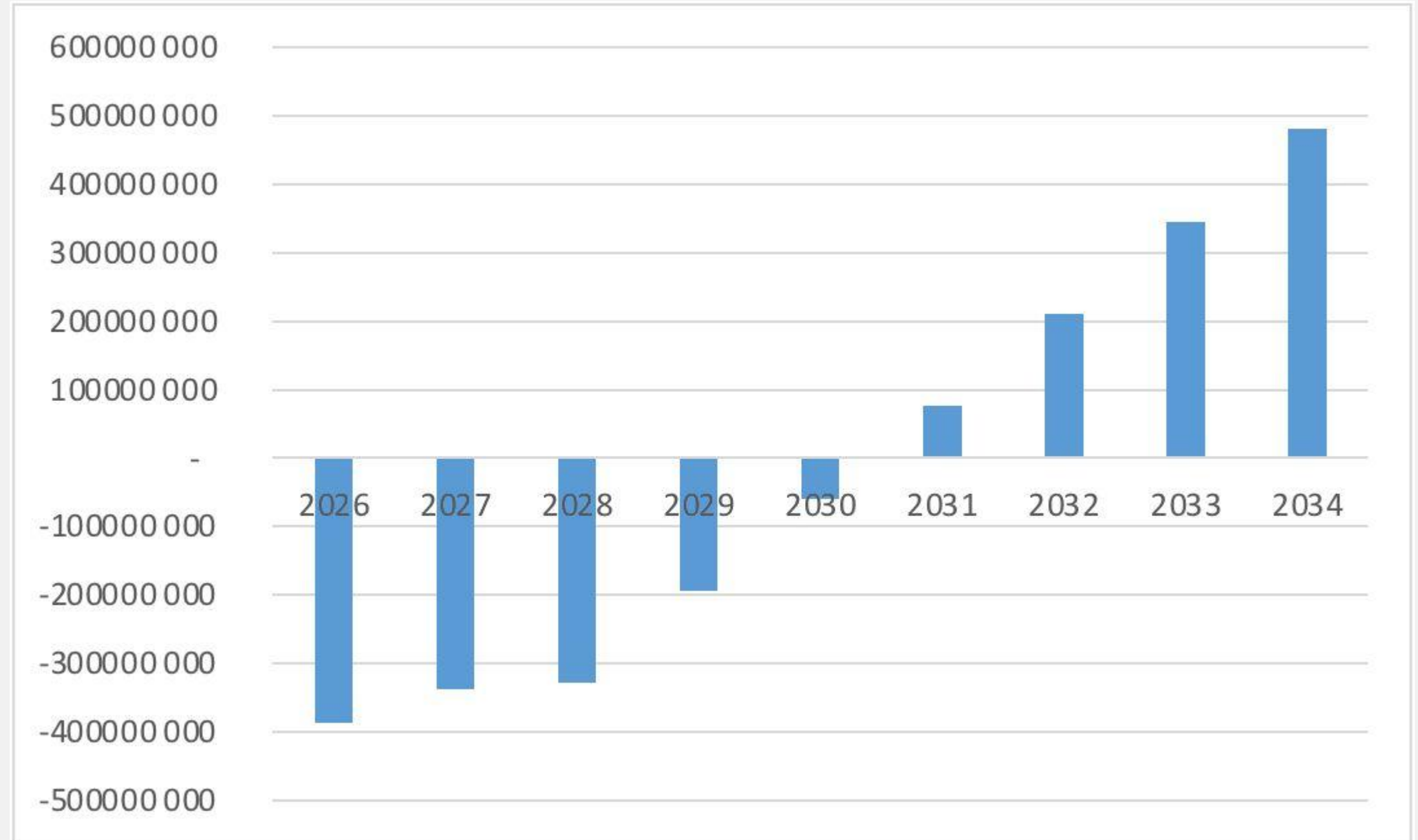
#	Hotel Name	Rating (TripAdvisor)	Facilities	Rate/night
1	Sanatorium Balkhash	2.5 out of 5	Free WiFi, Free parking lot, pool, breakfast inclusive, fitness, airport transfer.	21700 KZT/night (double) Medical recreation packages: Mid-Season, Nauryz, Summer, Health Rehabilitation packages price range: 38 000-50 000 KZT/night
2	Guest House "Brigantina"	No rating	Bed, airport transfer, terrace, WiFi, sauna, fishing, free parking lot, laundry, barbecue area, pool.	10 000 KZT/night (double room)
3	Hotel Granit	4 out of 5	WiFi, free parking lot, SPA and recreation, court tennis facilities, beach, fishing, ping pong area.	11 000 KZT/night (double room)
4	Recreation Base "Delphin"	No rating	WiFi, Airport transfer	14 000 KZT/night (double room)
5	Recreation Base "Varadero"	No rating	Free parking, sauna, WiFi, fishing, beach, pool, sport facilities.	39 000 KZT/night (triple room)

Forecasted Income Statement

As it can be noted from the forecasted income statement, forecasted Profit After Tax (PAT) was negative in all three forecasted years.

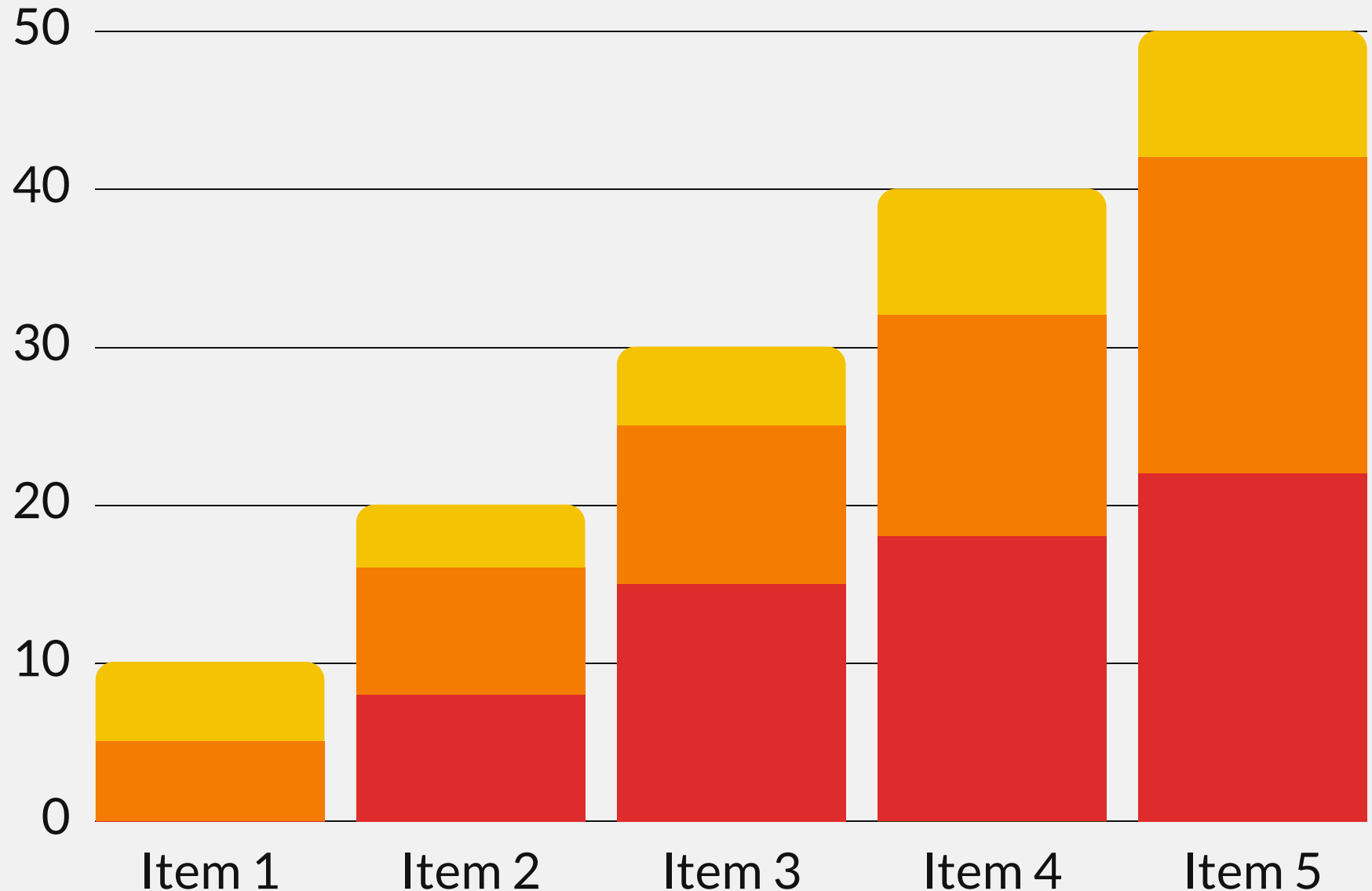
Financial Screen

Forecasted 10-year sales revenue of Balkhash Resorts (By Author)



General Conclusion

Инициативы по заботе о себе
помогли компаниям сократить
профессиональное выгорание у
своих сотрудников.



**Thank you for your attention
and time!**

Appendix

Balance Sheet



BALANCE SHEET FORECAST, on
31.12

	Previo a Explot.	2024	2025	2026
Fixed Assets	878 562 600	878 562 600	878 562 600	878 562 600
Cumulated Amortization	0	-52 107 927	-130 269 817	-208 431 707
NON CURRENT ASSETS	878 562 600	826 454 673	748 292 783	670 130 893
Clients	0	10 028 788	12 505 498	14 856 532
Inventory	0	0	0	0
Cash	0	262 502 396	255 638 470	188 650 015
CURRENT ASSETS	0	272 531 184	268 143 968	203 506 547
TOTAL ASSETS	878 562 600	1 098 985 858	1 016 436 751	873 637 440

Capital	439 281 300	439 281 300	439 281 300	598 061 570
Reserves	0	216 642 093	213 263 318	8 708 626
Year Result	0	-9 135 343	-71 315 312	-154 114 345
EQUITY	439 281 300	646 788 051	581 229 306	452 655 852
Long Term Loans	406 215 621	371 110 523	333 840 220	294 271 166
NON CURRENT LIABILITIES	406 215 621	371 110 523	333 840 220	294 271 166
Short Term Loans	33 065 679	35 105 098	37 270 303	39 569 054
Commercial Suppliers	0	33 634 936	56 330 172	85 573 532
Creditors	0	12 347 250	7 766 749	1 567 836
CURRENT LIABILITIES	33 065 679	81 087 284	101 367 225	126 710 422
TOTAL LIABILITIES	878 562 600	858	751	440

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