INVESTMENT PROJECT

ADAPTATION, BUILDING EXTENSION, FURNISHING HOTEL AND CONSTRUCTION OF HUMANITARIAN CENTER FOR SENIOR CITIZENS

INVESTOR: VOJVODANSKI BISER DOO PALIĆ

JANUARY 2013
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INTRODUCTION

This investment project is created with the aim to present business ideas to potential partners-investors who are interested to invest their financial resources in this project. In return, business partners would be offered participation in ownership, and also participation in division of profit relative to percentage of participation in ownership. Investment includes adaptation, extension of building and furnishing of existing facility for accommodation of tourists in modern hotel-apartment complex with following content, and also purchasing additional lot and construction of humanitarian gerontology center for senior citizens. Planned investment is 3.000.000. EUR and it will be financed with resources of strategic partner. Investment will take place on Palic.

**Basic date about investors**

<table>
<thead>
<tr>
<th>INVESTOR:</th>
<th>Vojvođanski biser d.o.o.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLACE:</td>
<td>Palić</td>
</tr>
<tr>
<td>IDENTIFICATION NUMBER:</td>
<td>20772760</td>
</tr>
<tr>
<td>TAX NUMBER:</td>
<td>107274358</td>
</tr>
<tr>
<td>NAME AND SURNAME OF OWNER:</td>
<td>Ivan Kostadinovic</td>
</tr>
<tr>
<td>PHON:</td>
<td>+38163 849 62 27</td>
</tr>
</tbody>
</table>
### SUMMARY

<table>
<thead>
<tr>
<th><strong>DATE OF INVESTMENTS</strong></th>
<th></th>
</tr>
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<tbody>
<tr>
<td><strong>INVESTOR:</strong></td>
<td>Vojvodanski biser doo</td>
</tr>
<tr>
<td><strong>SUBJECT OF INVESTMENT:</strong></td>
<td>Adaptation, building extension, furnishing and construction of humanitarian centre for senior citizen</td>
</tr>
<tr>
<td><strong>LOCATION:</strong></td>
<td>Palić, Kanjiški put 56</td>
</tr>
<tr>
<td><strong>INVESTMENT PERIOD:</strong></td>
<td>6 months</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NECESSARY INVESTMENTS (€)</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VALUE OF INVESTMENTS:</strong></td>
<td>3.068.833</td>
</tr>
<tr>
<td><strong>INVESTMENT IN FIXED ASSETS:</strong></td>
<td>3.000.000</td>
</tr>
<tr>
<td><strong>INVESTMENT IN CURRENT ASSETS:</strong></td>
<td>68.833</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>FUNDING SOURCES (€)</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OTHER SOURCES – PARTNER:</strong></td>
<td>3.000.000</td>
</tr>
<tr>
<td><strong>OWN SOURCES:</strong></td>
<td>68.833</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>BASIC INDICATORS OF INVESTMENT (€)</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NUMBER OF NEW EMPLOYEES:</strong></td>
<td>28</td>
</tr>
<tr>
<td><strong>PROJECTED TOTAL REVENUE:</strong></td>
<td>1.407.470</td>
</tr>
<tr>
<td><strong>PROJECTED NET PROFIT:</strong></td>
<td>544.979</td>
</tr>
<tr>
<td><strong>NET PRESENT VALUE:</strong></td>
<td>1.806.364</td>
</tr>
<tr>
<td><strong>INTERNAL RATE OF RETURN:</strong></td>
<td>20,89%</td>
</tr>
<tr>
<td><strong>TIME OF RECURRENCE OF INVESTMENT:</strong></td>
<td>6 godina i 2 meseca</td>
</tr>
<tr>
<td><strong>COEFFICIENT OF EFFECTIVENESS:</strong></td>
<td>1,76</td>
</tr>
<tr>
<td><strong>RATE OF ACCUMULATION:</strong></td>
<td>18%</td>
</tr>
<tr>
<td><strong>CURRENCY:</strong></td>
<td>1 EUR = 112 RSD</td>
</tr>
</tbody>
</table>
Planned adaptation, renovation and equipping of the existing object in a hotel is related with providing tourism services for tourists who stays in Palic. Whole project will be placed in Master golden zone in Palic, Kanjiski put 56. Hotel will be constructed on the lot number 1552/1 K.O. Palic. It is planned that one part of the existing object will be used for adaptation, and other objects will be demolished and instead of them new objects would be constructed. On the lot it is planned to keep house, swimming pool and 4 apartments, and instead of a restaurant, which is located in the front part of the lot, next to the road, it is planned to construct a hotel P+1, and hotel rooms-annexes. It is also planned to demolish existing object that is now used as laundry room and kitchen, and on that position construct annexes.

Hotel would own 17 double rooms with extra beds, this would be annexes which would be placed on 2 floors, while total capacity of the hotel would be 51 person. Area of the rooms would be 21m². Capacity of the hotel is dimensioned in a way that allows accommodation for one full bus of people, which is very important, since Palic is the most famous destination in Serbia for school tourism.

On the lot next to our object it is planned to construct humanitarian gerontology center for elderly people that would consist of:

- 2 objects P+1 made as bungalows- apartments (44m²), 8 apartments
- Object P+1 as annex with double rooms (22.96 m²), 24 rooms
- Dinning room
- Clinic
- Indoor football court
- Heliport
- Space for walking with many benches

Capacity of the gerontology center would be for 56 persons. Total Area of planned objects would be 2.900 m². Estimate value of this investment is 3.000.000 EUR.

Economical justification for constructing this gerontology center is connected to the fact that Serbia is one of the 5 demographically oldest countries in Europe along with Italy, Bulgaria, Germany and Sweden, also the fact that gerontology centers in Serbia are over capacity and capacities that are offered by public and private gerontology centers are not enough to meet all requirements. As we know in Serbia lives 1.684.289. people aged 65 years an older (based on census from year 2002.) if we want accommodation for only one percent of them in gerontology center, we need 16.843 beds, and Serbia currently has 9.583 which is half less than necessary.

Theoretically, if all people older than 60 years would apply for bed in gerontology center, for one bed there would be more than 175 candidates. Gerontology centers capacities are unevenly disposed. They are mostly located in Belgrade and Vojvodina, and in Eastern and Western Serbia where oldest communities live, there is almost no capacity in gerontology centers. There is also not enough capacity in private centers. If we accept the estimate that in our territory are more then 50 private centers (that have many users) their overall capacity is around 1.000 and 1.500 beds.

Users of services of gerontology center would be pensioners from Serbia and abroad, also from Diaspora, and the biggest influence to attract them will be quality of our accommodation and services, location and many other factors. More then 100.000 Serbian people that live abroad, will retire in around ten years period, they have great desire to spend their retirement days in Serbia, this are results of a questionnaire that has been sent to several thousand addresses. On a question “Are you planning to return in your
homeland?” none responded with a negative answer, this is a result of the questionnaire that was fill in by e-mail, made by Dragana Dinic, Editor in Chief of “Guidebook for Diaspora”, that was published by The Serbian Association of Gerontologist. People that have returned from abroad, or who wants to provide their parents stay in this kind of institution, usually choose private institutions. They do this, not only because of better living conditions, but also because in Serbia they are registered as foreigners. Since they didn’t pay social and pension insurance in Serbia, they can not count on subsidized price of accommodation. Service of dorm accommodation in private centers in Serbia is between 600 and 1.200 EUR for one month.
1. BASIC INFORMATION ABOUT INVESTORS

1.1. Identification date

<table>
<thead>
<tr>
<th>NAME OF COMPANY:</th>
<th>Vojvodanski biser doo</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOCATION:</td>
<td>Kanjiški put 56 Palić, Subotica</td>
</tr>
<tr>
<td>DATE OF ESTABLISHMENT:</td>
<td>06.10.2011.</td>
</tr>
<tr>
<td>PROPERTY:</td>
<td>Privately</td>
</tr>
<tr>
<td>NAME AND SURNAME OF OWNER:</td>
<td>Ivan Kostadinović</td>
</tr>
<tr>
<td>BUSINESS OF THE SUBSIDIARY:</td>
<td>Catering, trade and tourism</td>
</tr>
<tr>
<td>IDENTIFICATION NUMBER:</td>
<td>20772760</td>
</tr>
<tr>
<td>TAX NUMBER:</td>
<td>107274358</td>
</tr>
<tr>
<td>SIZE OF COMPANY:</td>
<td>Small</td>
</tr>
<tr>
<td>CONTACT PERSON:</td>
<td>Ivan Kostadinović</td>
</tr>
<tr>
<td>PHON:</td>
<td>+38163 849 62 27</td>
</tr>
<tr>
<td>E-MAIL:</td>
<td><a href="mailto:biservojvodine@gmail.com">biservojvodine@gmail.com</a></td>
</tr>
</tbody>
</table>

1.2. Type and structure of the ownership

<table>
<thead>
<tr>
<th>Nº</th>
<th>TYPES OF EQUITY</th>
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<th>OWNER</th>
<th>OWNERSHIP IN (%)</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Privately</td>
<td>Domestic</td>
<td>Ivan Kostadinović</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>TOTAL:</td>
<td></td>
<td></td>
<td>100</td>
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</tbody>
</table>
2. DESCRIPTION OF THE PAST BUSINESS

Association with limited responsibility "Vojvodjanski Biser" for catering, commerce and tourism Palic was founded on October 6th 2011. and it was recorded in Register of Private Business that is managed by Business Registers Agency. Founder and legal representative is Ivan Kostadinovic. Headquarter of the company is located in community Subotica, town Palic, Kanijski Put 56. Registered predominant activity is catering, commerce and tourism. Organization is represented by Ivan Kostadinovic in both domestic and foreign traffic. Currently the only employee is the owner.

Company "Vojvodjanski Biser" doo is founded with aim to maintain and run the existing object for accommodation of tourists. It currently contains restaurant with capacity for 120 people, 8 rooms (capacity 2+1), and summer restaurant with capacity for 60 people, out-door swimming pool, kitchen, laundry room and big garden.

On the lot that has area of 2.700 m2, total area of constructed objects is 1.100 m2. After taking over this complex, at the end of 2011. partial adaptation of the object was made: Compete reconstruction of the swimming pool, back yard, restaurant with kitchen, summer kitchen and restaurant, adaptation of the landscape in yard and all 8 rooms were put in function, 7 rooms have capacity 2+1 they are renovated with bathrooms, and one hotel apartment was adapted. Company had successful summer when swimming pool was open during whole summer session. Object was successful while working during the summer session in full capacity, and it had average 200 visitors per day, entrance to the swimming pool was charged for and summer restaurant was working on the A la card principle of service. Now in the object we provide hotel management services, lunch for school excursions and we established cooperation with touristic agency Nis express tours in the way that their guests are provided with lunch.
More photos from the summer 2012. season can be found on our Facebook page Vojvodjanski Biser, while our Web Site is under construction.
3. DESCRIPTION AND PURPOSE OF INVESTMENT

Planned adaptation extension of building and furnishing existing object into hotel is connected with providing touristic services to visitors who stay in Palic. Complexity of this project is suitable for development of many branches of tourism, but because of its surrounding some of the branches will develop faster, through this branches there won’t be negative influence on the environment. According to this, branches that will be represented are:

1. School tourism
2. Dental tourism
3. Sport and recreational tourism
4. Cycling tourism
5. Conference tourism
6. Fishing tourism
7. Organization of cultural and sports events, and trips to many sights in the surrounding
8. Eco tourism

In the area that has great amount of rare flora and fauna and natural complex, this touristic complex will became asylum and must see resort for all the people who enjoy and appreciate natural environment. We would offer: walking tours, photo safari, boat rides, bicycle touring, car tours, ecological workshops, getting to know old traditions and crafts that are typical for this region.

Whole Project will take place in Master Golden Zone of Palic

Hotel will be constructed on the lot number 1552/1 K.O. Palic. It is planed that one part of the existing object is being kept and adapted, and the rest will be demolished in order to place new buildings on their place. On the lot it is planed to keep swimming pool and house, and also the 4 hotel apartments, and existing object, that is now a restaurant and it is situated in the front part next to the road, would be demolished and instead of that hotel P+1 would be build, and it would also include hotel rooms-annexes. Summer kitchen and laundry room will be demolished and instead of that annexe would be constructed. Hotel would include ground floor and 1st floor. Ground floor includes:

- Reception and stairs for guests
- Exchange office
- Passage
- Souvenir shop
- Economical entrance for employees
- Dressing room and showers for employees
- Toilet for employees
- Double rooms in the back yard part for guests

One of the rooms, on the ground floor would be equip especially for disabled guests. Also on ground floor it is planned to have 8 double rooms with extra beds.

1st floor would include:

- Stairs for guests with sanitary facilities
- Restaurant with dining room with capacity for 250 persons
- Kitchen for the restaurant
- 3 storages
- Sanitary facilities for employees
Hotel would have 17 double rooms with extra beds, as annexes which are placed in 2 floors, and total capacity would be 51 guests. Area of the room would be 21 m². Capacity of hotel has dimensions to receive one full bus with guests, which is very important, since Palic is one of the most important destinations for school excursions in Serbia.

In the backyard of Hotel we plan to construct following:

- Demolishment of the old restaurant and building new one
- Extension of swimming pool, Jacuzzi with water fountain
- Constructing summer bar
- Landscape architecture
- Constructing tennis court
- Indoor football court and basketball court (with rubber surface)
- Covering place for sunbathing with ceramic tiles and adding umbrellas and chairs
- Building cages for dogs trained for hunting

Touristic complex will be completed based on ideological architectural project that you can find in addition (Hotel management object- hotel P+1, center for admission of senior citizens P+1 P+Pk with ambulance.

Hotel and humanitarian center for pensioners would include following:

<table>
<thead>
<tr>
<th>№</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8 exclusive suits for accommodation of elderly people</td>
</tr>
<tr>
<td>2</td>
<td>24 suits for accommodation of elderly people</td>
</tr>
<tr>
<td>3</td>
<td>17 hotel rooms (2+1)</td>
</tr>
<tr>
<td>4</td>
<td>laundry room for own needs and other users</td>
</tr>
<tr>
<td>5</td>
<td>dining room for elderly people</td>
</tr>
<tr>
<td>6</td>
<td>restaurant with capacity for 250 people</td>
</tr>
<tr>
<td>7</td>
<td>control – supervision room</td>
</tr>
<tr>
<td>8</td>
<td>heliport</td>
</tr>
<tr>
<td>9</td>
<td>souvenir shop</td>
</tr>
<tr>
<td>10</td>
<td>pharmacy</td>
</tr>
<tr>
<td>11</td>
<td>placer for barbeque for guests of elderly people and other guests</td>
</tr>
<tr>
<td>12</td>
<td>rent a car service</td>
</tr>
<tr>
<td>13</td>
<td>rent a bike service</td>
</tr>
<tr>
<td>14</td>
<td>garage place</td>
</tr>
<tr>
<td>15</td>
<td>exclusive bungalow suite 60 m²</td>
</tr>
<tr>
<td>16</td>
<td>doctors office for general practice with necessary equipment</td>
</tr>
<tr>
<td>17</td>
<td>dental office, dental tourism</td>
</tr>
<tr>
<td>18</td>
<td>wellness center and spa</td>
</tr>
<tr>
<td>19</td>
<td>compartment for dogs specialized for hunting</td>
</tr>
<tr>
<td>20</td>
<td>ATM spot</td>
</tr>
</tbody>
</table>
On the lot, next to existing buildings, humanitarian center would be constructed, it would include:

- Two buildings P+1 as bungalows-apartments
- Building P+1 as annexes with double rooms
- Dinning room
- Clinic
- Court for indoor football
- Heliodor
- Walking paths with many benches

Two buildings with floors P+1 which would be bungalows-apartments and it would consist of 4 hotel apartments with area of 44 m², they would include living room, bedroom, bathroom, hallway and balcony

Annex with floors 2+1 would include 24 double rooms with extra bed and own bathroom, with area of 22.96 m². On exterior side would be common balconies from where it would be possible to enter inside of rooms. Total capacity of humanitarian center would be 56 guests.

Clinic would be on ground floor and it would include:

- Room for doctors
- Waiting rooms
- Toilet for employees
- Toilet for patients
- Room for hospital staff
- Emergency room
- Covered entrance

Clinic would be used strictly used for older people who stay in this center. Dinning room is also part of clinic and its purpose is for users to dine, while preparation of meals would be done in hotel. During the day dinning room would be use as common room where our guests would spend free time and entertain themselves.

Total area of all buildings would be 2,900 m². Preliminary estimate of planed investment is 3,000,000 EUR.
Economical justification for constructing this gerontology center is connected to the fact that Serbia is one of the 5 demographically oldest countries in Europe along with Italy, Bulgaria, Germany and Sweden, also the fact that gerontology centers in Serbia are over capacity and capacities that are offered by public and private gerontology centers are not enough to meet all requirements. As we know in Serbia lives 1,684,289 people aged 65 years and older (based on census from year 2002.) if we want accommodation for only one percent of them in gerontology center, we need 16,843 beds, and Serbia currently has 9,583 which is half less than necessary. Theoretically, if all people older than 60 years would apply for bed in gerontology center, for one bed there would be more than 175 candidates. Gerontology centers capacities are unevenly disposed. They are mostly located in Belgrade and Vojvodina, and in Eastern and Western Serbia where oldest communities live, there is almost no capacity in gerontology centers. There is also not enough capacity in private centers. If we accept the estimate that in our territory are more than 50 private centers (that have many users) their overall capacity is around 1,000 and 1,500 beds.

In Serbia there are 45 public institutions that provide services to older people and pensioners, with more than 9,600 beds for patients that can walk, disabled and half disabled older people (around 60% are disabled). Private institutions that are in agreement with Ministry of Labor and Social Welfare, that is going through Provincial Ministry for Health and Social Welfare, these institutions provide services of placing patients in dorms and there are six of them, 14 more are still waiting to be approved for work. Many private institutions (about 50 of them) are working illegally under name of “room and board”, “hotel”, “touristic-recreational center” and similar names like that, therefore we can count that in private institutions there are around 1,500 beds.

Trend in tourism nowadays are small hotels, with small capacity, that can provide great service to demanding guest tourist. Hotel Vojvodjanski Biser will be luxurious complex which will represent mixture of tradition and orient. Location and appearance won’t disturb concept of Subotica and Palic. On the contrary it will only contribute to the charm and beauty of this touristic destination. In restaurant there will be possibility to organize all kinds of celebrations and parties for 250 people.
Fact is that in Subotica and Palic there are only few restaurants that can organize wedding reception, prom, graduation, and also conference for big amount of people and to provide in the same time comfort and first class service. Contribution to attractiveness of our hotel is location. Macro location of hotel is making it attractive for tourists who plan to stay in Palic and also in Subotica. After building complex of this kind there will be significant increase in what Palic has to offer, since Palic is in lack of resorts with high quality service for potential guests that want to stay there or in its surrounding. Concerning this there is significant effort of Touristic Organization of Subotica and JP Palic-Ludas that are trying to increase accommodation capacity in this province, that already gain attention of many tourists with its charm and quality of service that causes them to come back. Construction of humanitarian center for senior citizens and hotel will contribute to efforts of all touristic representatives that Palic and Subotica should became a must see destination for tourists from all over the world.

Great amount of business people, tourists in transit, and weekend tourists that are looking for relaxation and rest, set a condition for modern complex that will satisfy all the needs for all categories of accommodation and other necessary contents. Hotel Vojvodjanski Biser is made exactly for foreign guests, business people, transit and weekend tourists, and for everybody who wants to enjoy in beauty of Palic. Goal is to attract international and domestic business people and tourists in transit to our Hotel. The biggest users of touristic services are supposed to be people from Subotica and Palic, and users of organized gatherings transit tourists, as users of "a la card" services.
4. ANALYSIS OF THE MARKET

4.1. Common data about gerontology centers

Retirement homes provide accommodation, feeding, general care, health care, culturally activities, entertainment, recreational activities, occupational and other services, social services and other services based on their needs, abilities and interests. Life in retirement home is organized in the way that people can’t waste their time. It is very important to create conditions for different activities (physical, recreational, cultural activities and entertainment). Our goal is to make them active in order to keep their existing abilities active.

Gerontology centers, besides defined rules for retirement homes, provide protected accommodation, helping in house, room for leisure time, organizing groups and clubs and other. Gerontology centers are multifunctional institutions in which structure is organized institutional and out of institution protection of elderly people. Gerontology centers can have their own station that is temporary shelter for elderly people and adults. Gerontology centers are organized in a way that there is division of residents in different departments, independent category of older people, dependent and half dependent users, division is made based on user needs.

By looking demographically Europe is the oldest region. Among 25 demographically oldest countries in the world excluding Japan, they are all European, among them is Serbia with altitude of people older than 65years 17,5 %. Aging of general population on certain territory (settlement, community, region, state) represents demographical aging. Based on commonly accepted criterion, aging of one population , is determined by average life expectancy, index of life expectancy, participation of younger than 40 years in general population, and participation of people with 60 years and older in general population. Based on this measures older people are considered to be population where average age is over 30 years, index of life expectancy is bigger than 0,40, participation of people under 40 years in general population is lower than 65% and participation of people with 60 years and older is bigger than 12%. Demographical aging is manifested with increased contribution of older population and decreased contribution of younger population in general population. That distribution has as a consequence that is aging of population.

Population of Serbia, in the begging of 70’s in last century, entered in phase of rapid aging. With already around million inhabitants (13,4 %) older than 60 years and with 2.885 thousands (34,2 %) younger than 0-19 years, aging structure of Serbia at that time already belong to stationary type of aging structure. Industrialization and urbanization, as civilization universals of the modern world, also joined rapid aging of inhabitants.

According to estimates of the Center for Demographical Research IDN, nowadays in Serbia lives 1,274.155 persons with 65 years and more or 17,1 % of total inhabitants number, and from 157 of 161 communities in central Serbia and Vojvodina are communities with older people. With this demography and by adding the fact that average age in Serbia is 40,4 years, Serbia is in the same group with five demographically oldest countries in Europe, together with Italy, Germany, Bulgaria and Sweden. And quite precise demographical estimates show that until the middle of this century, more precise on the beginning of the second half of this century, 2052. Year number of older citizens will increase for one third, from 1.243 thousand to 1.640. thousand or for 8.000 a year. Based on that, we should consider that number of people with 80 years and older will increase 3 times from 143 to 414 thousand and it will represent one quarter of the total number of
elderly people, that means that number of the oldest citizens in all population will increase from 1.9 to 6.2%. This demographical expansion, with 14, 7% of poor population, based on official results, is forcing everybody in gerontology field, firstly for eminent gerontologists, very demanding conditions for integration in the society where all generations meet and representatives of different social class.

Serbian population is getting older and it is classified with 10 other oldest countries in the world. Statistics showed that in 2002. Serbia had 1.240.505. or 16, 5% inhabitants older than 65 years, where 14,4% were man and 18, 2% women. These demographical results make society to think and to establish appropriate health care and to provide health treatments at home. It is usual thing that aging brings many changes concerning health problems, risk of getting some disease increases and also leaving them to themselves to take care of their problems. If we look social point of view, older people face decrease of social contacts, increase of isolation and need for social safety. Also there is a crisis that is present in Serbia over a decade, pensions are usually not enough for basic needs, that makes them isolated from society.

Actual needs for geriatric beds, for Serbia in 2005, according to Dr. Professor Dragoslav P. Milosevic, were 40 beds on 100 thousand inhabitants that implicates that specialized geriatric institutions should have around 300 beds.

On the other side, big number of older people lives in single households, without family support and in condition for social need, they are expecting place for retirement home for pensioners or any other kind of care provided. Even though in Serbia there are more places in gerontology centers than twenty years ago, needs are still greater than there are available beds. Based on publication of gerontology capacity network in Serbia that was published by GDS in 2006. Serbia has 45 state institutions with over 9.600 beds and nine institutions that provide care for mentally disrupted and elderly citizens. In this field there are also private institutions, so right now there are 6 registered retirement homes, mostly in Belgrade and its surrounding. Belgrade Gerontology Center, for example has 5 organizational units with 1.217 users, that is 12,6% of total capacity in Serbia. 14 more private institutions are waiting to be approved for work, and based on some data, around 50 of such institutions are working half illegally under different title. If we calculate all this capacities we would see that there is still not enough to satisfy all the needs.

Users of private institutions are our wealthy citizens and people that came back from foreign countries. Estimate show that over 4 million of our people are spread over the world, and that one third of them are older pensioners, that makes it obvious how disproportion between needs and capacity is very big, that makes us ask one question “What is the possibility of private investments in constructing gerontology centers in Serbia?” There is a great need for building new gerontology institutions in our country that would provide better quality of living in later period of life. In order to provide necessary services to help senior citizens with strategy of developing social protection by Government of Serbia it is suggested to develop daily centers and clubs for pensioners with different contents that enable, based on their needs, daily care, providing food, entertainment, recreational activities, and similar services. Development of the small centers and boardinghouses, organizing services of temporary care: over the weekend and during period of one month and growing different services that elderly people need in this kind of centers.

Certain number of retirement homes satisfies requirements, but there is not enough of this. There should be more of this kind to satisfy all the necessary needs.
Based on report of Provincial Ministry for Health and Social Welfare about possibility for building a center with high standard, in gerontology centers in Vojvodina there are 16 welfare institutions for lodging all the pensioners and older citizens, capacities with high standards have gerontology centers in Novi Sad, Subotica, Zrenjanin, Ruma, Kikinda and Vrsac. These institutions have 2.271 place in total, where capacities of high standard make 9.87%, where the most common are single room apartments, there are 132 single room apartments. These capacities are full almost 100%. Executive Council of Vojvodina put in charged Provincial Ministry for Health and Social Welfare in cooperation with relevant/corresponding ministry and gerontology centers, to work intensively on providing capacity of high standard in gerontology centers in Vojvodina based on users needs.

According to Relevant/Corresponding Ministry and Ministry of Social Welfare, all centers in Vojvodina are in much better conditions than other centers of this kind in other parts of Serbia, and they are suppress if we compare standard of others. He repeated that in Serbia there are not enough capacities for everybody and that reform should be made in a way that many small centers with better services should be built. Reform also suggests that there should be some sort of providing help in households of older people, opening of centers for spending leisure time and constructing temporary centers for senior citizens.

Institution for older citizens that is being founded by legal entity or individual, and not by Government of Republic of Serbia, can start working and perform activities when Ministry of Labor and Social Welfare makes sure that all conditions are being fulfilled. Technical conditions for the institution and conditions concerning education of employees are regulated with regulations of detailed conditions for starting work and performing work and standards and norms for doing this work institution for social protection of pensioners and senior citizens (“Official messenger of Republic of Serbia”, number 44/93… 76/05). In addition to submitting request to this Ministry, it is necessary to submit: photocopy of entry in the Register of Companies, evidence about project where institution will be (for example ownership proves, or rental agreement), photocopy of usage permission for structure where center will take place. If activities will take place in a building that was made for housing, also submit photocopy of approval for adaptation of this project into business offices and photocopy of education information about people who will work there (degree). Application is being submitted to the office of Ministry in Nemanjina street number 22-26, in Belgrade. Authorized services of Ministry, after receiving application, make verification of the property, and if all requirements are being satisfied decision is made about admission in register for institutions residential. It is necessary to pay fee whose quantity is being decided after inspectional supervision.

4.2. General data about Palic

Palic has very good geographical position. Closeness to Hungarian border and international highway have big influence on this sub region of Vojvodina. National border crossing Horgos and Kelebija are most frequent borders in Serbia. On this border crossing the biggest interaction of people and goods are being made, both with cars and train that gives Palic and its surroundings favorable conditions. Palic is located on international transit road E-5. On its extremely favorable location the biggest influence is made by traffic, especially because Palic is located on the biggest strategic-space route.

Palic with Palic lake is only 8km North from Subotica and its height above sea level is 102 m. Palic can be reached through E-5 highway that goes from Belgrade-Novisad-Subotica-Budapest, or by taking the international train to Subotica and use local
transportation to get to Palic. Touristic potential of Palic and its surrounding are certainly and mostly well used, but because of increase in popularity of Palic there is a lack of capacity in hotels, and mostly lack of resorts that provide first class service that can satisfy needs of most demanding guests. By looking over these facts we can see that Subotica is very important city on border that is being developed in both touristic and economical way. Besides Palic Lake there is also Special Nature Reserve Ludosko lake with beautiful environment and nature that attracts many international tourists with high demands.

Palic lake 7km long and tourist center of the same name, was the elite holiday resort and spa, at the turn of nineteenth and twentieth century. Appearance of Palic was changed many times modernized and advanced but it evaded industrialization of tourism. Now Palic represents perfect place for vacation. People can enjoy sitting in the shades of hundred years old trees, swimming in the lake or thermal swimming pool, or in tasting food and drinks from this area that are exquisite. Unique architecture, sport courts, kind hosts-all this is Palic. Lake and summer resort Palic is 20km away from Hungarian border. On 16,5km from the border there is a pike “Stork’s nest” to exit highway E-75. Palic is equally away from Belgrade and Budapest 180km. For this region typical climate is moderate continental climate. Palic has average of 2100 sunny hours in one year, similar to Croatian Opatia. Average air temperature in summer is 20°C.

The “Great Park” has a total area of area 19 ha (47 acres). It was opened in 1840 after planting Black Locust and Canadian Poplar. 1841 Park was rearranged using as the example English gardens, and later was rearranged in Baroque style. Flower beds were planted with different sorts of seasonal flowers, during spring usually with tulips and heartsease, violets, daisy, forget me not, Turkish carnation, and during summer and autumn canna indica, sage, begonia and petunia. Palic lake width is 350 to 960m, and length over 8 km, so his southwestern part is on border with southern part of city (industrial zone). The lake surface covers 4.7 km² and the average depth of the lake is between 1,5 and 2 meters. After revitalization of the lake in 1975, when all the water was let out in order to clean layers of polluted mud, lake was divided with banks on 4 sectors, the biggest one is fourth and it is called touristic sector.

The settlement Palic is dating from the Bronze Age and in written documents it is first mentioned in 1462 as wastelands that Hungarian king Matthias Corvinus gave to his mother. According to documents lake was mentioned later at the end of XVII century when water from artesian well that was used for watering sheep’s flooded barren area. Healthy effects of mineral spring and mud bath became famous in Europe in first half of XIX century. Spa with bathing beach was built and hotel “Trsca” and core of the park is formed on 10 hectares. Tram tracks between Subotica and Palic were constructed in 1869. At the end of XIX and beginning of XX century Palic spa represented elite resort like Opatia, St. Moritz and Karlovy Vary.

Until the end of last century water in a Lake was salty. At the end of XVIII century it was already familiar that water in a Lake has healing effects. 1845. Besides the building next to swimming beach, that only had few cabins at the time, temporally guest house was build that was a beginning of beach and spa resort Palic. After that Palic has changed many times, it was expanded and modernized. In turning point between the centuries favorite entertainment of spa guests were long walks, Sunday concerts, open air dance, Summer Theater, fishing and other. Also very common form of entertainment was sitting in taverns and listening to gypsy music.

During 30s in the last century very popular event was “Nights of Venice”, when guests would take a boat with lanterns, and float in a Lake while listening romantic guitar
sounds. When we mention Palic we must speak of Lajos Vermes, extraordinary athlete from Palic, that at the end of XIX century, more accurate 16 years before Pier de Coubertin reopened modern Olympic Games, he gathered many successful athletes of that time and on the shore of Palic lake he organized 10 different sport events (wrestling, fencing, swimming, cycling, athletics and more). With this Vermes almost induced reopening of the Modern Olympic Games. Sports “Palic Olympic Games” were held from 1880 until 1914. Lajos Vermes, together with his brothers was a founder of sport club “Achilles”.

Thanks to donations of his family, 1884. he built first cycling track and many courts for sports. Track was called “Closed arena” because it was surrounded with stand filled with seats. Track was shaped as ellipse and covered with cement. 1891 Vermes built small “Olympic village” where meals and accommodation were for free.

Competition also had some not common disciplines such as jumping in the water with pole, putting shot in the air and long, swimming 500m with obstacles (6 logs). Instead of laurel wreath winner would get black locust wreath. On the location, where Olympic village use to be, now is memorial complex dedicated to the unique “Palic Olympic games” and with purpose for future visitors to enjoy in it. In September 1912 Buildings for vacation and enjoyment were officially open. This complex consists of Water Tower, Big Balcony, Women Beach and Musical Pavilion.

In Europe for this period characteristically style was secession, and here its Hungarian version inspired with Hungarian folklore, handicraft products made by people, lace and embroidery, all this was inspiration for mostly wooden constructions. In the middle of XIX century, rich citizens build mentions in the Swiss style with carved wooden porches. This style culminated in mentions that looked like small castles with towers and peaks.

Most valuable thing for this region is Palic lake. With area of 5,6km2. The depth of the Lake is 1,9m. Water temperature during season varies from 18°C to 25°C. Lake has many different kinds of fish in it. In just one kilometer there are many different beaches: Ladies beach, Men's beach, and sandy beach with showers, shade, volleyball courts, boats, yachting boards, sliding board for kids, bars and music. Men's beach has large wooden pier for sunbathing.

Besides this there is also a thermal pool with healing water with temperature around 50°C. Which represents perfect place for relaxation not only for older people but also for younger.

Following chart shows touristic visits in Palic and Subotica for 2009. and 2010.

<table>
<thead>
<tr>
<th></th>
<th>DOMESTIC TOURISTS</th>
<th>FOREIGN TOURISTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUBOTICA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>arrivals</td>
<td>13.496</td>
<td>4.144</td>
</tr>
<tr>
<td>spending the night</td>
<td>33.631</td>
<td>9.182</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>47.127</strong></td>
<td><strong>13.326</strong></td>
</tr>
<tr>
<td><strong>PALIC</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>arrivals</td>
<td>11.394</td>
<td>3.930</td>
</tr>
<tr>
<td>spending the night</td>
<td>24.040</td>
<td>7.698</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>35.434</strong></td>
<td><strong>11.628</strong></td>
</tr>
</tbody>
</table>
In 2010. In Subotica there were total of 73.688 domestic and foreign tourists, and Palic total visit was 46. 232 tourists.

4.3. Analysis of competition - gerontology

In Novi Sad area there are two institutions that provide care to older citizens. One is public "Gerontology center" Novi Sad and one is private institution " Dom Sveti Georgije" in Petrovaradin.

In the biggest gerontology center in Vojvodina- “Gerontology center” Novi Sad, which consists of two institutions one in Novi Sad and one in Futog, there are around thousand pensioners. Center also assists the elderly people in the execution of household works for around 250 users per year, inside the center is also possible to provide day care to homeless people. Center has 812 beds for accommodation (411 rooms) in retirement homes and 35 beds in the Shelter for adults and elderly people. 51% of total capacity in centers is for people that are semi mobile and immobile, semi dependent and dependent and 49% is for mobile, independent persons. All the beneficiaries of the Shelter are treated as dependent beneficiaries. Gerontology center has 170 places in single rooms, 100 in 2-room apartments with single room, 40 places in 2-bedroom apartments, 130 places in double rooms, 216 in 3-bed apartments, 68 places in 4-bed apartments, and 87 in 5-bed apartment.

The Retirement Home at Liman, located in Novi Sad, Fruskogorska 32 capacity is 274 beds that are placed in 167 apartments. 212 of total capacity are in single rooms, and the rest 62 are placed in 4 3-bed apartments and 10 5-bed apartments for dependent patients. For independent users there is 78% of total capacity and for dependent 22% of institution. The Home services are provided in the building satisfying all the standard requirements for space, equipment and staff. General and certain types of specialized health care, medical care and rehabilitation are services provided by doctors working in two shifts-one specialist and specialist working in the Health Care Centre who come as consultant, nurses, physical therapists and assistants. Monthly rent for center in Liman are:
- Independent user, one-bed apartment 31.068,00
- Independent user, two-bed apartment 30.032,00
- Independent user, two-bedroom apartment 27.961,00
- Dependant user, more beds room 26.549,00

Retirement Home located on Novo Naselje, Novi Sad, Bate Brkica 17, has 171 room in total and 320 beds inside of rooms, which represents total capacity of the center. There are 78 one bed apartments, and 10 two bed apartments. Total capacity in apartments is 98
places. For disabled-dependent users there are 222 places, 38 in double rooms that meet requirement of high standard and one place in single room of the same type. For stationary board 69% of the total capacity of center is used. Architecturally modern and functional complex, Center on Novo Naselje provides services that can be considered as services of high standard. Rooms are provided for independent users, and for users that have disability or that are dependent there are stationary rooms with necessary equipment for providing quality services of care, protection and rehabilitation. Doctors, nurses, physical therapists are all in charged for providing necessary services. By hiring social workers in admission process, in case of canceling rooms it enables users and their families to go through all the phases of specialized procedures in the way respectful for their age and specific personality. Monthly rates of services in this center located in Novo Naselje are:

- One bad apartment, high standard 34.058,00
- Two bed apartment, high standard 31.369,00
- Two bed room for stationary board, high standard 34.058,00
- Dependent user, tree bed room 27.917,00

Retirement center and apartments “Sveti Georgije”, Petrovaradin, Marina Drzica 1 is first private center for old and disabled people in Vojvodina. Capacity of center is 27 single and double rooms distributed on 3 floors. All rooms have bathroom with shower and built in handles to make it easier for older people with to use. On the ground floor there is doctor’s office and hairdresser. On the first floor there are 6 suits for independent marital couples, in 3 of them there is a small kitchen. On the second floor there is clinic for nurse on duty and 2-bed room with hydraulic beds for dependent users, and on the 3rd floor there are 11 2-bed rooms. Center contains one specialized hydraulic bathroom with all necessary equipment to enable bathing of people who are dependent and disabled. In the backyard there is swimming pool and fountain, and also Orthodox Church dedicated to Saint Georgije, where services are held every weekend and on holidays. Monthly rate for accommodation in “Sveti Georgije” is between 800 and 1000 EUR.

Retirement home “Maksimovic” is located in Subotica, it provides medical care and help and it is all day available for their users. Qualified and specialized staff is taking care of health of older people during 24 hours, they are taking care not only for vital functions but also for nutrition, personal hygiene, physical state and their mood. For their health person in charged is doctor from retirement home, who in case of need invites specialist from certain field. Vital functions are checked frequently: blood pressure, body temperature, level of sugar in blood, medication intake is controlled and if there is a need laboratory analyses are done. With consulting doctor nurses and medical staff provides complete health services. In case of somebody’s health gets worse or any other complication occurs ambulance is called or other kind of transportation to hospital is organized. Disabled users are provided with complete medical care, appropriate nutrition, personal hygiene and constant supervision. Nutritionist is in control of meals. Different meals and snacks are prepared all the time, and for users who have special needs in nutrition special meals are provided. Center has double and 3-bed rooms with two big rooms for leisure time and two big dining rooms.

4.4. Analysis of competition - tourism on Palic

**Hotel Prezident ****

Its situated 8km from Subotica and 50m from Palic lake, on the edge of the one century old Park. Hotel has 4 apartments, 32 double rooms and 8 French bed rooms, bar with aperitifs, restaurant with capacity for 40 people, Turkish bath, Jacuzzi, summer
garden, balcony and own parking. Rooms are equipped luxurious, in every room there is TV, mini bar and telephone. Not far away from Hotel there is beach, tennis courts, yachting club and zoo. Hotel is recently built, with appropriate comfort and content, and it represents optimistic part of region. Price for one night with breakfast in double room is 6.900 Dinars, and one night with breakfast in suit is 9.400.

Hotel Park – Jezero ****

This Hotel is located only 7km from Subotica. Close to hotel there is famous "Great Park". In area of one kilometer you can find nice beaches: woman beach, men's beach and sandy beach with showers, shade, volleyball courts, boats, boards for yachting, sliding board for kids, bars and music. On men's beach there is wooden pier for sunbathing. Hotel also has swimming pool. Hotel has 25 single rooms, 35 double rooms and one-bed suit and 4 2-bed suits with mini bar, telephone and TV. In some rooms there is also option to make bed longer that is useful in case some athletes need that. Hotel is located 170 km from the airport. Price for one night with breakfast in double room is 3.930 rsd.

Hotel Lira ***

It is located in Hajdukovo. Hotel has 1 suit, 8 double rooms, and 3 rooms with double beds. All rooms have mini bar, TV and telephone. Close to hotel there are swimming pool, sports courts and horse farm.

Hotel Vinski Dvor ****

Hotel Vinski is located in Hajdukovo. Hotel has 5 suits, 20 single rooms, 35 double rooms. All rooms have mini bar, TV and telephone. Close to hotel there are swimming pool, sports courts and horse farm.

Vila Aleksandar

Vila Aleksandar has 3 double rooms, and 3 3-bed suits. Both rooms and suits have balcony, bathroom, TV and air-condition.

Pansion Guljas Carda

This pension is located in Palic. Capacity is 28 beds. There are 11 double rooms, and 2 3-bed rooms, with bathrooms, shower, TV, fridge and air-condition.

Majkin salas

This is traditional farm with restaurant that makes meals from Vojvodina region. It is located on Palic next to" Cvetni salas". There are 2 suits and 2 double with TV and mini bar. Guests are offered with traditional cuisine and education about culture and customs famous for this region.

Cvetni salas

It is located in Hajdukovo. Capacity is 4 suits. All suits have mini bar, TV, telephone and air-condition. There is a swimming pool only available for guests and 4 garages.
5. TECHNICAL-TECHNOLOGICAL SOLUTION OF THE PROJECT

5.1. Humanitarian center for the senior citizens

Management will sign a contract with Clinic in order to make cooperation with their doctors:

- 24 hours without interruption
- Total care
- Medical surveillance
- Older people who are mobile and independent
- Older people who are disabled and dependant
- Demented older people

In every shift there will be one person on duty
- permanent doctor
- head nurse
- nurse

Inside of complex there will be special designed Park for walking and relaxation.

Meals will be prepared daily inside of center and there will be adapted to every guest specially:

• 3 meals and 2 snacks
• Hygiene of clothes

Management of the company will make sure that everybody gets necessary help dependent and independent users, dependent users will have special regime for prevention of bedsores of and providing treatment if this already exists. This treatment is intended for all of people who can not provide right care to their loved ones.

Daily:

• Blood pressure control
• Giving therapy
• Blood sugar level
• Taking care of personal hygiene of users

If necessary:

• Vein therapy
• Injections
• Putting and taking out catheter
• Healing of bedsores
• Bandaging

In retirement home there will be organized purchase of medication, other medicines, and necessary helping devices for dependent and disabled users.

In case of need there is also physical therapy. If it's necessary to have urgent hospitalization we will organize ambulance. Geriatric center, retirement home will also have emergency rooms that will have constant video and medical surveillance and special beds for this purpose.
Nurses are always available for the users who are in some way dependent and they provide them help in dressing, feeding, bathing, hair brushing and walking. Hygiene care that users need is the main assignment of nurses, and also to all users there will be provided washing and ironing of clothes.

Special focus will be on entertainment and social life of users. They will have daily use of library, daily, weekly and monthly magazines. Besides TV, there will be possible to have movie nights choosing from big DVD collection available. We will organize small trips, trip to theater, many workshops, birthday celebrations and many other festivities. In this touristic complex it is planned to make dental office. Services will be available to users of geriatric part of center and also for users of hotel suits. This is very profitable and popular branch of tourism, because dental service in other countries is more expensive. Our teams of experts do not fall behind the others if we consider (education, equipment, experience, success), but price is significantly lower. Besides all this reasons additional reason to stay in this center is first-class furnished tourist center, with all possibilities and options that it contains.

5.2. Necessary workers

Investment suggests hiring of 28 new workers on indefinite period. In this chart is review of necessary workers and their salaries:

<table>
<thead>
<tr>
<th>Nº</th>
<th>POSITION</th>
<th>NUMBER OF PERSON</th>
<th>NET INCOME (EUR)</th>
<th>TAX</th>
<th>GROSS INCOME</th>
<th>ANNUAL INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Director, manager</td>
<td>1</td>
<td>800</td>
<td>504</td>
<td>1304</td>
<td>15648</td>
</tr>
<tr>
<td>2</td>
<td>Administrator of hotel branch</td>
<td>1</td>
<td>600</td>
<td>378</td>
<td>978</td>
<td>11736</td>
</tr>
<tr>
<td>3</td>
<td>Administrator of gerontology branch / doctor</td>
<td>1</td>
<td>700</td>
<td>441</td>
<td>1141</td>
<td>13692</td>
</tr>
<tr>
<td>4</td>
<td>Doctor</td>
<td>1</td>
<td>650</td>
<td>409,5</td>
<td>1059,5</td>
<td>12714</td>
</tr>
<tr>
<td>5</td>
<td>Nurses</td>
<td>6</td>
<td>350</td>
<td>220,5</td>
<td>570,5</td>
<td>41076</td>
</tr>
<tr>
<td>6</td>
<td>Administrative officer</td>
<td>1</td>
<td>350</td>
<td>220,5</td>
<td>570,5</td>
<td>6846</td>
</tr>
<tr>
<td>7</td>
<td>Main chef</td>
<td>2</td>
<td>350</td>
<td>220,5</td>
<td>570,5</td>
<td>13692</td>
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<tr>
<td>8</td>
<td>Restaurant chef</td>
<td>1</td>
<td>350</td>
<td>220,5</td>
<td>570,5</td>
<td>6846</td>
</tr>
<tr>
<td>9</td>
<td>Assistant chef</td>
<td>4</td>
<td>300</td>
<td>189</td>
<td>489</td>
<td>23472</td>
</tr>
<tr>
<td>10</td>
<td>Waiter</td>
<td>4</td>
<td>300</td>
<td>189</td>
<td>489</td>
<td>23472</td>
</tr>
<tr>
<td>11</td>
<td>Maid</td>
<td>4</td>
<td>250</td>
<td>157,5</td>
<td>407,5</td>
<td>19560</td>
</tr>
<tr>
<td>12</td>
<td>Security guard</td>
<td>2</td>
<td>250</td>
<td>157,5</td>
<td>407,5</td>
<td>9780</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>198.534</td>
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6. PLAN OF NECESSARY INVESTMENTS

6.1. Plan of necessary investments in basic means

<table>
<thead>
<tr>
<th>№</th>
<th>DESCRIPTION</th>
<th>TOTAL</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Making of project and permit license for construction</td>
<td>25.000</td>
<td>0,8</td>
</tr>
<tr>
<td>2</td>
<td>Purchasing of new lot</td>
<td>50.000</td>
<td>1,7</td>
</tr>
<tr>
<td>3</td>
<td>Construction of humanitarian center</td>
<td>1.000.000</td>
<td>33,3</td>
</tr>
<tr>
<td>4</td>
<td>Equip of center</td>
<td>875.000</td>
<td>29,2</td>
</tr>
<tr>
<td>5</td>
<td>Final payment for hotel to bank and previous owner</td>
<td>550.000</td>
<td>18,3</td>
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<tr>
<td>6</td>
<td>Adaptation of hotel</td>
<td>300.000</td>
<td>10,0</td>
</tr>
<tr>
<td>7</td>
<td>To equip a hotel</td>
<td>200.000</td>
<td>6,7</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>3.000.000</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

6.2. Plan of necessary investments in turnover means

<table>
<thead>
<tr>
<th>№</th>
<th>DESCRIPTION</th>
<th>ANNUAL NEEDS</th>
<th>TURNOVER PERIOD</th>
<th>NUMBER OF DAYS</th>
<th>TURNOVER RATIO</th>
<th>NECESSARY CURRENT ASSETS</th>
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<tbody>
<tr>
<td>1</td>
<td>Stock of material</td>
<td>438.404</td>
<td>30</td>
<td>365</td>
<td>12</td>
<td>36.033</td>
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<tr>
<td>2</td>
<td>Stock of work in progress</td>
<td>801.938</td>
<td>30</td>
<td>365</td>
<td>12</td>
<td>65.913</td>
</tr>
<tr>
<td>3</td>
<td>Stock of goods and products</td>
<td>801.938</td>
<td>30</td>
<td>365</td>
<td>12</td>
<td>65.913</td>
</tr>
<tr>
<td>4</td>
<td>Receivables</td>
<td>1.407.470</td>
<td>2</td>
<td>365</td>
<td>183</td>
<td>7.712</td>
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# 7. ECONOMICAL-FINANCIAL ANALYSIS

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TOTAL: 406.204
7.2.3. Expenses of amortization and reservation

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7.2.4. Expenses of earnings, compensation of earnings and other personal expenses

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### 7.3. Plan of profit and loss account

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# 8. EVALUATION OF THE EFFICIENCY OF BUSINESS PLAN

## 8.1. Financial course

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<td>651.938</td>
<td>651.938</td>
<td>651.938</td>
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<td>60.553</td>
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<td>694.979</td>
<td>694.979</td>
<td>694.979</td>
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<td>694.979</td>
<td>694.979</td>
<td>694.979</td>
<td>2.263.812</td>
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- € -
## 8.2. Economical course

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<td>- Current assets</td>
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<td>4. Financing expenses</td>
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8.3. Net of current value

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### 8.4. Time of recurrence of investment

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<td>431,527</td>
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Time of recurrence of investment is $T = 6$ years and 2 months
### 8.5. Internal rate of return

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<td>392.297</td>
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Internal rate of return is 20.89%
## 8.6. Lower rate of profitability

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<td>MARGINAL RESULT</td>
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</tr>
<tr>
<td>5</td>
<td>POINT OF RETURN</td>
<td>527.996 527.996 527.996 527.996 527.996 527.996 527.996 527.996 527.996 527.996</td>
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9. CONCLUSION OF THE EVALUATION OF THE PROJECT

Program of investment in adaptation, renovation and equipping Hotel and constructing humanitarian center for elderly people, whose investor is economical company Vojvodjanski Biser d.o.o. from Palic is economically and technically justified, from the point of Investor and also from the point of community and society, that is explained in this business plan and it is reflected in following:

1. According to all kinds of deduced statistic and dynamic estimations analysis of investment efficiency indicates that we are dealing with a very profitable and lucrative project with an extremely low risk level.
2. Adaptation, building extension, furnishing hotel and construction of humanitarian gerontology center for senior citizens
3. It is planned to hire 28 members of stuff on indefinite period of time
4. Project is safe for the environment and it doesn’t endanger water, ground and air
5. Time period of recurrence of investment is 6 years and 2 months and it is short if we think of amount of investment
6. After building and renovating complex of humanitarian center for senior citizens, unique institution will be created for accommodation of elderly people in territory of Serbia with all the services that will provide.
7. For planned work there is certain market of selling
8. First time in this region there is opportunity for families of elderly people to stay for couple of days, that is very important for socializing of younger people and it has great psychological influence on elderly people.