

# Homa Travel Agency

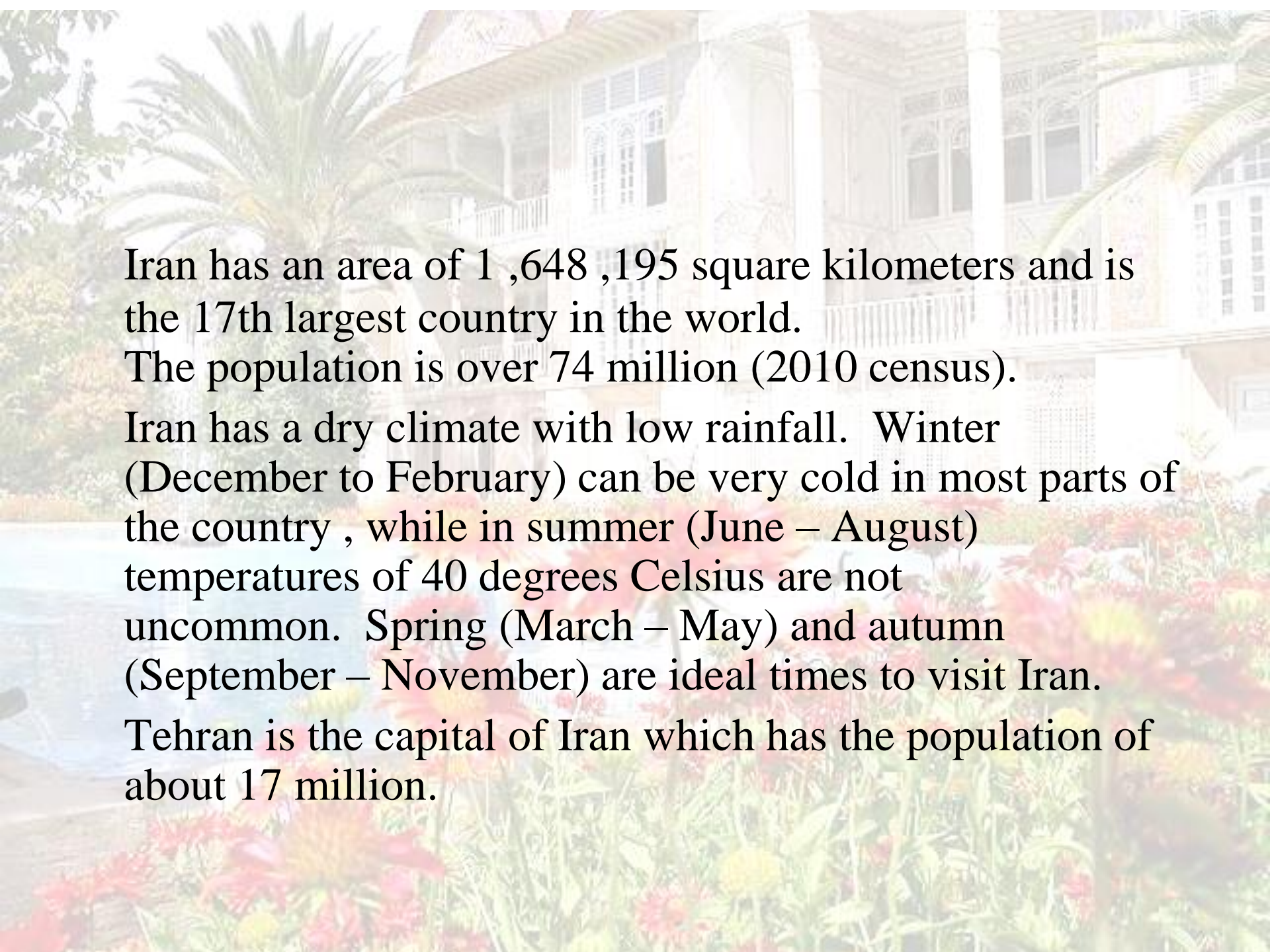


## Introduction

This project concerns to create a travel agency.

The main office is located in the Frankfurt Airport and the second one would be in International IKA in Tehran.

Homa agency offers sightseeing package tours to customers providing travel related products and services to Iran.



Iran has an area of 1,648,195 square kilometers and is the 17th largest country in the world. The population is over 74 million (2010 census). Iran has a dry climate with low rainfall. Winter (December to February) can be very cold in most parts of the country, while in summer (June – August) temperatures of 40 degrees Celsius are not uncommon. Spring (March – May) and autumn (September – November) are ideal times to visit Iran. Tehran is the capital of Iran which has the population of about 17 million.

## The most famous tourist cities of Iran:

- ✚ Tehran
- ✚ Isfahan
- ✚ Shiraz
- ✚ Tabriz
- ✚ Kish Island
- ✚ Yazd
- ✚ Kerman



# Tehran

It has been Iran's capital for over 200 years.

With nearly 9 million inhabitants Tehran Province is Iran's most densely populated province.

Tehran is a city of four seasons, with hot summers, freezing winters, and brief spring and autumn.



## Milad tower

Milad tower with the height of 435m is the 4<sup>th</sup> tallest tower in the world after CN tower (in Toronto), Ostankino tower (in Moscow) and Oriental pearl tower (in Shanghai) and also 12<sup>th</sup> tallest freestanding structure in the world.



# Shiraz

Shiraz is known as the city of poets, wine and flowers.

It is a major tourist destination in Iran which attracts tourists from all over the world.



## Persepolis

Old Persian: *Pārsa*, Modern Persian: *Takht-e Jamshid* or *Chehel Minar* was the ceremonial capital of the Persian empire during the Achaemenid dynasty. Persepolis is situated 70 km northeast of the modern city of Shiraz in the Fars Province.





# Isfahan

Isfahan is regarded as a city of lush gardens, historic bridges and Islamic art.

The tourist attraction of this city is its architecture and its economy consists of textiles, steel, handicrafts, carpets and more.



## **Bridge of 33 Arches**

Probably, this is the most famous bridges of Isfahan. It is made up of a series of 33 arches. The bridge is built on a series of pontoons of great width and there is a famous tea-house amongst them.



## **Kish Island**

Kish Island has a unique situation in the strategic Persian Gulf region among tens of large and small islands. This island is so beautiful and attractive that it has become known as the Pearl of the Persian Gulf since ancient times.



## **Greece Ship**

On July 26, 1966, Kish Island residents saw a huge ship beached on the western coral coast of the island.

Most people believe that the ship ran aground because there are few lighthouses in the area or maybe an error in the calculations of the captain. Several experts researched on how to remove the ship. It was concluded that it was not practical to move the ship. The decision was made to keep it in place.



# Market Study

Parameter	Spec. Assumptions	Comments
Total Production	24-48 tours per year	-
Capacity	2-4 tours per month	-
Selling prices ex factory	150-200 (€/Day)	-
Our Selling Price	140-220 (€/Day)	-
Place of Office 1	Frankfurt Airport / Germany	-
Place of Office 2	Tehran IKA Airport/Iran	-
Work time/production time (Office 1)	5 days/week Two shift of 8 hours	First Shift: 8-16 Second Shift: 16-24
Work time/production time (Office 2)	5 days/week	Shift : 8-16
Service	Travel package Tours	-

# Labor intensive vs. Capital intensive

Labor intensive	Capital intensive (office 1)	Capital intensive (office 2)
Service 24 h/day	Service 16 h/day	Service 8 h/day
7 days/week	5 days/week	5 days/week
Service turning 365 days/y	Service turning 220 days/y	Service turning 220 days/y

## Investments & Depreciation Costs (office 1 equipment)

Item Description	Quantity	Unit Cost (€)	Total Cost (€)	Depreciation (Years)	Cost of Depreciation (€/ Year)
PC	2	1200	2400	5	480
Desk	2	200	400	10	40
Chair	4	150	600	10	60
Telephone	2	100	200	10	20
Printer (4 in 1)	1	800	800	10	80
Commode	2	250	500	10	50
Refrigerator	1	200	200	10	20
Microwave	1	60	60	10	6
Coffee maker	1	200	200	10	20
Additional expenses	1	1000	1000	-	-
Total	-	-	6360	-	776

## Investments & Depreciation Costs (office 2 equipment)

Item Description	Quantity	Unit Cost (€)	Total Cost (€)	Depreciation Years	Cost of Depreciation (€/ Year)
Office(30 $m^2$ )	1	23076	23076	20	1153.8
PC	2	1000	2000	5	400
Desk	2	200	400	10	40
Chair	4	120	480	10	48
Telephone	2	70	140	10	14
Printer (4 in 1)	1	700	700	10	70
Commode	2	225	450	10	45
Refrigerator	1	150	150	10	15
Microwave	1	50	50	10	5
Coffee maker	1	175	175	10	17.5
Additional expenses	1	700	700	-	-
Total	-	-	28321	-	1808.3



# Result of Office Investment & Depreciation Cost

	Total Cost (€)	Cost of Depreciation (€/ Year)
Office 1	6360	776
Office 2	28321	1808.3
<b>Total</b>	<b>34681</b>	<b>2584.3</b>

# Labour Cost

Personals in cost centre	Unit	Unit Personal direct cost (€/ Month)	Unit Personal direct cost (€/ Year)	Total Personal direct cost (€/ Year)
Employee for office 1	4	1600	19200	76800
Employee for office 2	2	300	3600	7200
Employee for Commercial	1	1400	16800	16800
Total	7	3300	39600	100800

# Facility Cost

Item description	Quantity	Unit	Unit Cost (€)	Amount (€)	Depreciation Period (Years)	Depreciation Cost (€/ Year)
Building rent	1	Year	11400	11400	0	-
Insurance (office 2)	1	Year	2400	2400	0	-
Registration Cost	-	-	Lump Sum	450	0	-
Total	-	-	-	14250	0	-

# Total investment

Investment description	Amount (€)	Depreciation Cost (€)
Office 1 equipment	6360	776
Office 2 equipment	28321	1808.3
Labour Cost	100800	-
Facility Cost	14250	-
Consumption Cost	67200	-
Total	216931	2584.3

# Consumption Cost

Material Type	Quantity	Unit	Price (€)	Amount (€)
Utility (Tel)	1	Year	200+30	2760
Energy (electricity)	1	Year	100+20	1440
Maintenance Cost	1	Year	250	3000
Marketing Cost	1	Year	5000	60000
Total	-	-	-	67200

Shareholders:

- ❖ Mohammad Abedpour
- ❖ Kaveh Nazeri



## Total of investment and financing

Total investment (€)	216931
60% by shareholders (€)	130158.6
40% by an Iranian Bank (€)	86772.4



# **Calculation of financing costs**

## **Interest paid on debt**



Year	Balance of debt	Interest rate(%)	Interest Costs Paid	Repayment
1. Year	86772.4	10	8677.2	8677.2
2. Year	78095.2	10	7809.5	8677.2
3. Year	69418.2	10	6941.8	8677.2
4. Year	60741.2	10	6074.1	8677.2
5. Year	52064.2	10	5206.4	8677.2
6. Year	43387.2	10	4338.7	8677.2
7. Year	34710.2	10	3471	8677.2
8. Year	26033.2	10	2603.3	8677.2
9. Year	17356.2	10	1735.6	8677.2
10. Year	8679.2	10	867.9	8677.2
Total Interest Paid	-	-	47725.7	-
Total repayment	-	-	-	86770.2

# Plan of Tour Packages

Tour Package	Duration (days)	Time
Persian Gulf	8	Winter
Ski	7	Winter
Zand	7	Spring
Hunting	7	Spring
Castle	12	Summer
Carpet waving	7	Summer
Caspian	8	Fall
Kavir	7	Fall

# **Samples of Tour packages program**

## **Persian Gulf Tour**

Day 1: Arrived in Tehran Transfer to hotel, city tour. O/N Tehran.

Day 2: Flight to Isfahan to see historical bridges, Friday mosque, Vank Cathedral. O/N Isfahan.

Day 3: Full day city tour to visit Naqsh-e- jahan square, Chehel-Sutun Palaces, Jameh mosque Ali-Qapu palace Sheikh Lutfullah Mosque Bazaar O/N Isfahan.

Day 4: Flight to Shiraz Excursion to Perspolis, Pasargad, Naqsh-e-Rostam, return to Shiraz visit Shah-e-Cheragh O/n Shiraz.

Day 5: Half day city tour in Shiraz to visit Eram Garden, Hafez and Saadi tombs evening Flight to Kish Island.

Day 6: Free Kish Island O/N Kish.

Day 7: Flight to Tehran city tour to visit archaeological & Sadabad museum palaces.

Day 8: Flight back home

# **Tour packages program**

## **Ski Tour**

Day1: Arrival in Tehran , Meeting & Greeting at Airport , Transfer to Hotel , having lunch , Afternoon National & Abgineh (blown glass) & carpet museum , over night Tehran.

Day 2: Drive to Dizin, full day tour , over night Dizin.

Day3 : full day tour , over night Dizin.

Day4 : full day tour , over night Dizin.

Day5 : full day tour , over night Dizin.

Day 6: full day tour , over night Dizin.

Day 7: drive to Tehran , Transfer to hotel , accommodation in hotel, flight back home.

# Hotels & rates

City	Hotel	Stars	Single room(€)	Double room(€)
Tehran	Laleh Hotel	4	80	94
Shiraz	Homa Hotel	4	50	87
Isfahan	Abbasi Hotel	4	67	102
Kish Island	Daryush Grand Hotel	4	102	122
Rasht	Cadus Hotel	4	38	50
Anzali	Sefid-kenar Hotel	4	28	41
Ramsar	Kowsar Hotel	3	40	40
Qazvin	Marmar Hotel	4	29	36
Tabriz	Intl.El Goli Pars Hotel	4	53	77
Maragheh	Darya Hotel	3	22	28
Zanjan	Asia Hotel	3	26	48
Golestan	Esteghlal Hotel	3	18	22
Kashan	Amirkabir Hotel	3	22	33
Yazd	Safaieh Hotel	4	48	70
Kerman	Intl. Pars Hotel	4	53	77
Ardebil	Mahdi Hotel	3	20	28

## Tour Package Self-Cost (€/Person)

	Zand	Persian Gulf	Caspian	Castle	Ski	Hunting	Carpet Waving	Kavir
Flight ticket	360	440	360	400	440	360	400	360
Hotel accom.	S:432 D:296	S:534.4 D:356.8	S:325.6 D:196.8	S:490.4 D:322.4	S:480 D:283.2	S:233.6 D:137.6	S:350.4 D:255.6	S:405.6 D:249.6
Bus transfer	24	27.2	27.2	38.4	24	24	24	24
Domestic Flight	128	164	0	0	0	0	32	72
Catering	84	96	96	144	56	84	84	84
Entrance fees	12	20	12	12	12	12	12	12
Tour leader	16	18.4	18.4	28.8	4	4	16	16
Insurance	23	23	23	23	23	23	23	23
Total Price	S:1074.4 D:943	S:1300 D:1145.4	S:862.2 D:733.4	S:1136.6 D:968.6	S:1039 D:842.2	S:740.6 D:644.6	S:941.4 D:816.6	S:996.6 D:840.6

## Tour package Sell-price (€/Person)

Tour Packages	Self Price		Benefit	Sell Price	
	Single Price	Double Price		Single Price	Double Price
Persian Gulf	1300	1145	400	1700	1545
Ski	1039	842.2	400	1439	1242
Zand	1074.4	938.4	400	1474.4	1338.4
Hunting	740.6	644.6	400	1140.6	1044.6
Castle	1136.6	968.6	400	1536.6	1368.6
Carpet waving	941.4	816.6	400	1341.4	1216.6
Caspian	682.2	733.4	400	1082.2	1133.4
Kavir	996.6	840.6	400	1396.6	1240.6

## Tour package Self-price for first Year (€/Tour)

Tour Packages	No. of pass.	Jan	Feb	March	Apr	May	Jun
Persian Gulf	26=>S:8, D:18	31010	31010	31010	-	-	-
Ski	26=>S:8, D:18	23471.6	23471.6	23471.6	-	-	-
Zand	22=>S:6, D:16	-	-	-	21460.8	21460.8	21460.8
Hunting	18=>S:6, D:12	-	-	-	12178.8	12178.8	12178.8
Sum	92	54481.6	54481.6	54481.6	33639.6	33639.6	33639.6

Tour Packages	No. of pass.	Jul	Aug	Sep	Oct	Nov	Dec
Castle	22=>S:6, D:16	23997.2	23997.2	23997.2	-	-	-
Carpet waving	26=>S:8, D:18	22230	22230	22230	-	-	-
Caspian	24=>S:8, D:16	-	-	-	17192	17192	17192
Kavir	18=>S:6, D:12	-	-	-	16066.8	16066.8	16066.8
Sum	90	46227.2	46227.2	46227.2	33258.8	33258.8	33258.8



## Tour package Sell-price for first Year (€/Tour)

Tour Packages	No. of pass.	Jan	Feb	March	Apr	May	Jun
Persian Gulf	26=>S:8, D:18	41410	41410	41410	-	-	-
Ski	26=>S:8, D:18	33871.6	33871.6	33871.6	-	-	-
Zand	22=>S:6, D:16	-	-	-	30260.8	30260.8	30260.8
Hunting	18=>S:6, D:12	-	-	-	19378.8	19378.8	19378.8
Sum	-	75281.6	75281.6	75281.6	4963.6	4963.6	4963.6

Tour Packages	No. of pass.	Jul	Aug	Sep	Oct	Nov	Dec
Castle	22=> S:6, D:16	32797.2	32797.2	32797.2	-	-	-
Carpet waving	26=> S:8, D:18	32630	32630	32630	-	-	-
Caspian	24=>S:8, D:16	-	-	-	26792	26792	26792
Kavir	18=> S:6, D:12	-	-	-	23266.8	23266.8	23266.8
Sum	-	65427.2	65427.2	65427.2	50058.8	50058.8	50058.8

# Utilization of Tour Capacity


	1. Year	2. Year	3. Year	4. Year	5. Year	6. Year	7. Year	8. Year	9. Year	10. Year
Utilization of tour capacity	50%	50%	75%	75%	100%	100%	100%	100%	100%	100%
Number of tours	24	24	36	36	36	48	48	48	48	48
Number of passengers	546	546	822	822	822	1098	1098	1098	1098	1098

## Total Self & Sell Prices (€/Year)

	Total self price	Total sell price	Difference
1.Year	502821.6	721221.6	218400
2.Year	502821.6	721221.6	218400
3.Year	764088.8	1092888.8	328800
4.Year	764088.8	1092888.8	328800
5.Year	764088.8	1092888.8	328800
6.Year	1025356	1464556	439200
7.Year	1025356	1464556	439200
8.Year	1025356	1464556	439200
9.Year	1025356	1464556	439200
10.Year	1025356	1464556	439200

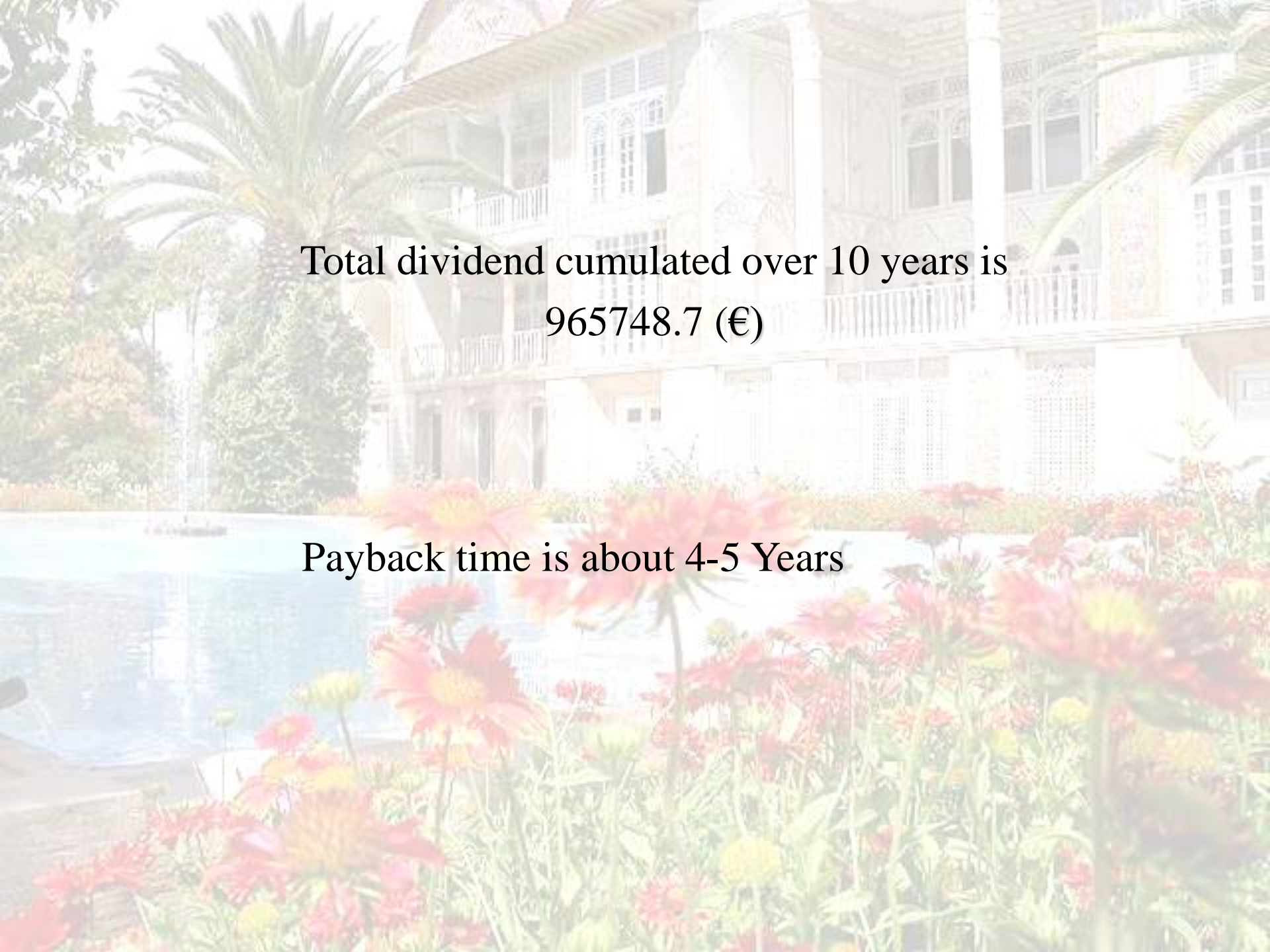
# Revenue Calculation

	1.Year	2.Year	3.Year	4.Year	5.Year	6.Year	7.Year	8.Year	9.Year	10.Year
Output (Tours)	24	24	36	36	36	48	48	48	48	48
Zand (€)	90782.4	90782.4	151304	151304	151304	211825.6	211825.6	211825.6	211825.6	211825.6
Persian Gulf (€)	124230	124230	207050	207050	207050	289870	289870	289870	289870	289870
Caspian (€)	80376	80376	133960	133960	133960	187544	187544	187544	187544	187544
Castle (€)	98391.6	98391.6	163986	163986	163986	229580.4	229580.4	229580.4	229580.4	229580.4
Ski (€)	101614.8	101614.8	135486	135486	135486	169358	169358	169358	169358	169358
Hunting (€)	58136.4	58136.4	77515	77515	77515	96894	96894	96894	96894	96894
Carpet waving (€)	97890	97890	130520	130520	130520	163150	163150	163150	163150	163150
Kavir (€)	69800.4	69800.4	93067	93067	93067	116334	116334	116334	116334	116334
<b>Revenue (€)</b>	<b>721221.6</b>	<b>721221.6</b>	<b>1092889</b>	<b>1092889</b>	<b>1092889</b>	<b>1464556</b>	<b>1464556</b>	<b>1464556</b>	<b>1464556</b>	<b>1464556</b>



**Computation of cash-flow**  
**for 10 years (€)**

	1.Year	2.Year	3.Year	4.Year	5.Year	6.Year	7.Year	8.Year	9.Year	10.Year
Revenue	721221.6	721221.6	1092889	1092889	1092889	1464556	1464556	1464556	1464556	1464556
Self cost of Tours	502821.6	502821.6	768088.8	768088.8	768088.8	1025356	1025356	1025356	1025356	1025356
Depreciation Cost	2584	2584	2584	2584	2584	2584	2584	2584	2584	2584
Labour Cost	100800	100800	100800	100800	100800	100800	100800	100800	100800	100800
Financing Cost	8677.2	7809.5	6941.8	6074.1	5206.4	4338.7	3471	2603.3	1735.6	867.9
Cons. Cost	67200	67200	67200	67200	67200	67200	67200	67200	67200	67200
Facility Cost	14250	14250	14250	14250	14250	14250	14250	14250	14250	14250
Profit before Tax	24888.8	25756.5	133024.4	133892.1	134759.8	250027.3	250895	251762.7	252630.4	253498.1
Tax (40%)	9555.52	10303.6	53209.76	53556.84	53903.92	100010.92	100358	100705	101052.2	101399.2
Profit after Tax	14933.28	15453.9	79814.64	80335.26	80855.88	150016.38	150537	151057.6	151578.2	152098.9
Cash Flow	17517.28	18037.9	82398.64	82919.26	83439.88	152600.38	153121	153641.6	154162.2	154682.9
Repayment Credit	8677.2	8677.2	8677.2	8677.2	8677.2	8677.2	8677.2	8677.2	8677.2	8677.2
Dividend	8840.08	9360.7	73721.44	74242.06	74762.68	143923.18	144443.8	144964.4	145485	146005.7



Total dividend cumulated over 10 years is  
965748.7 (€)

Payback time is about 4-5 Years



**Thank You for Your  
Attention**