UTOS
UNIT TRUST OF SAMOA
Smart investment for a better future.

2022

ANNUAL REPORT
30 JUNE 2022

Development Bank of Samoa (DBS) Building, Level 3 | www.utos.ws

For more information please contact 26949/29916.

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MANAGER'S REPORT

Despite the social and economic implications of the lockdown caused by the coronavirus disease 2019 (Covid – 19), exacerbated by global humanitarian crisis resulting from geo-political tensions, the Trust remained resilient as reflected in its performance.

We are delighted to report that the investment portfolio has exceeded its long-term target of SAT$200 million, recording a 20% increase for a total investment portfolio of SAT$202 million for the period ended 30th June 2022.

The Trust maintained its dividend pay-out rate of 8-sene per unit (dividend yield: 4.52%) and allocated a total of $7.50 million for distribution. This allocation was the highest the Trust has earmarked for dividend pay-outs since it was established. The socio-economic impact was significant, in that more than 4,000 unitholders were entitled to the pay-out thus spreading a slice of wealth across the economy. In addition to the annual dividends, the unit price also increased over the 12-month period with a capital growth of 4.73% bringing the total return to unitholders for financial year 2021/2022 to 9.25%.

GOVERNANCE

The Manager for the Trust maintains its commitment to comply with all relevant regulatory requirements, in the jurisdictions that the Trust operates in.

The Board of Directors for the UTOS Management Ltd and Trustees of the UTOS Trust upholds good corporate governance principles and best practices with the highest integrity and due diligence. This is to ensure transparency in governance and high probity in decision making are comprehended in the best interest of the unit-holders.

PERFORMANCE

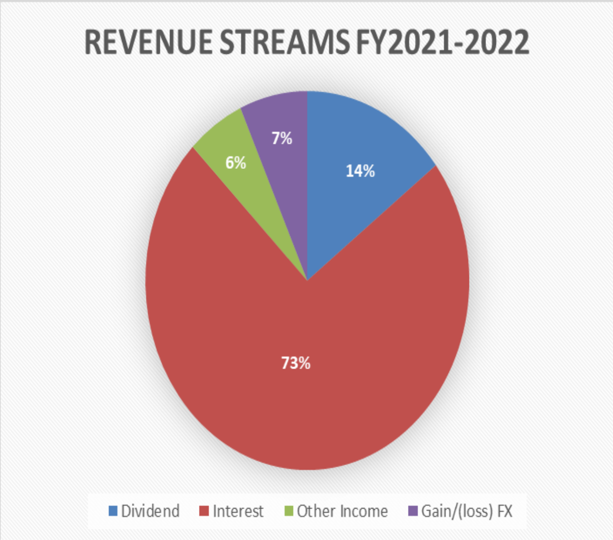
Total Income was reduced by 25% to SAT$9.87 million for FY2022 compared to the prior year. This is directly attributable to a one-off gain on disposal of equity investment that was recorded in FY2021. Expenses remained controlled closing off the year with a total of SAT$3.89 million, a reduction of 6% from FY2021. Overall, the Trust maintained its Total Comprehensive Income at an average of SAT$7.00 million in line with the past two years.

Income

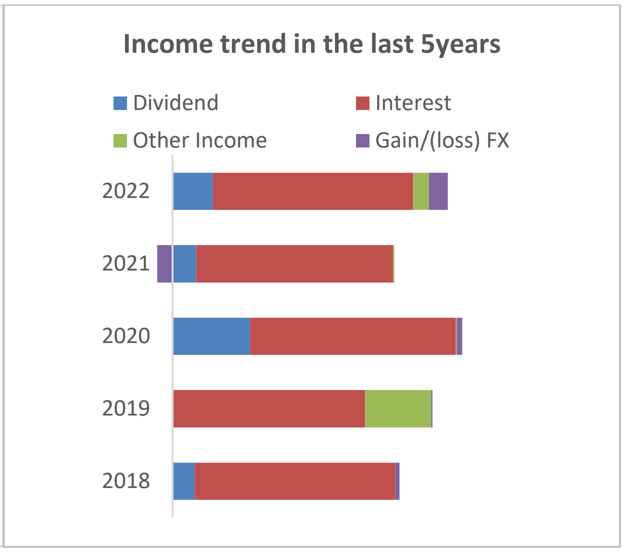
A Total Income of SAT$9.87 million was recorded for the 12 month period, which was 25% lower than the previous year. The key factor for this comparative difference was a one-off gain on disposal of equity investment that was recorded in FY2021.

Movements of key income line items are detailed below;

- 73% of Total Income is generated from Interest Income. This is earned on funds lent out to State Owned Enterprises, Term Deposit Facilities and On-call cash holdings.
- Dividend Income from equity investments contributes to 14% of total income. As the equity portfolio increases we anticipate this income stream to continue to grow over the coming years.
- Foreign exchange fluctuations have a significant impact on the Trust performance and movements over the 12 months were favourable with an overall gain of SAT$671,000 compared to an overall loss of SAT$548,000 recorded in the previous year.



Graph 1: Income Streams FY2021-2022



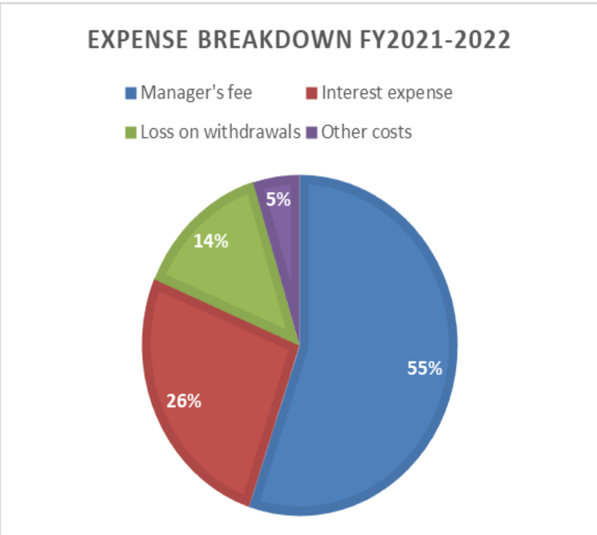
Graph 2: Income trend for the last 5 years

Expenses

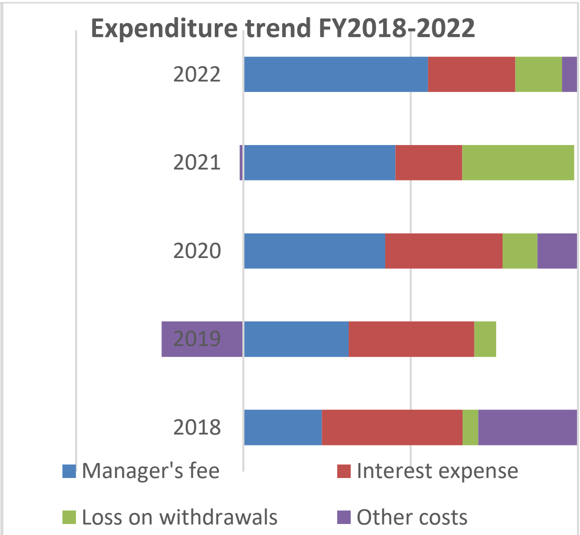
Total Expenditure for the year amounted to SAT$3.89 million compared to SAT$4.16 million last year. Expenses remained controlled with a stable overall trend in line with the prior years.

Movements of key expense items are detailed below;

- The key expense item for the Trust is the Manager's Fee which contributes to 56% of the total spending. This Fee is paid to the Management Company and is utilised for all its operational costs that are incurred in managing the Trust.
- Interest paid on borrowings through Convertible and Promissory Notes represents 26% of total expenses. This expense item increased by 20% compared to the previous year. This is a result of the Trust taking on more borrowings during the period to assist with financing of its investment commitments.
- Loss on withdrawal of units significantly declined by 61% compared to the prior year. The reduction is attributable to a one-off large volume withdrawal carried out by a single unitholder in FY2021.
- Expected credit loss of $118,000 was taken up in the current year to recognise any impairment should loan commitments default.

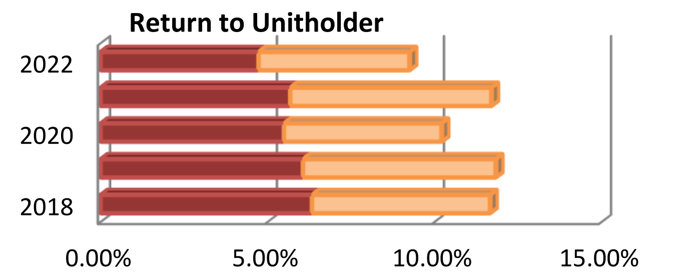


Graph 3: Expenditure streams FY2021-2022



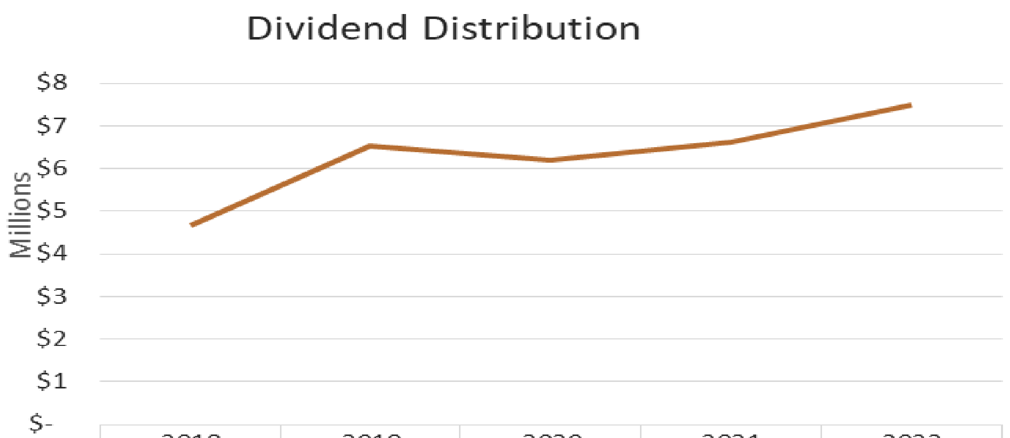
Graph 4: Expense trend for the last 5years

Return to Unit-holders
The dividend per unit was maintained at 8-sene in line with the last two years. As the number of units on issue continues to increase, the total allocation for distribution was valued at SAT$7.50 million making it the highest pay-out in the history of the Trust. Overall, the dividend per unit translates to a dividend yield of 4.52%, coupled with capital growth resulting from the increase in unit price of 4.73% bringing the total return to 9.25%. The total return is lower compared to the prior year; however, this achievement remains commendable with the current overall market performance against similar market instruments.



	2018	2019	2020	2021	2022
Dividend Yield	6.33%	6.06%	5.49%	5.68%	4.73%
Capital Growth	5.33%	5.77%	4.72%	6.02%	4.52%

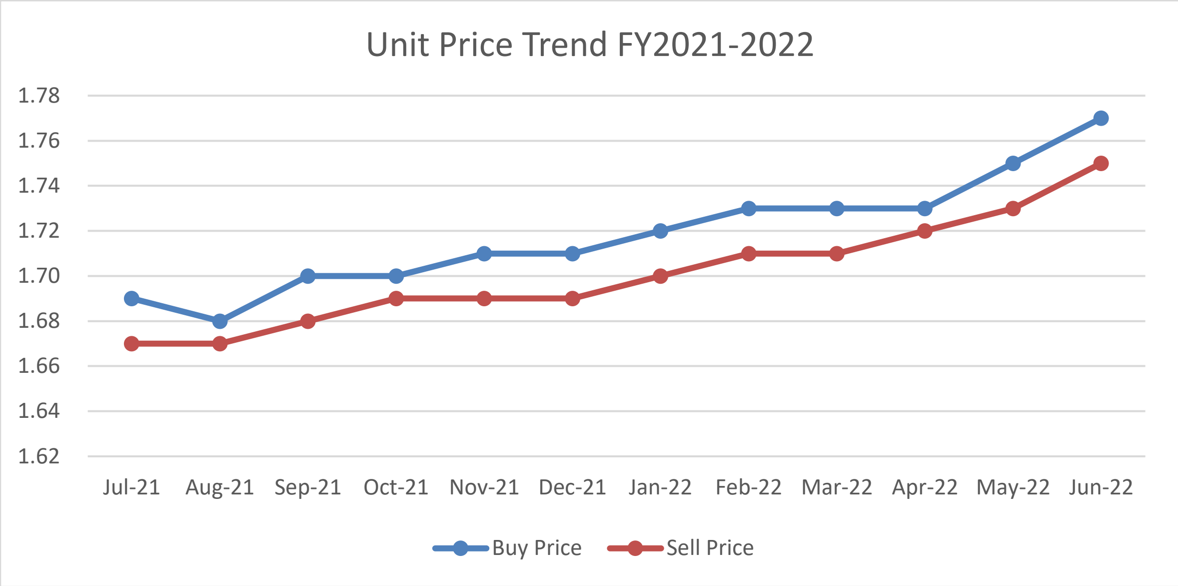
Graph 5: Historical Total Return to Unitholder



	2018	2019	2020	2021	2022
Dividend	$4,680,412	$6,519,155	$6,193,450	$6,609,589	$7,505,503

Graph 6: Historical Dividend Distribution

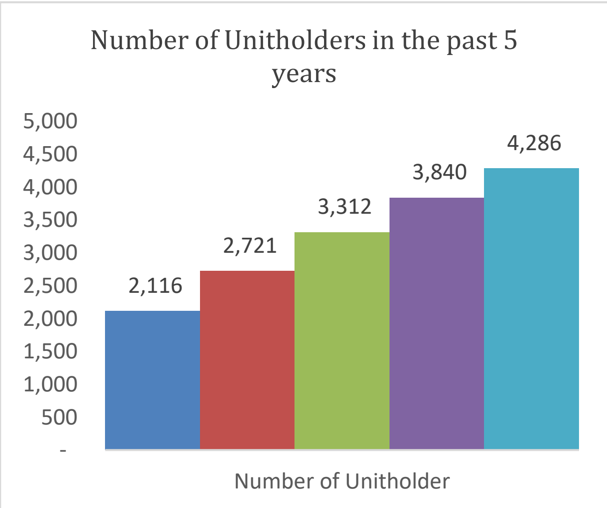
UNIT PRICE
Over the 12 months period, the Trust recorded an eight (8) sene increase in unit price which equates to 4.73% in capital gains. This increase in the value of the unit has a positive direct impact to the unitholders' investment as they continue to hold their funds with the Trust long term.

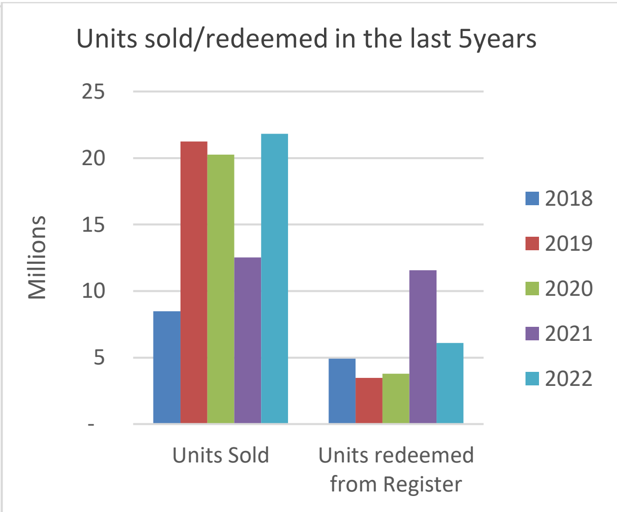


Graph 7: Movement in unit price within FY2021/2022

UNITHOLDERS

Unitholder numbers continue to grow at an average growth rate of 16% over the last 5 years. In the FY2022, we recorded a total of 524 new accounts compared to 629 in the previous year. However, due to family obligations and other commitments, a total of 78 investors left the Trust Fund compared to a 100 investors last year. The continuous increase in number of unitholders is a testament to heightened awareness across the communities through advertising, roadshows and digital marketing. More people are learning about the Trust and the benefits that it has to offer them.





Graph 8: Number of Unit-holders

Graph 9: Units Sold & Redeemed

It was anticipated that there would be a run on the on-call funds held with the Trust given the pandemic pressures. The actual results have shown otherwise with more unitholders opting to invest their funds as shown by the 28% increase in unit sales relative to the previous year. This is equivalent to 4.8 million units (valued at SAT$8.45 million) higher than unit sales in FY2021.

Redemptions during the year significantly dropped by approximately 5.5 million units (valued at SAT$8.10 million). This is reflected also in the drop in loss on units withdrawn as portrayed in the Profit and Loss statement.

INVESTMENT PORTFOLIO

The Trust recorded a significant growth in its investment portfolio, with a 20% increase compared to prior year resulting in a total portfolio of SAT$202 million for the year ended 30th June 2022. Despite the ongoing disruptions, the Manager persevered to execute commercially viable opportunities that existed in its investment pipeline. We are positive that the newly executed investments, and active monitoring of investments will result in a sustainable and resilient investment portfolio.

Equity Investments

During the year the Board approved two significant new equity investments.

i. A total of SAT$21 million (USD$8million) went towards a direct equity investment into ATH International Ventures (Singapore) for the financing of the Vodafone PNG project. This investment was done in conjunction with the Samoa National Provident Fund to achieve the scale required to obtain a seat on the Board of Directors for the company.
ii. A total of SAT$13 million went towards the acquisition of shares of BSP Financial Group Ltd; an opportunity that has been in the pipeline for a while now and has finally come to fruition.

Together with the revaluation of the existing equities, the equity portfolio increased by 82% compared to the previous year. This is a major shift with equity investments now making up 40% of the total investment portfolio.

These investments have been made with a long-term horizon perspective, and Management is optimistic that it will yield positive results for the unitholders while remaining wary of its volatile and high-risk nature.

Capital Notes/Finance Lease

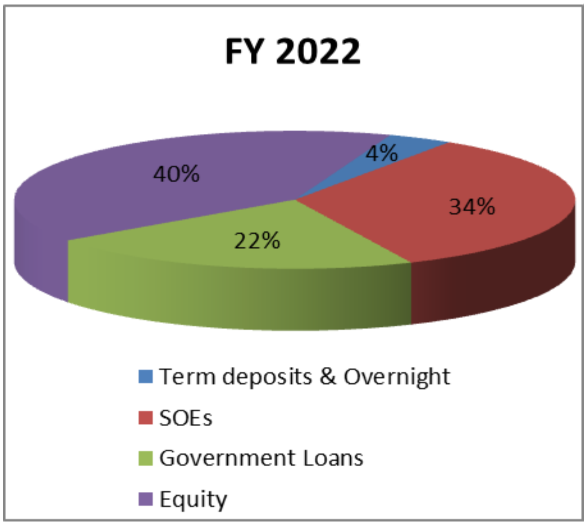
Despite the shift towards equity, Management maintained a prudent portfolio allocation towards its lending facilities. These are funds lent to State Owned Enterprises or directly to Government for their intended projects. These lending facilities are secured with a Government Guarantee and are the most secured form of investment providing consistent and stable returns despite economic uncertainties. Disbursements during the year amounted up to $29 million

Cash & Cash Equivalents

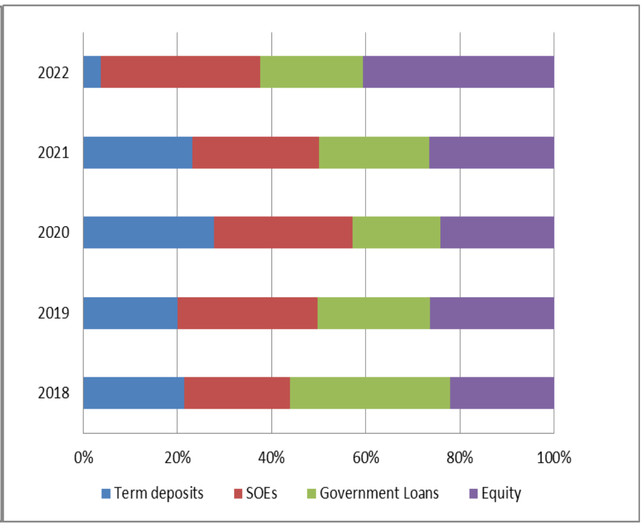
Cash and cash equivalents balance for the year has significantly dropped by 50% compared to previous year. Excess cash that was earmarked for certain investment securities in the prior years were disbursed during this period thus reducing the cash holdings.

Source of Funding for Investments

The Fund continues to grow and become self- funded through unit sales. During the year, the fund took on new borrowings to fund its investment pipeline, but remains predominantly funded by unitholder funds.



Graph 10: Investment Portfolio Allocation FY21/22



Graph 11: Portfolio Allocation Trend in the last 5 years

Total Assets increased by 20% to $204 million tala compared to last year. This increase is primarily due to the growth in investment portfolio as new investments were completed during the period.

Total Liabilities increased from $30.85 million to $45.45 million tala this financial year. The increase is predominantly driven by the issuance of new Promissory Notes that were required to fund new investments.

Total Net Assets increased to $159 million this year compared to $139 million reported in the last financial year. The 14% is a collective impact of the following factors;

- Increase Fair Value of Equities both listed and unlisted
- Increase in Subscriptions from unit-holders by $8.4 million and;
- A drop in Unit redemptions during the year by over 50% compared to FY2020/2021

INFORMATION TECHNOLOGY

Since the pandemic, the Trust has successfully shifted operations to digital platforms. The need to adapt to change, has driven Management to take actions and shift towards online channels to ensure minimal disruptions to operations should national lockdown enforced.

Throughout the year, Board of Directors' meetings as well as staff discussions were conducted online via zoom. New procedures have now been implemented to cater for unit-holders' withdrawals. This includes the use of direct bank transfers to allow unitholders to receive their funds in their nominated bank accounts. We have also imposed procedures and processes to work remotely in the event of mandatory lockdowns, to ensure the office continues to operate and serve our unit-holders.

Additional digital avenues were launched to allow unitholders to purchase units from overseas through KlickEx and the Vodafone M-Tala platform. Our accounting software is now hosted on the cloud, providing much suitability for our staff throughout lockdown periods. This provides guarantee that our financial operations and reports can be accessed and retrieved at any point in time.

While technology shift has delivered full potential in productivity and growth of the Trust, the threat of cyber-attacks still remains. We have incorporated high security measures as an integral part of system designs and operations to reduce exposure to cyber-attacks and mitigate security risks that may arise.

Our cyber security resilience platforms with UpGuard and ZEST IT service level agreements have been renewed for another 12 months.

FUTURE OUTLOOK

As we write this report, a sense of normality has resumed with borders now re-opened to the world after two years of restrictions. Management continues to look at significant commercially viable investments that will continue to boost the performance of the Trust. We envisage positive performance for the financial years ahead as our long-term investments start to mature.

Our existing network of partners through regional investments and being part of the Pacific Island Investment Forum will allow the Trust to access large scale investment opportunities that we cannot access alone.

Management will also continue to raise awareness of the benefit of UTOS and boost the number of unitholders. This enables the distribution of wealth to all levels of the economy through the affordability and accessibility of UTOS as an investment vehicle.

The work required to counter and manage new challenges ahead, have been incorporated in the Corporate Plan for the next four years to ensure UTOS is sustainable and financially able to deliver its overall mission and vision in the foreseeable future.

The mandatory shift to digital platforms has been beneficial on both sides and we anticipate a growth in online users in the upcoming years.

Lastly, employee development and building their capacity to carry out the mandate of the company will continue to be of priority focus.

ACKNOWLEDGEMENT

We acknowledge the support of the Unitholders, the Government of Samoa and all stakeholders who have supported the Trust over the years.

We are grateful to the Tafailagi Trustee Company and the Management and Staff of the Management Company for their continued dedication and perseverance during yet another difficult year.

Ma le fa'aaloalo tele,

Afoa Asiata Kolone Vaai
Chairman
Unit Trust of Samoa (Management) Ltd

Magele Arthur Penn
Director
Unit Trust of Samoa (Management) Ltd

TRUSTEES' REPORT

It is with pleasure that we provide this report (in our role as Trustees of the Unit Trust of Samoa) to the Unit-holders as part of the 12th Annual Report covering the 2021/2022 financial year.

Under the Unit Trust Act 2008 (the "**Act**") and Trust Deed, we are vested with the investments and other properties of the Unit Trust of Samoa, to hold in trust on behalf of the Unit-holders. This is the internal control mechanism which provides for a Trustee, acting on behalf of the Unit-holders, independently of the Management Company. This requirement is made to ensure that all relevant transactions and reports affecting Unit-holders' funds are made in compliance with the provisions of the Master Trust Deed 2010, Amending Deed 2017 and the Act.

During the year we have worked closely with the Board of Directors, Chief Executive Officer and staff of the Management Company in accordance with the Trust Deed and the Act, and with policies we agreed to with the Management Company. We have ensured that the Management Company has followed the requirements for investing the Trust funds in compliance with the Central Bank of Samoa Prudential Guidelines for Unit Trusts.

We are satisfied that the Management Company is exercising the principles of accountability and transparency in its task of investing the Unit-holders' funds.

Acknowledgements:
We join the Management Company in acknowledging the support from the Government of Samoa in promoting the investment portfolio of the Unit Trust among State Owned Enterprises (SOEs).

We extend our appreciation to the Chairman of the Management Company, his Board of Directors, Chief Executive Officer and staff, for their hard work and dedication during a trying year.

Our sincere thanks to all Unit-holders for their trust and confidence placed in our role as Trustees of their investments.

Sincerely,

Taito John Roache
Director
TAFAILAGI TRUSTEE COMPANY LTD

Luana von Reiche Roache
Director
TAFAILAGI TRUSTEE COMPANY LTD

CERTIFICATION BY TRUSTEE AND MANAGER
FOR THE YEAR ENDED 30 JUNE 2022

We certify that the attached financial statements for the Unit Trust of Samoa (Trust) comprising of the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements for the financial year ended 30 June 2022:

(a) give a true and fair view of the results of the Trust for year ended;

(b) have been prepared in accordance with International Financial Reporting Standards;

(c) all related party transactions have been adequately recorded in the books of the Trust;

(d) at the date of this statement there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due; and

(e) Comply with the Public Finance Management Act 2001, Unit Trust Act 2008 and the Trust Deed.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the financial statements for issue on 24th October 2022 on behalf of the Directors of the Trustee Company and Manager, Unit Trust of Samoa (Management) Ltd.

Afoa Asiata Kolone Vaai
Manager

UTOS Management Company Ltd
Apia, Samoa

Taito John Roache
Trustee

Unit Trust of Samoa (Trust)
Apia, Samoa

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Facsimile (685) 21163
P.O. Box 535, Apia, (W) Samoa
Email: suarimoni@samoa.ws
Location: Lotopa, Apia, Samoa

AH CHONG *Public Accountants* **Chartered Accountants**

INDEPENDENT AUDIT REPORT

TO THE UNIT HOLDERS OF
UNIT TRUST OF SAMOA (TRUST)

Audit Opinion
We have audited the accompanying financial statements of the Unit Trust of Samoa (Trust) for the year ended 30 June 2022 consisting of the statement of financial position, statement of financial performance, statement of changes in equity and statement of cash flow for the year then ended, together with explanatory notes thereto which includes a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Unit Trust of Samoa (Trust) as at 30 June 2022 and of its financial performance, changes in equity and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis of Opinion
We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Trust in accordance with ethical requirements that are relevant to our audit of financial statements in Samoa, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Key Audit Matters
Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the current year that we consider should be reported, to enhance understanding of the financial statements. We consider that there are no key audit matters to be reported.

Responsibilities of the Manager and Trustee for the Financial Statements
The Manager and Trustee are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, Public Finance Management Act 2001, Unit Trust Act 2008 and the Trust Deed, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and Trustee are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material

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AH CHONG *Public Accountants* **Chartered Accountants**

INDEPENDENT AUDIT REPORT (cont'd)

TO THE UNIT HOLDERS OF

UNIT TRUST OF SAMOA (TRUST)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with these International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also;

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and Trustee regarding, among other matters, the significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations that we have required. In our opinion the Trust has kept proper accounting records, as far as appears from our examination of them and the financial statements of the Trust also complies with the Public Finance Management Act 2001, the Trust Act 2008 and the Trust Deed.

Apia, Samoa
Date : 24/10/2022

Su'a R D Ah Chong (Principal)
Chartered Accountant
Ah Chong Public Accountants

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022.

	Notes	2022 $	2021 $
EQUITY			
Unitholder's Fund			
93,818,791 units fully paid (2021: 82,619,857)		149,076,061	129,365,598
Reserves	3	7,122,811	5,694,428
Retained earnings		2,978,710	4,507,756
		159,177,582	**139,567,782**
Represented by:			
ASSETS			
Cash and cash equivalents	4	9,798,682	19,687,693
Financial assets at amortized cost	5	113,957,234	106,277,847
Financial assets held at fair value through Other Comprehensive Income	6	80,872,326	44,456,571
		204,628,242	**170,422,112**
LIABILITIES			
Payables & Accruals	7	442,835	749,601
Dividend payable	8	7,505,503	6,609,589
Due to Government	9	3,160,000	3,950,000
Convertible & Promissory Notes	10	34,342,322	19,545,140
		45,450,660	**30,854,330**
NET ASSETS		**159,177,582**	**139,567,782**

On behalf of UTOS (Management) Ltd
- Fund Manager;

On behalf of the Trustee;

Afoa Asiata Kolone Vaai
Manager

Taito John Roache
Trustee

The accompanying notes form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
INCOME			
Dividends		1,442,703	856,113
Interest		7,194,019	7,059,771
Gain/(Loss) on Foreign Exchange		671,243	(548,687)
Gain on disposal of equity investment	**13**	-	5,725,132
Other Income		567,359	40,166
Total Income		9,875,324	13,132,495
EXPENSES			
Audit fee		22,600	23,000
Bank fees & charges		447	258
Expected Credit Loss(write back)	**5**	118,785	(117,935)
Interest on convertible notes		1,029,160	854,162
Investment expense		715	38,891
Loss on unit withdrawals		549,077	1,425,637
Manager's fees	**11**	2,178,082	1,937,221
Total Expenses		3,898,866	4,161,233
Net Income from operation		5,976,458	8,971,262
Plus Other Comprehensive Income:			
Gain/(Loss) on Fair Value Equity Investments	**6**	1,428,383	(1,424,835)
Total Comprehensive Income for the Year		**7,404,841**	**7,546,427**

The accompanying notes form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
Unitholders Fund	**$**	**$**
Balance at beginning of the year	129,365,598	126,213,088
Subscriptions from Unitholders	29,625,513	21,178,064
Redemptions by Unitholders	(9,915,049)	(18,025,553)
Balance as at 30 June 2022	**149,076,061**	**129,365,598**
Retained Earnings		
Balance at beginning of the year	4,507,756	174,143
Add:		
Net profit for the year	5,976,458	8,971,262
Reserve Realised transferred from Reserves	-	1,971,940
Less:		
Dividend declared .08 sene per unit (2021: 0.08 sene)	(7,505,503)	(6,609,589)
Balance as at 30 June 2022	**2,978,710**	**4,507,756**
Reserves		
Balance at beginning of the year	5,694,428	9,091,203
Plus (Minus):		
Other Comprehensive Income (Loss)	1,428,383	(1,424,835)
Less:		
Reserve Realised transferred to Retained Earnings	-	(1,971,940)
Balance as at 30 June 2022	**7,122,811**	**5,694,428**
Total Equity	**159,177,582**	**139,567,782**

The accompanying notes form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		**$**	**$**
Cash was applied to:			
Dividend paid		(6,609,728)	(3,266,837)
Operating expenses		(1,791,743)	(1,997,840)
Net cash inflow/(outflow) from operating activities		(8,401,471)	(5,264,678)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from(applied to):			
Interest		1,767,062	3,399,694
Dividends received		1,542,703	1,139,515
Cash was applied to:			
Movement in term deposits		18,852,172	6,262,241
Movement in Capital Notes		4,819,904	(528,038)
Movement in Investment Securities		(29,428,585)	-
Investment in ATH International Ventures		(21,014,054)	-
Investment in BSP Financial Group		(13,302,076)	-
Net cash (outflow)/inflow from investing activities		(36,762,874)	10,273,412
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provide from(applied to):			
Due to Government		(658,333)	(790,000)
Movement Convertible & Promissory Notes		19,520,482	(984,860)
Subscriptions from Unit Holders		28,676,390	21,334,634
Redemption to Unit Holders		(11,453,411)	(19,742,464)
Interest on notes		(809,796)	(851,151)
Net cash (outflow) inflow from financing activities		35,275,333	(1,033,841)
NET INCREASE/(DECREASE) IN CASH		(9,889,011)	3,974,894
Cash at Banks at beginning of year		19,687,693	15,712,799
Cash and cash equivalents	**4**	**9,798,682**	**19,687,693**

The accompanying notes form an integral part of the above financial statement.

1. GENERAL INFORMATION

Date of Formation

The Trust was established on the 9th July 2010
Unit Trust of Samoa ("Trust") is a unit trust incorporated and domiciled in Samoa. The address of its registered office and principal place of business is Level 3, Development Bank of Samoa Building, Apia.

Principal activity

The trust is an investment vehicle that allows investors monies to be pooled with other unitholders' monies that in return are re-issued with units and become unit holders in the unit trust. The pooled funds in the trust are then invested by the Unit Trust of Samoa (Management) Ltd, the "Fund Manager" in accordance with the investment guidelines contained in the prospectus and investment policy manual.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, and required by the Unit Trust Act 2008 and Trust Deed.

(b) Basis of preparation

The financial statements have been presented in Samoan tala, which is the Trust's functional currency, rounded to the nearest tala. The financial statements are prepared on the basis of fair value measurement of assets and measurement at amortized cost for liabilities except where otherwise stated.

(c) Basis of Accounting - Going Concern

Notwithstanding the recent novel coronavirus (COVID-19) global outbreak and significant economic uncertainties resulting there from, the financial statements of the Trust have been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of these financial statements as they believe with the plans and strategies put in place by the Trust, the Trust will generate and maintain required funding to meet its liabilities and commitments as and when they fall due over the next twelve months. Accordingly, directors believe that the classification and carrying amounts of the assets and liabilities as stated in the financial statements to be appropriate.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager and Trustee to exercise judgment in the process of applying the Trust's accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgments and assumptions made in applying the accounting policies of the Trust have been disclosed under notes 2(g) and 6.

(e) Financial assets

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.
A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is intially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment or FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets in which case all affected financial assets are reclassified on first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL;

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;

On initial recognition of an equity investment that is not held for trading, the Trust may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis;
All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivatives finanical assets. On initial recognition, the Trust may irrevocably designate a finanical asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwire arise.

Financial assets: Business model assessment

The Trust makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level which best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Trust's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

(e) Financial assets (continued)

(ii) Classification and subsequent measurement

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Trust's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment,'principal' is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.
In assessing whether the contractual cash flows are solely payments of principal and interest, the Trust considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Trust considers:

- contigent events that would change the amount or timing of cashflows;
- terms that may adjust the contractual rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Trust's claim to cash flow from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of the principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial assests: Reclassifications

Financial assets are not reclassified subsequent to their recognition, except in the period after the Trust changes its business model for managing financial assets.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in profit or loss.

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchanges gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investment at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Derecognition

Financial Assets
The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(e) Financial assets (continued)
(iii) Derecognition

Financial Assets
The Trust enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities
The Trust derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Trust also derecognises a financial liability when its terms are modified and the cash flow of the modified liability are substantially different, in which case a new financial liability based on the modified terms are recognised at fair value.
On derecognition of a financial liability, the difference between the carrying amount extingused and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Modifications of financial assets
If the cash flows of the modified asset carried at amortised cost are not substantially different then the modification does not result in derecognition of the financial asset. In this case, the Trust recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carring amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties to the borrower, then the gain or loss is presented together with impairment losses.

(v) Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the statement of finanical position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(f) Impairment of Financial Instruments

Financial instruments

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. No impairment loss is recognised on equity investment as these are measured at fair value.

The Trust measure loss allowances at an amount equal to lifetime ECL as well as 12 months ECL as follows:
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Trust's historical experience and informed credit assessment and including forward-looking information.
The Trust assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Trust considers a financial asset to be in default when:
- Trust to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Trust considers a debt security to have low credit risk when its credit risk rating is equivalent to the generally understood definition of "investment grade".
Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.
12 months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)
The maximum period considered when estimating ECLS is the maximum contractual period over which the Trust is exposed to credit risk.

(f) Impairment of Financial Instruments (continued)

Measurement of ECLs

ECLs are measured on either of the following bases:
- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies

Measurement of ECLs
Loss allowances for trade receivables, other receivables and investment securities are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Trust’s historical credit loss experience, adjusted for factors that are specific to the debtors such as the collateral or security for the asset.

Credit-impaired financial assets

At each reporting date, the Trust assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Trust on terms that the Trust would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position.
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially of in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Trust determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Trust's procedures for recovery of amounts due.

(g) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between maket participants or, in its absence the most advantageous market to which the fund has access at that date. Consistent with established practice, listed equity investments are measured at the closing share price or unit price on the market.
When available, the Trust measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liabilities take place with sufficient frequency and volume to provide pricing information on an on-going basis. The fair value of other unlisted equities is estimated with the assistance of Independent valuers approved by the Manager and Trustee as per the investment policy. In line with the investment policy, the valuation of unlisted equities are performed by management annually and by an independent valuer every three years.

Where possible, the valuations use applicable price earnings ratios for similar listed companies, adjusted to reflect the specific circumstances of the issuer and may be based on following methodologies:
1. Discount Cashflow Model (DCF)
2. Net Tangible Asset Approach (NTA)
3. Future Maintainable Earnings Method (FME)
4. Capitalization of Dividends Method (CoD)

(g) Fair Value Measurement (continued)
If there is no quoted price in an active market, then the Trust uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique seeks to incorporate all of the factors that market participants would take into account in pricing a transaction. The Trust recognizes transfers between levels of the fair value hierarchy as at the end of the reporting period during which the changes have occurred.

(h) Revenue recognition
Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is possible that the economic benefits will flow to the Trust and the revenue can be reliably measured. Interest income is recognised on an accrual basis using the effective interest method. Dividend income for listed or quoted securities is recognised when a market announcement is made, for unlisted and private equity holdings, dividend is recognised when it is formally notified that dividend is declared and the right to receive dividends is established.

(i) Manager's remuneration
Management fees are standard fees stated under the terms of the Trust Deed and based on 1.4% of the value of the Trust's Net Asset. This is payable after month end and is calculated on the net asset value of the unit trust at month end.

(j) Trustee's fee
A review of the Trustee fee was done by Mangement and the Board approved on the 31 January 2018 for the Trustee fee to be paid by the Management Company. The Trustee currently receives a fee of $30,000 per annum plus 0.5% of the Trust comprehensive profit.

(k) Income tax
Under the Income Tax Amendment Act 2013, Part A (1)(v) the income of the Unit Trust of Samoa, the Unit Trust (Management) Limited or any other subsidiary of the Unit Trust of Samoa; is not subject to income tax.

(l) Vagst
The Trust main activity relates to financial services which is exempt supply. Where applicable expenses are recognised inclusive of vagst, and revenue such as interest and dividend are exempt from vagst.

(m) Cash and cash equivalents
Cash and cash equivalents comprises of cash balances at bank and excludes any term deposits regardless of maturity period.

(n) Other receivables and accrued income
Other receivables include receivable amounts for sale of units by the "Management Ltd" plus dividend receivables, and accrued interest on term deposits.

(o) Payables
Payables are recognised for amounts to be paid in the future for goods and services recorded, whether or not billed to the Trust and include outstanding settlements on the purchase of investment. Payables are stated at cost as they are expected to be settled within next twelve months.

(p) Borrowings
As per Trust deed, borrowing by the Trust shall not exceed 75% of the value of its assets. Currently, total borrowing is 24% of the value of its assets.

(q) Unitholder's Funds
Unitholders' funds are classified as equity instruments.

(r) Translation of Foreign Currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

(s) Comparative information

Comparative information has been restated where necessary to achieve consistency in disclosure with current financial year amounts, and facilitate appropriate comparison.

3. RESERVES

Reserves consists of the movements in fair value of equity investments classified as fair value through comprehensive income that are not available for distribution to unit holders until realized. Movement in reserves are shown in statement of changes in equity. Dividend income on these equity investments are recognized as revenue in the profit and loss.

4. CASH AND CASH EQUIVALENTS

	2022	2021
Cash at bank	$	$
Bank of South Pacific	3,847,076	5,654,662
National Bank of Samoa	4,866	76
National Bank of Samoa (overnight)	5,946,741	14,032,956
Total cash and cash equivalents	**9,798,682**	**19,687,693**

5. FINANCIAL ASSETS AT AMORTIZED COST

	2022	2021
Term Deposits	1,500,000	25,000,000
Loans and receivables:		
Other receivables	1,955,498	1,106,375
Interest receivables	740	47,260
State Owned Enterprises (SOEs)	67,566,566	45,060,456
Government of Samoa	43,386,899	35,397,439
Deduct Provision Expected Credit Loss	(452,469)	(333,684)
Total financial assets at amortized cost	**113,957,234**	**106,277,847**
Current	11,403,305	32,143,442
Non-current	103,006,397	74,468,088
	114,409,702	106,611,530
Movement per Provision Expected Credit Loss		
Opening balance	(333,684)	(777,460)
Write back on ECL / (Addition on ECL)	(118,785)	117,935
Bad debts written off against provision	-	325,841
Closing balance	(452,469)	(333,684)
Total financial assets at amortized cost	**113,957,234**	**106,277,847**

6. Financial Assets Held at Fair Value through Other Comprehensive Income

	2022	2021
(a) Listed Equities	**$**	**$**
Unit Trust of Fiji (3,199,407 units)	9,495,753	8,928,882
ATH (6,928,710 shares)	15,293,290	15,376,481
BSP Financial Group: 1,467,136 shares	13,302,076	-
(b) Unlisted Equities		
Vodafone Samoa - 25% shareholding	14,813,648	14,695,138
ATH International Ventures - 4% shareholding	21,203,287	-
Bluesky Pacific Holdings Ltd - 30% shareholding	-	-
Samoa Submarine Cable Company 20% shareholding	6,764,273	5,456,068
Financial Assets Held at Fair Value through Other Comprehensive Income	**80,872,326**	**44,456,571**

Determining Fair Values

The trust measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in active market for an indentical instrument.

Level 2: Valuation technique based on observable inputs, either directly (i.e. as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active market for similar instrument; quoted prices for identical or similar instrument in the market that are considered less than active; or other valuation techniques where all significant inputs are directly observable in the market, and are derived from market prices or rates or are estimated based on assumptions.

Level 3 : Valuation techniques using significant unobservable inputs. This catergory includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted price for similar instruments where significant unobservable adjustments or assumption are required to reflect differences between the instruments. Fair values of financial assets that are traded in active markets are based on quoted prices or dealer price quotations. For unlisted equity investments, the Trust determines fair values using valuation techniques. Some or all of the significant inputs these valuations use may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions.

Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used and any key assumptions used in those valuation models such as appropriate price/earnings ratio. The Trust uses price/earnings ratios and other key assumptions based on observable inputs and adjusts these to reflect risks specific to the underlying investment and the Samoa environment such as size risk, country risk, liquidity risk etc.

J. Vila Holdings (CAANZ) conducted the independent valuation for FY2021.

The table below analyses financial assets measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1	Level 3	Total	Total
Opening balance	24,305,364	20,151,207	44,456,571	38,262,257
Additional investments	13,141,360	21,174,769	34,316,129	16,455,345
Disposal	-	-	-	(8,224,249)
Gain/(Loss) on FV revaluation	337,825	1,090,558	1,428,383	(1,424,835)
Foreign exchange gain	306,569	364,674	671,243	(611,948)
Balance at year end	38,091,119	42,781,207	**80,872,326**	**44,456,571**

7. PAYABLES & ACCRUALS	**2022**	**2021**
	$	**$**
Audit fee	23,000	16,100
Interest on Convertible Notes	105,515	93,684
Other payables & accruals	314,319	639,817
Total payables and accruals	**442,835**	**749,601**

8. DIVIDEND PAYABLE

Dividend payable	**7,505,503**	**6,609,589**

Final dividend was declared for unitholders as per Trust board meeting on the 4th July 2022 for the financial year ended 30 June 2022.

9. DUE TO GOVERNMENT

Current	790,000	790,000
Non - Current	2,370,000	3,160,000
	3,160,000	**3,950,000**

The balance is owed to Government for the 25% of Vodafone Samoa shares. The repayment commenced on the 1st July 2016 until it is fully paid. Repayment is $65,833 per month.

10. CONVERTIBLE AND PROMISSORY NOTES

Convertible Notes	-	10,000,000
Promissory Notes	34,342,322	9,545,140
Total Convertible & Promissory notes	**34,342,322**	**19,545,140**

These represents a major source of funding for the Trust and are in effect a form of loan, with fixed term and interest rate. The convertible notes includes an equity conversion feature for the note holder to convert into units.

11. RELATED PARTY DISCLOSURES

Manager

The Manager of the Trust is the Unit Trust of Samoa (Management) Limited.
The directors of the management company are:

a) Afoa Asiata Kolone Vaai
b) Magele Arthur Penn
c) Toleafoa Douglas Creevey
d) Lauano Lauina Grace
e) Lutuiloa Vaiula Solomona

Manager's fees

Under the terms of the Trust Deed, the Manager is entitled to receive manager's remuneration approved by both the Trustee and the Manager. The approved managers fee is 1.4% of the Trust's net asset value. This is payable at month end and is calculated on the Trust Net Asset at month end.

Trustee

The current Trustee of the Trust is "Tafailagi Trustee Company Ltd".
The present directors of the Trustee Company are:

a) Taito John Roache
b) Luana Roache

All transactions with related parties are conducted on normal commercial terms and conditions.

11. RELATED PARTY DISCLOSURES (continued)

	2022	2021
Major Transactions with related parties	**$**	**$**
Managers fees	2,178,082	1,937,221
Board, Management & Staff - Unit balances	2,385,605	1,480,326
Owing by Related Parties		
Net amount due from/(to)Managers	1,141,178	(133,442)

12. FINANCIAL RISK MANAGEMENT

The Trust's activities expose it to a variety of financial risks: market risk (including interest rate risk, credit risk, performance risk and price risk), liquidity risk and operational risk. The Trust's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Trust's focuses on the unpredictability of financial markets financial performance.The Manager has the overall responsibility for the establishment and oversight of the Trust's risk management framework. The Trust's risk management policies are established to identify and analyse the risks faced by the Trust, to be set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Market risk

i) Interest rate

This is the risk borne by interest bearing assets such as term deposits and capital notes due to the changes in interest rates. Through its investment policy the Trust aims to balance its portfolio through short term deposits, capital notes and medium to long term Government bonds. At the reporting date the interest rate profile of the Trust's interest-bearing financial instruments was:

	2022	2021
Capital Notes	67,566,566	45,060,456
Government of Samoa loan	43,386,899	35,397,439
Term deposits	1,500,000	25,000,000
	112,453,465	**105,457,895**

ii) Credit risk

This refers to the risk of losing investment funds due to companies, banks and financial institutions the Trust has deposits with and providing short term capital notes defaulting on their repayments of interest and principal. For deposits with banks and financial institutions, only reputable parties with known sound financial standing are accepted. The Trust minimizes credit risk by conducting thorough due diligence on any investments it makes, with lending to government secured with effective and enforceable government guarantee.

The total expenditure of credit risk in the Trust's portfolio is as follows:

	2022	2021
Capital Notes	67,566,566	45,060,456
Government of Samoa loan	43,386,899	35,397,439
Cash and term deposits at bank	11,298,682	45,841,328
Listed and unlisted equities	80,872,326	44,456,571
Total Gross	**203,124,473**	**170,755,794**

The Trust only issues Capital Notes to State Owned Enterprises.

iii) Performance risk

This risk relates to the performance of the investment in which the Trust has invested. The return on a particular investment such as a share is affected by the performance of the issuer of the investment. Different investments tend to perform differently under the same operating environment. Therefore the Trust at all times will try to have different types of investments in its portfolio.

12. FINANCIAL RISK MANAGEMENT (continued)

(iv) Liquidity risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due. The Trust aims to maintain a buffer fund in liquid assets at all times to meet expected normal redemptions. Under the Trust Deed, the manager, with the concurrence of the Trustee, may suspend the redemption of units for such time as may be necessary to realise sufficient liquid funds to meet any unusual redemption requests. The table below analyses the Trust's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amount disclosed in the table are the contractual undiscounted cash flows.

As at 30 June 2022	No Specific Maturity	Less than 6 months	Between 6 months & 1 year	Total
Cash & Cash equivalents	-	9,798,682	-	9,798,682
Term Deposits	-	1,500,000	-	1,500,000
Investment Securities	111,311,430	1,598,272	-	112,909,702
Listed & Unlisted equities	80,872,326	-	-	80,872,326
	192,183,756	**12,896,954**	**-**	**205,080,710**

As at 30 June 2021	No Specific Maturity	Less than 6 months	Between 6 months & 1 year	Total
Cash & Cash equivalents		19,687,693		19,687,693
Term Deposits		25,000,000	-	25,000,000
Investment Securities	74,468,088	2,994,903	4,148,539	81,611,530
Listed & Unlisted equities	44,456,571	-	-	44,456,571
	118,924,659	**47,682,596**	**4,148,539**	**170,755,794**

(v) Operational risk

i) Data risk

This is the risk of losing information including unit holder account details even though there is dual system storage of a hard copy filing system and electronic database. The Manager ensures confidentiality and security of all unit holders information. The Trust has developed a Unit Registry System to store information. Daily backups of electronic information are being done by the Management and Staff.

ii) Legal risk

Legal risks refer to the risk of being legally non compliant due to changes in Government and Regulators current policies and regulations. All processes and applications are endorsed by the Trust's legal team including Prospectus and the Trust Deed.

iii) Operational risk

Operational risk is defined as the risk arising from the Trust's and its related entities business functions and from the practical implementation of the Manager's strategy for growing the Trust. The Manager has developed a three year strategic plan and annual key performance indicators to ensure performance of the Trust. The Manager also conducts third party due diligence on new investments before recommending any investment to Trustees.

13. GAIN ON DISPOSAL OF EQUITY INVESTMENT

This relates to the disposal of shares in Bluesky Pacific Holdings Limited and transferring the consideration to acquiring shares in Amalgamated Telecom Holdings Limited in Fiji. No disposal of equity investments as of 30 June 2022.

14. CONTINGENT LIABILITIES

The Trustee and the Manager are not aware of any contingent liabilities at year end. (2021:SAT$Nil)

15. CAPITAL COMMITMENTS

Cabinet as per FK (17)25 dated 12 July 2017 approved the construction of a new office building for the Samoa High Commission Office Wellington New Zealand estimated $25m and the funding of this project to be provided by UTOS. As at 30 June 2022, project is ongoing with variations.
Cabinet as per FK (20)45 dated 11 November 2020 approved an additional $15m loan for Samoa Airways. As at 30 June 2022, $2.03m remains undrawn.

GENERAL INFORMATION

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Trustee	Tafailagi Trustee Company Ltd Poinsettia Building, Moto'otua, Apia Samoa