

**UNIT TRUST OF SAMOA
(MANAGEMENT) LTD**

ANNUAL REPORT

30 June 2024

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Government of Samoa

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OFFICE OF THE MINISTER OF FINANCE

(Ministry of Finance; Central Bank of Samoa; Development Bank of Samoa; Samoa International Finance Authority; Samoa Life Assurance Corporation; Samoa National Provident Fund; National Energy Coordination Committee; National Tenders Board; Unit Trust of Samoa;)

STATEMENT TO PARLIAMENT

31st October 2024

Afioga Papalii Li’o Taeu Masepau
Speaker
Legislative Assembly of Samoa

MULINUU

Afioga e,

Pursuant to Part VI Section 23 of the Public Bodies (Performance and Accountability) Act 2001, I present to the Legislative Assembly for discussion, The Unit Trust of Samoa (Management) Ltd.’s Annual Report for the financial year ended 30th June 2024.

The Unit Trust of Samoa (Management) Ltd (**the “Management Company”**) was incorporated under the Companies Act 2001 on the 15th of February 2010. The Management Company was established to manage the Unit Trust of Samoa (**the “Trust”**).

The Management Company manages the Trust with two core objectives:

- (i) ensuring equal opportunity for all eligible unitholders to access affordable investment opportunities
- (ii) and to generate optimal returns to unitholders from its secure and sustainable investment portfolio.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Lautimuia Afoa Uelese Vaai'.

Hon. Lautimuia Afoa Uelese Vaai
Minister of Finance

Contents

Statement to Parliament.....1

Directors’ Report.....3

Chief Executive Officer’s Report4 - 10

Report of the Audit Office.....11 - 12

Certification by Directors13

Statement of Financial Position14

Statement of Financial Performance.....15

Statement of Changes in Equity16

Statement of Cash Flow17

Notes to the Financial Statements.....18 - 23

DIRECTORS' REPORT

It is with great pleasure that we present this annual report for the financial year ending 30th June 2024. The Unit Trust of Samoa (Management) Limited (UTOSM) has consistently demonstrated positive financial performance, supported by the two key indicators outlined below:

- i. A Return on Equity of 18.88% (FY23: 18%), significantly surpassing the 7% minimum ROE threshold set for State Owned Enterprises.
- ii. An interim dividend of \$162,716 was paid to the Government during the year, and a final dividend payable of \$120,625 was declared at year-end. This brings the total dividend for FY24 to \$283,341 (FY23: \$224,142).

The primary role of UTOSM is to manage the Unit Trust of Samoa (Trust), and it is through the diligent management of the Trust's activities that this positive performance is achieved. At the end of June 2024, the total number of active unitholders reached 5,983 (FY23: 5,141). This reflects the growing visibility of the Trust, achieved through active community engagement, awareness programs, and the strategic use of digital marketing

The Board consistently fulfils its fiduciary responsibilities with the utmost commitment to corporate governance, ensuring that decisions are made in the best interests of the shareholders of UTOSM and the unitholders of the Trust. In addition to the Board of Directors, the Trustees provide essential oversight. The role of the Trustee is crucial in maintaining the integrity of decisions and safeguarding the interests of the unitholders.

No Director has received or become entitled to receive benefits (other than those included in the aggregate amount of emoluments received or due and receivable by directors shown in the Financial Statements) by reason of a contract made by the company or a related corporation with the director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

For and on-behalf of the Board and in accordance with resolutions of the Board of Directors.



Magele Arthur Penn
Chairman of the Board
UTOS (Management) Ltd



Seulupe Michelle Macdonald
Director
UTOS (Management) Ltd

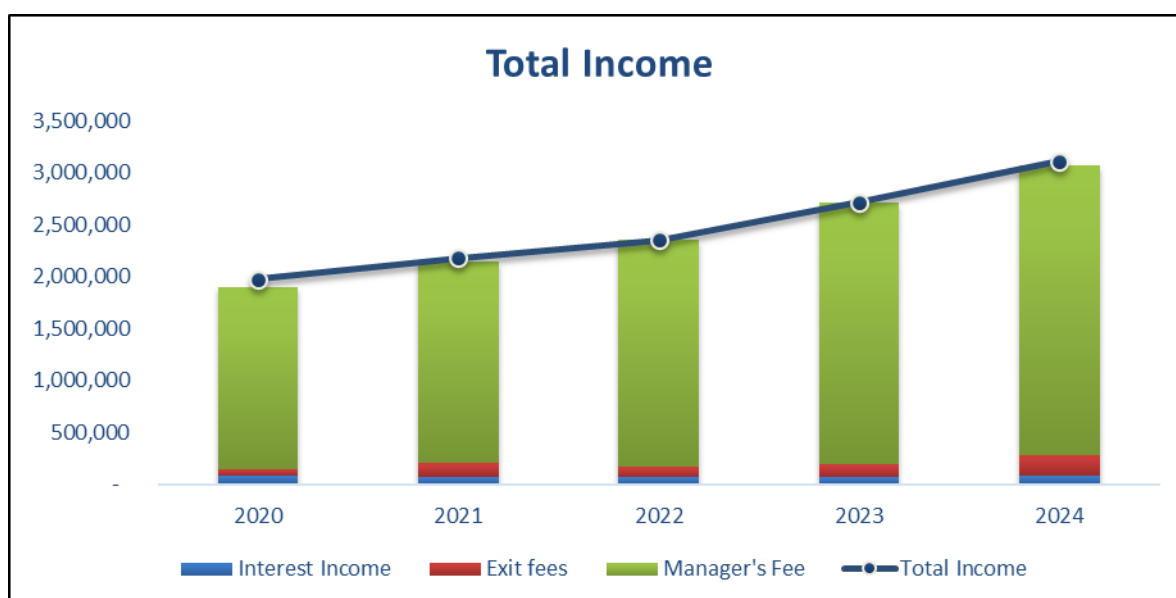
CHIEF EXECUTIVE OFFICER'S REPORT

This financial year has brought its own set of unique challenges; however, we are pleased to report that we have made significant strides despite these obstacles. It is with great pleasure that I present to you the annual report for UTOSM, detailing our performance for the financial year ending 30th June 2024.

FINANCIAL PERFORMANCE

Income

Total income recorded a notable increase of 14.6% compared to the previous year. This growth was primarily driven by a 10.6% rise in manager's fees which is the main income stream for UTOSM. This fee is calculated at 1.30% per annum of the Trust's Net Assets for the management of the Trust. Additionally, other revenue sources, including interest income, exit fees and other income, collectively increased by 64.0% relative to the prior year.



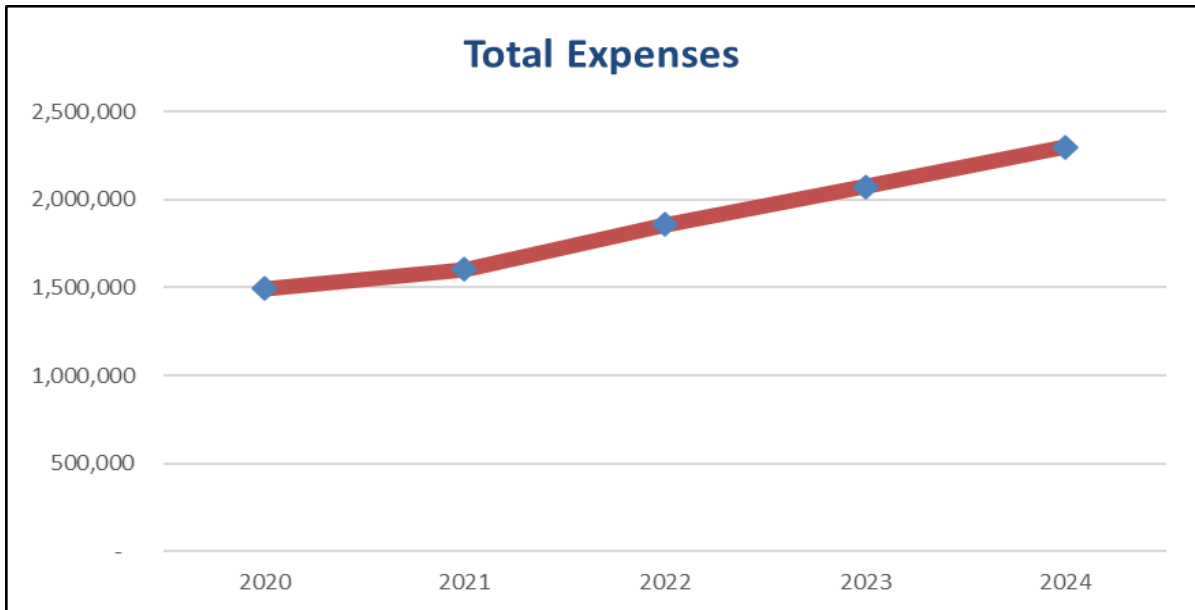
Graph 1: Five Year Trend for Total Income

Expenditure

The Management Company recorded a 10.9% increase in Total Expenditure, primarily driven by the following expense items;

- Depreciation expense rose by 25.7% due to additional assets purchased during the year.
- A significant increase of 68.46% in electricity expenses, attributed to the removal of government subsidies that had been in place as part of the Covid-19 relief measures over the past two years.
- An increase of \$20,000 was incurred for independent valuation services necessary for assessing the value of trust equity investments, a process conducted every three years.

- The Trustee fee recorded a 33.8% increase. This fee is calculated based on the Comprehensive Income of the Trust.



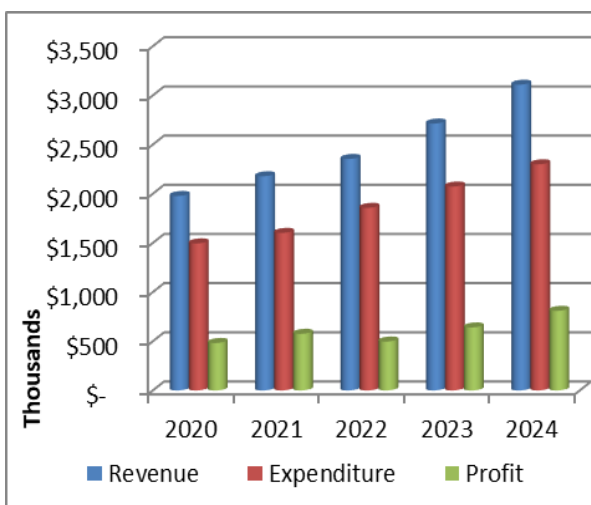
Graph 2: Five Year Trend for Total Expenses

Profit

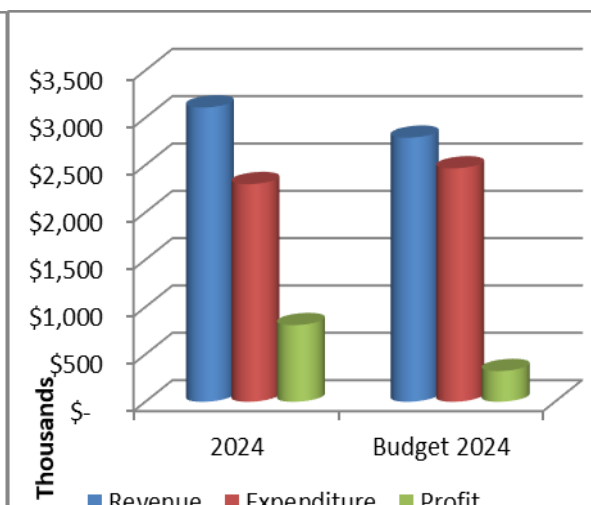
UTOSM recorded an overall Net Profit of \$809,547 reflecting a 26.4% increase compared to the previous year’s Net Profit of \$640,405.

The strong profitability and adequate liquidity have enabled the company to declare a total dividend of \$283,341 to its shareholders, marking a 20.17% increase from the prior year.

In comparison to budgeted expectations, the Management Company exceeded Total Income by 11.4%, Total Expenses by 6.73% and overall profitability by 149%.



Graph 3: Financial Performance (5-year trend)



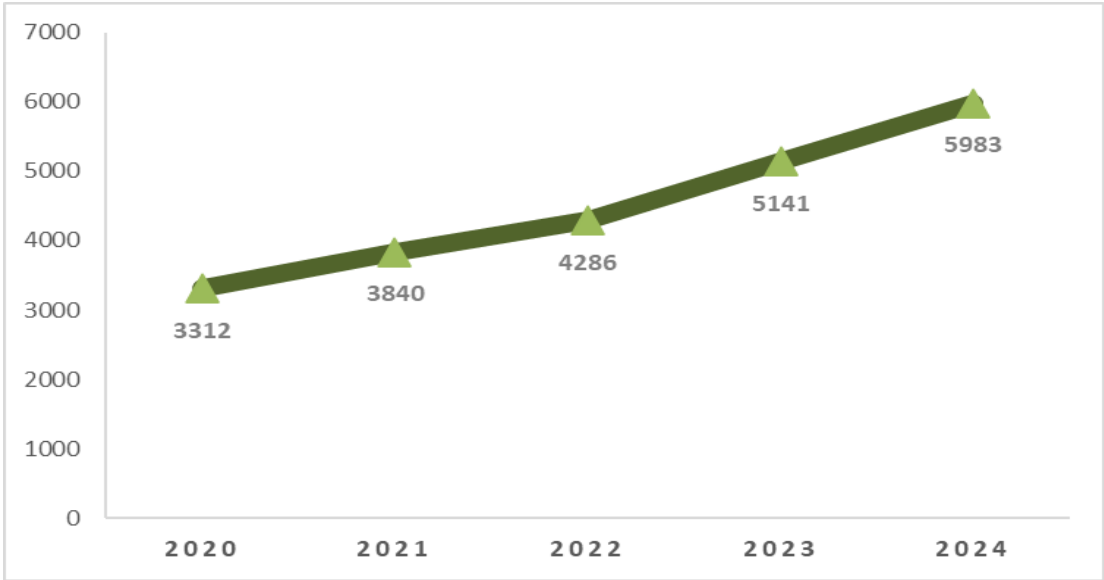
Graph 4: Actual vs Budgeted Results for FY2024

MANAGING OF THE UNIT TRUST OF SAMOA

Unit Registry

The total number of unitholders registered at the end of June 2024 reached 5,983, representing a 16% increase compared to the same period last year. The dynamic advertisement through, mainstream media, community roadshows, digital media and pre-departure briefings for RSE workers has contributed to the growth of unitholder number during the year.

A total of 29.56million units were sold during the year, which is an increase of 43.7% from 20.56million units in FY23. The total number of units repurchased during the period also increased by 48.27% to 11.58million compared to the same period in the prior year.

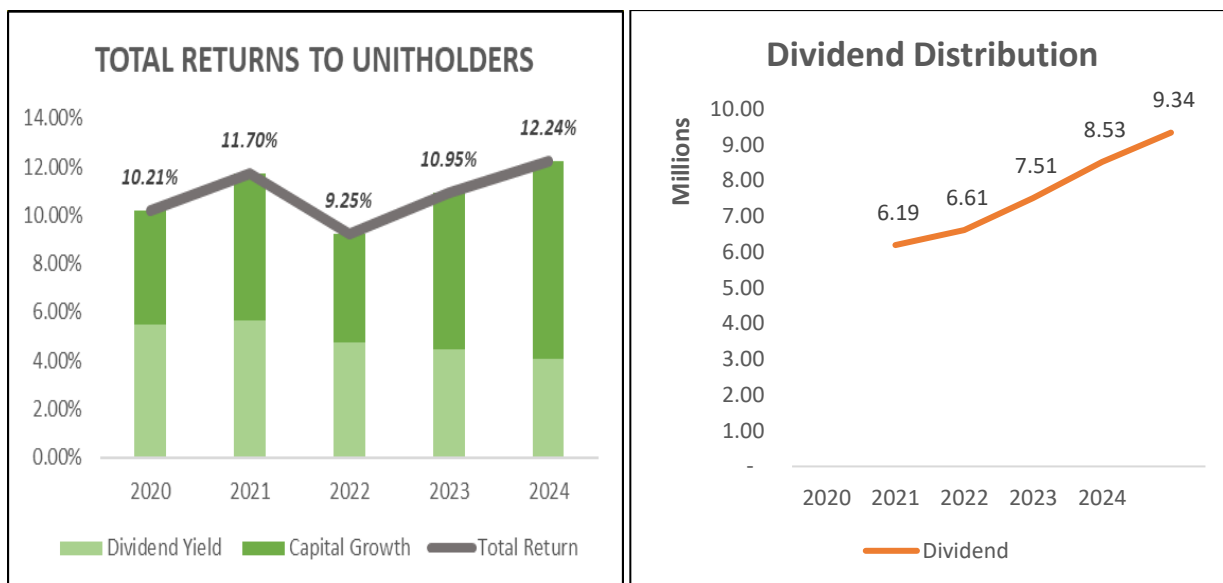


Graph 5: Total Unitholders Year on Year

Return to Unitholders

Unitholders earned a total return of 12.24% for FY24, an increase from 10.95% in FY23. This total return consists of capital gains of 8.19% and a dividend yield of 4.05%, reflecting the overall performance of the Trust.

At the beginning of the financial year, the unit price was \$1.71, rising to \$1.85 by the end of June 2024, driven by capital growth from the Trust's asset portfolio. Income generated through interest earnings and dividends allowed the Trust to distribute an annual dividend of 75 sene per unit. This pay-out increased from \$8.52 million to \$9.34 million due to the rise in the number of units issued during the year. Since its establishment, the Trust has declared a total of SAT\$61.84 million in dividends to its unitholders.



Graph 6: Total Return to Unitholder in the last five years

Graph 7: Total Dividend Distribution FY19-FY24

Total assets held by the Trust surpassed \$298 million at the end of June 2024, representing an increase of \$42 million from the previous year. The investment portfolio also experienced a 16% growth, driven by new lending disbursements, the acquisition of additional equity, and ongoing appreciation in the value of existing equity holdings.

Management remains committed to identifying commercially viable opportunities that will generate sustainable returns in the years to come.

ONLINE SERVICES

The company is actively enhancing the digitization of our services for unitholders while effectively managing cybersecurity threats. The positive results reported this year are attributed to the efficiency and convenience of our online services.

On the 30th of November 2023, we launched another digital payment gateway with Digicel MyCash App as another avenue for unitholders to top up their UTOS accounts.

During the year, we upgraded the Unit Registry System (URS) and potential new unitholders are now able to submit their applications online through our website. A new Windows Server 2022 was installed and configured to host our URS locally which replicates to the Cloud Server.

Our MYOB is now securely hosted online using multifactor authentication to align with changes in our business processes. A new firewall was installed with the license to expire in 2027 to replace existing software and to enhance digital security. In addition, the Incident Response Policy document was approved in October 2023 to prepare for potential future security risks.

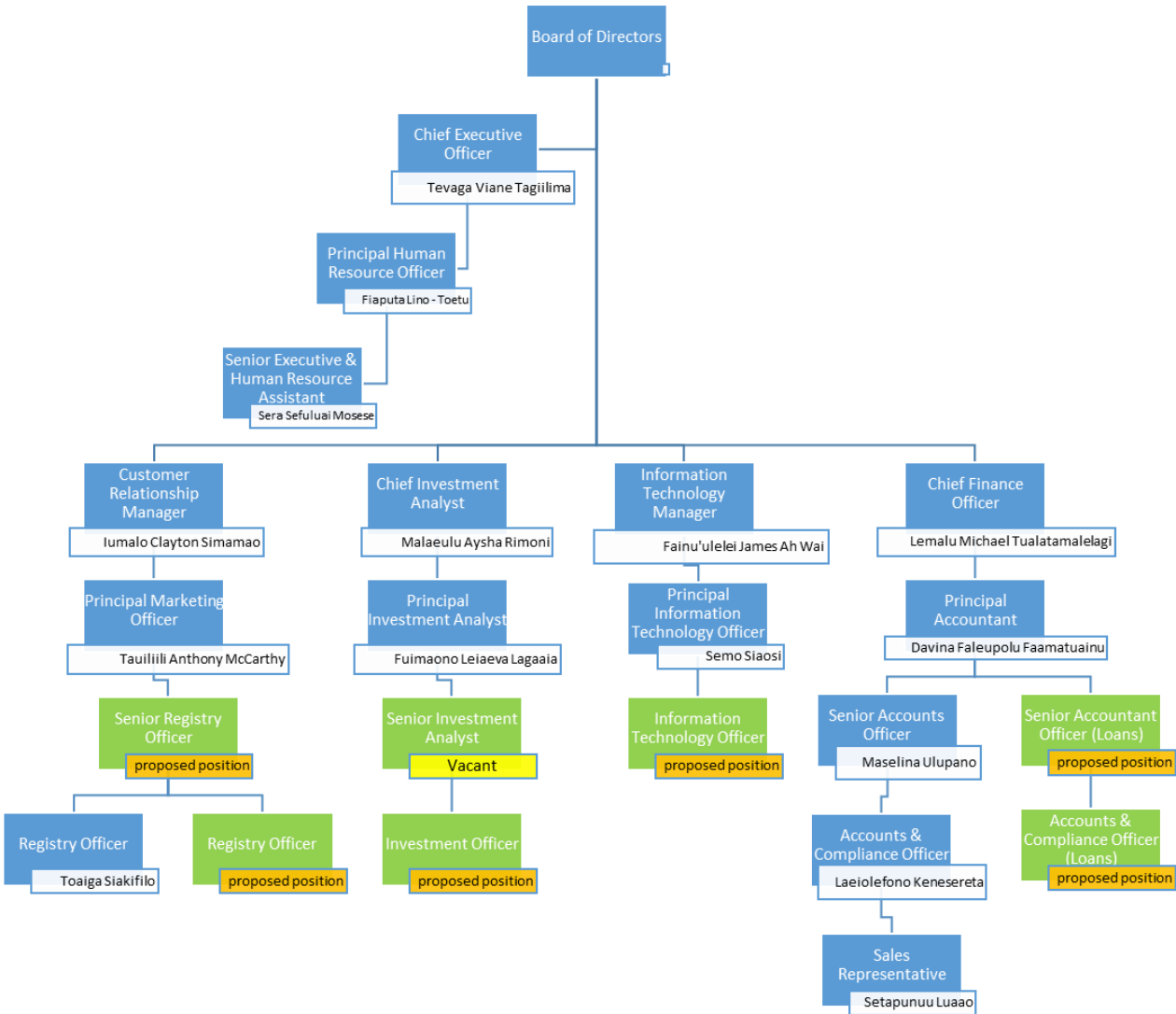
The threats of cybersecurity associated with digitisation of services have been thoroughly monitored with robust mitigation measures to ensure unitholder data is protected at all times. Any system vulnerabilities are actively assessed and addressed.

HUMAN RESOURCES

During the period, UTOSM employed a total of 17 personnel, comprising 10 females and 7 males, including two part-time staff members.

Staff retention is crucial for the company, and we actively encourage capacity building through training and online courses whenever available. Staff members were assigned overseas training based on their specific skills. The well-being of our employees is paramount to ensure optimal service delivery and achieve our strategic objectives throughout the year.

The company’s Human Resource Management Policy was reviewed and approved in December 2023. One of the key changes in the policy includes condition for staff to work from home given extraordinary circumstances as the COVID-19 lockdown.



OUTLOOK

The Cabinet has endorsed the UTOSM Corporate Plan 2025 – 2027, which outlines the vision and mission outlook for the next three years. The goals of this plan are to:

- To manage the Unit Trust of Samoa (Trust) effectively and prudently to ensure sustainability and ongoing commercial viability.
- To increase the awareness of our eligible community on the opportunities available to them and how UTOS can contribute to the overall social development
- Develop the capabilities of staff to deliver the necessary results and reward the staff accordingly with building a long-term career with the company.
- Provide innovative and dynamic digital solutions for all stakeholders while maintaining robust security measures to actively protect from cyber threats.

The key objectives are:

- Effectively manage a diversified sustainable portfolio to deliver optimal returns
- To grow and retain a number of unitholders, so all may benefit financially.
- To nurture and develop staff to enhance their career growth prospects
- Enhance digital availability, accessibility & security of products & services

Management and staff are therefore tasked with implementing this plan while remaining vigilant against any unforeseen events that could hinder operations.

ACKNOWLEDGEMENT

I take this opportunity to acknowledge the leadership of our Chairman, Afioga Magele Arthur Penn and members of Board of Directors; Afioga Seulupe Michelle Macdonald, Susuga Tufea Fa'atuai Pulepule Fanolua, Afioga Lemalu Patricia Ah Chong Fruean and Susuga Salote Peteru. Thank you for your commitment and guidance. Your endurance and patience have been crucial in the continued success of UTOSM.

To the Management team and staff of UTOSM, your perseverance and hard work does not go unnoticed and for that I am grateful.

On behalf of the Chairman and the Board of Directors, Management and Staff of UTOSM, I extend our sincere appreciation to the Minister of Finance, Honourable Lautimuia Afoa Uelese Vaai for his support and assistance.

Lastly, the Chairman, Board of Directors, Management and Staff of UTOSM would like to thank the Government of Samoa and the Shareholding Ministers of UTOSM, through the Minister of Finance, Honourable Lautimuia Afoa Uelese Vaai, for the continuous support shown towards UTOSM.

Soifua ma ia Manuia,



Tevaga Viane Tagiilima
CHIEF EXECUTIVE OFFICER

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AUDIT OFFICE

Please address all correspondences
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REPORT OF THE AUDIT OFFICE

TO THE GOVERNING BODY IN CHARGE OF GOVERNANCE – UNIT TRUST OF SAMOA (MANAGEMENT) LIMITED

Audit Opinion

We have audited the accompanying Financial Statements of the Unit Trust of Samoa (Management) Ltd (UTOS), which comprise of the statement of financial position, statement of financial performance, statement of changes in equity and statement of cash flows for the year ended 30 June 2024, together with explanatory notes thereto which include a summary of significant accounting policies. The Accounting Firm of Sua ma Pauga and Associates, Chartered Accountants assisted in this audit. The Engagement Partner on the audit resulting in this Independent Auditor's Report is Pauga Fata Talalelei Pauga.

In our opinion, the financial statements give a true and fair view of the financial position of the Unit Trust of Samoa (Management) Ltd as at 30 June 2024, and of its financial performance, changes in equity and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 UTOS in accordance with the 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 opinion.

Key Audit Matters (KAM)

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 period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters and for the purpose of this report, KAM's where required, are adequately disclosed on the notes to financial statements in relation to areas of uncertainty faced by the UTOS's together with compensation actions. Thus, not required to report separately.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Directors and Management are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as the directors and management 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 Directors are responsible for assessing the UTOS'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 the Directors and Management either intend to liquidate UTOS or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing UTOS's financial reporting process.

Auditor's Responsibility 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

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AUDIT OFFICE

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to the Controller and Auditor General*

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 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 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 the directors and management's 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 UTOS's ability to continue as a going concern. If we conclude that 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 UTOS 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 communicated with those charged with governance regarding, among other matters, the significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Our audit was completed on 6th November 2024 and our opinion is expressed as at that date.

Apia, Samoa
16 December 2024



Roseanne Faau
AUDIT DIRECTOR PUBLIC BODIES AUDIT

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
CERTIFICATION BY DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2024

We certify that the attached financial statements for the Unit Trust of Samoa (Management) Ltd comprising of the statement of financial position, statement of financial performance, statement of changes in equity, statement of cash flows and notes to the financial statements for the financial year ended 30 June 2024:

- a) give a true and fair view of the matters to which they relate;
- b) have been prepared in accordance with International Financial Reporting Standards; and
- c) comply with the Public Finance Management Act 2001 and Companies Act 2001 (amended 2006) in relation to the form or content of financial statements made under the Public Bodies (Performance and Accountability) Act 2001.

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 attached financial statements for issue on the 30/10/2024 on behalf of the directors of the Unit Trust of Samoa (Management) Ltd.



CHAIRMAN

Unit Trust of Samoa (Management) Ltd
Apia, Samoa

30/10/2024



DIRECTOR

Unit Trust of Samoa (Management) Ltd
Apia, Samoa

30/10/2024

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 2024

ASSETS	Notes	2024 \$	2023 \$
Non current assets			
Investment in UTOS		280	280
Property and equipment	10	633,962	661,169
Term Deposit - SCB	8	150,967	146,215
Total non current assets		785,209	807,664
Current assets			
Cash and cash equivalents	7	5,799,319	2,580,413
Trade debtors	9	1,174,060	571,670
Other debtors		323,948	97,229
Total current assets		7,297,328	3,249,312
Total Assets		8,082,537	4,056,976
LIABILITIES, CAPITAL AND RESERVES			
Current liabilities			
Trade creditors	11 (a)	3,514,233	41
Other creditors and accruals	11 (b)	97,030	53,151
Provision for government dividend		120,625	85,425
Provision for employee benefits		64,777	64,777
Lease liability	13	52	93,968
Total current liabilities		3,796,717	297,362
Total Liabilities		3,796,717	297,362
Capital and reserves			
Share Capital	12	1,800,000	1,800,000
Retained earnings/(losses)		2,485,820	1,959,614
		4,285,820	3,759,614
Total liabilities, capital and reserves		8,082,537	4,056,976

On behalf of the Board of Directors



Chairman
Magele Arthur Penn



Director
Seulupe Michelle Macdonald

The accompanying notes on pages 17-22 form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2024

		2024	2023
	Notes	\$	\$
Income			
Interest income		80,305	71,535
Exit fees		205,915	126,735
Manager's fees	14	2,779,490	2,512,653
Other income		43,076	2,536
Total Income		3,108,786	2,713,459
Expenses			
Advertising & Promotion		133,369	137,070
Audit fees		22,632	22,632
Bank fees & Charges		2,301	2,856
Board expenses	6(ii)	109,278	117,951
Communication costs		65,660	62,763
Depreciation	10	258,671	205,665
Electricity		67,216	39,900
Executive management compensation	6(iii)	573,473	552,085
Other administration expenses	4	191,671	160,069
Personnel costs	5	577,196	503,212
Professional fees		34,135	13,395
Registration & Licenses		1,985	640
Lease interest	13	2,079	5,245
Repairs & Maintenance		125,921	89,221
Travel & Allowances		5,481	64,608
Trustee fee	14	128,169	95,742
Total expenses		2,299,238	2,073,054
Profit/(Loss) before Income tax		809,547	640,405
Income tax (Expense)/Benefit	2(n)	-	-
Net profit/(loss) after Income tax		809,547	640,405

The accompanying notes on pages 17-22 form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Government of Samoa Contribution	Earnings/ (Losses)	Total
Opening Balance as at 30 June 2023	1,800,000	1,959,614	3,759,614
Net Profit/(Loss)		809,547	809,547
Interim Dividend paid		(162,716)	(162,716)
Final Dividend payable		(120,625)	(120,625)
Closing Balance as at 30 June 2024	1,800,000	2,485,820	4,285,820

The accompanying notes on pages 17-22 form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Cash Flows from operating activities			
Cash received from Unit Holders and Trust		60,481,416	35,217,677
Cash received from interest on current account		18,471	12,748
Cash received from other income		37,640	5,480
Cash received from fees income		2,600,219	2,499,934
Cash paid to and for the Trust		(57,253,271)	(34,991,087)
Cash paid for expenses and employees		(2,677,317)	(3,994,822)
Net cash inflow/(outflow) from operating activities		<u>3,207,158</u>	<u>(1,250,070)</u>
Cash flows from investment activities			
Cash from interest on term deposits		-	36,000
Cash from Sale of Fixed Assets		-	-
Payment for property, plant and equipment		-	-
Net cash inflow/(outflow) from investment activities		<u>-</u>	<u>36,000</u>
Cash flows from financing activities			
Dividend to Government of Samoa		162,715	(218,120)
Net cash inflow/(outflow) from financing activities		<u>162,715</u>	<u>(218,120)</u>
Net increase/(decrease) in cash and cash equivalents		3,369,873	(1,432,190)
Cash and cash equivalents at beginning of year		2,580,413	4,158,817
Total Cash and cash equivalents at end of year		5,950,286	2,726,627
Deduct;			
Non - Current cash in SCB Bond term deposit	8	(150,967)	(146,215)
Current cash and cash equivalents at end of year		<u>5,799,319</u>	<u>2,580,413</u>
Represented by;			
Current Cash and Cash equivalents	7	5,799,319	2,580,413
		<u>5,799,319</u>	<u>2,580,413</u>

The accompanying notes on pages 17-22 form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. General information

The Unit Trust of Samoa (Management) Ltd was established in March 2010. Unit Trust of Samoa ("the Manager") manages the Unit Trust of Samoa ("the Trust") and it is domiciled in Samoa. The Management Company has a fiduciary relationship with the Samoa Tafailagi Trustee Company Ltd and the unit holders. This relationship is formalised with a Trust Deed under the Unit Trusts Act 2008.

The Trust is an investment vehicle that allows investors monies to be pooled with other unit holders' 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.

The Manager was established under the Unit Trusts Act 2008. It is governed by five members of the board of directors (the Board) chaired by Afioga Magele Arthur Penn. The Board comprises of representatives from the Private Sector and Commerce.

The main office is located on the 3rd Floor of the Development Bank of Samoa Building, Savalalo and its postal address is Private Bag, Apia Samoa.

2. Statement of significant accounting policies

Set out below is a summary of significant accounting policies adopted by the company in the preparation of its financial statements.

a. Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Public Finance Management Act 2001 which requires the adoption of International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). In accordance with section 91 of the Public Finance Management Act 2001, Unit Trust of Samoa (Management) Ltd is designated as a Public Body, therefore it must also satisfy the reporting requirements under the Public Bodies (Performance & Accountability) Act 2001.

b. Basis of preparation

The financial statements are prepared on the historical cost basis. The principal accounting policies are stated to assist in a general understanding of these financial statements. Reporting financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. 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 and future periods.

c. Basis of Accounting -Going Concern

The financial statements of the Management Ltd 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 Management Ltd will generate and maintain required funding to meet its liabilities and commitments as and when they fall due over the next twelve months.

d. Comparative Information

Comparative information has been restated where necessary to achieve consistency in disclosure with current financial year amounts.

e. Functional and presentation currency

The financial statements are presented in Samoan Tala (SAT \$), which is the Company's functional currency and all values as presented in Samoan Tala have been rounded to the nearest tala.

2 Statement of significant accounting policies (continued)

f. Foreign currency transactions

Transactions in foreign currencies are translated into Samoan Tala at exchange rates ruling at the date of the transaction. Amounts receivable and payable denominated in foreign currencies are translated at the rates of exchange ruling at balance sheet date. Foreign exchange differences arising on translation are recognised in the statement of financial performance.

g. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short term deposits with maturities less than one year.

i. Accounts and other payables

Accounts and other payables are recognised at cost and represent liabilities for goods and services provided to the company before the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

j. Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

k. Revenue recognition

Interest income

Interest income on investments are recognised as they accrue.

Fees and charges

Fees and charges are brought to account when they are earned, and the company has met its contractual obligations for the services provided.

l. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The costs of the day to day servicing of the PPE are recognised in the statement of financial performance as incurred.

Depreciation

Depreciation is charged to the statement of financial performance on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The following rates are used for the depreciation of property, plant and equipment:

- Office furniture and fittings	20%
- Office equipments	20%
- Motor vehicles	20%
- Computers	33%
- Systems and software	10%
- Leasehold Building	2.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income/expense in the statement of financial performance.

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

m. Value added goods and services tax (VAGST)

As a semi-financial institution, the Company is exempt from VAGST.

n. Income tax

The Unit Trust of Samoa (Management) Ltd is exempt from Income Tax.

o. Employee benefits

The Company contributes towards the Samoa National Provident Fund, a defined contribution plan in accordance with local legislation and to which it has no commitment beyond the payment of contribution. Obligations for contributions to the defined contribution plan are recognised immediately in the statement of financial performance.

Liabilities for annual and sick leave are accrued and recognised in the balance sheet. Annual leave are recorded at the undiscounted amount expected to be paid for the entitlement earned. Sick leave is calculated at 1/3 of the total days.

Short Term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

p. Borrowing costs

All borrowing costs are recognised in the statement of financial performance in the period in which they are incurred.

q. Leases

A new IFRS 16-Leases, becomes effective for reporting periods beginning on or after 1 January 2019. IFRS 16 requires a lessee to account for all leases on the balance sheet, be recognising a lease liability reflecting future lease payments and a "right-of-use asset" valued at the present value of all lease payments over the term of the lease using an interest rate inherent in the lease or the incremental borrowing rate. The lease payments are allocated between the interest on the lease and the reduction of the lease liability while the Right-of-Use asset is depreciated over the lease term. The optional exemptions are where the lease term is 12 months or less, or when the values of assets involved are small.

3. Critical accounting estimates and judgments

The company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. Other Administration expenses

	2024	2023
	\$	\$
<i>Details of administration expenses are specified as follows:</i>		
Catering & refreshments	13,580	15,860
General supplies & services	9,342	7,958
Insurance	10,572	6,717
Memberships & subscriptions	19,219	14,234
Motor vehicle expenses	14,341	8,803
Hosting/Venue hire - AGM	1,610	14,480
Printing & Publications	30,307	28,670
Agent fee	6,270	2,393
Staff training & development	73,173	46,877
Stationeries	<u>13,259</u>	<u>14,080</u>
Total administration expenses	191,671	160,069

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

5. Personnel costs

Details of personnel costs are specified as follows:

Salaries & Wages	479,202	412,625
NPF contribution	89,085	77,288
ACC levy	8,909	7,729
Staff amenities	<u>-</u>	<u>5,571</u>
Total personnel costs	577,196	503,212

6. Directors and executive management compensation

i. Board of Directors

The Directors of the company during the period from July 22 to April 23 comprised of:

Afoa Asiata Kolone Vaai	- Chairperson
Magele Arthur Penn	- Director
Toleafoa Douglas Creevey	- Director
Lauano Lauina Grace	- Director
Lutuiloa Vaiula Solomona	- Director

Director's fees, benefits and Board expenses of \$109,278 were paid during the year including sitting allowances. Directors appointed from Government corporations and Ministries do not receive a director's fee or sitting allowance.

ii. Board of Directors

current Directors comprise of:

Magele Arthur Penn	- Chairperson
Seulupe Michelle Macdonald	- Director
Tufeao Fa'atuai Pulepule Fanolua	- Director
Lemalu Patricia Ah Chong Fruen	- Director
Salote Peteru	- Director

	2024	2023
<i>Board of Directors expenses are as follows:</i>	\$	\$
Directors Fees and Allowances	94,502	85,500
Annual Director Membership Fees	7,200	7,200
Board Meeting Expenses	7,576	9,513
Board Travel Expenses	<u> </u>	<u>15,738</u>
Total Board of Directors expenses	109,278	117,951

iii. Executive Management

Executive Management Salaries	<u>573,473</u>	<u>552,085</u>
Total Executive Management	573,473	552,085

7. Cash and cash equivalents

Details of cash and cash equivalents are as follows:

BSP Account	3,406,043	373,448
ANZ Account	264,118	162,510
SCB Account	183,906	63,164
NBS Account	163,831	211,580
Petty Cash	<u>250</u>	<u>250</u>
	4,018,147	810,952
SCB Term Deposit	220,667	214,240
NBS Term Deposit	360,505	355,221
BSP Term Deposit	<u>1,200,000</u>	<u>1,200,000</u>
Total cash and cash equivalents	5,799,319	2,580,413

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

The term deposits are surplus company funds earning interest rate of 3% p.a. All term deposits will mature within the next financial period.

8. Term Deposits - SCB

Details of term deposits are specified below:

SCB - Bond (long term)	<u>150,967</u>	<u>146,215</u>
	<u>150,967</u>	<u>146,215</u>

This term deposit with SCB is the Bond as stipulated under section 5(2) of the Unit Trusts Act 2008. It will not be withdrawn.

9. Trade debtors

Details of other receivables are specified as follows:

Unit Redemptions paid receivable from Trust	1,174,060	116,744
Manager's Fee Receivable from Trust	-	207,092
Samoa Airways Loan Establishment Fee - Current	-	-
Exit Fees Receivable from Trust	<u> </u>	<u>3,991</u>
	<u>1,174,060</u>	<u>571,670</u>
Less: Provision	-	-
	<u>1,174,060</u>	<u>571,670</u>

10. Property and Equipment

	Leasehold Building	Office Furniture & Fixture	Office Equipmen t	Computer s & Softwares	Motor Vehicle	Right of use of Asset	Total
Cost carrying amount							
Balance as at 1 July 2023	159,500	117,392	123,695	688,971	337,000	244,609	1,671,167
Additions	-	11,889	650	68,925	150,000	-	231,464
Disposals	-	-	-	-	(119,000)	-	(119,000)
Balance as at 30 June	<u>159,500</u>	<u>129,281</u>	<u>124,345</u>	<u>757,896</u>	<u>368,000</u>	<u>244,609</u>	<u>1,783,631</u>
Accumulated							
Balance 1 July 2023	16,869	97,861	83,359	443,374	214,837	153,695	1,009,995
Disposals	-	-	-	-	(119,000)	-	(119,000)
Depreciation	3,998	7,881	15,848	77,454	62,577	90,913	258,671
Balance as at 30 June 2024	<u>20,867</u>	<u>105,742</u>	<u>99,207</u>	<u>520,828</u>	<u>158,414</u>	<u>244,608</u>	<u>1,149,666</u>
Net Carrying amount 30 June 2023	<u>142,631</u>	<u>19,531</u>	<u>40,336</u>	<u>245,597</u>	<u>122,163</u>	<u>90,913</u>	<u>661,169</u>
Net Carrying amount 30 June 2024	<u>138,633</u>	<u>23,539</u>	<u>25,138</u>	<u>237,068</u>	<u>209,586</u>	<u>-</u>	<u>633,962</u>

11. Liabilities

Details of Trade creditors and Other are specified as follows:

(a) Trade Creditors

Unitholders' funds payable to Trust	2024	2023
	\$	\$
	3,514,233	41
	<u>3,514,233</u>	<u>41</u>

(b) Other Creditors & Accruals:

Payroll Liabilities	17,048	20,518
Provision for Audit fee (inclusive Vagst)	19,027	19,027
Provision for Trustee fee	-	2,500
Deferred Income - current portion (see narrative in note 13)	-	-
Other Payables and Accruals	<u>60,955</u>	<u>11,106</u>
	<u>97,030</u>	<u>53,151</u>

UNIT TRUST OF SAMOA (MANAGEMENT) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

12. Authorized and paid-up capital

Details of authorised and paid-up capital are specified as follows:

Authorised capital 100 ordinary shares	1,800,000	1,800,000
Issued and paid up capital	1,800,000	1,800,000
Additional issued and paid capital	-	-
Issued and paid up capital end of financial year	<u>1,800,000</u>	<u>1,800,000</u>

13. Leases

The existing lease for the company's space at DBS building is \$7,999.66 per month. This is for a term of 3 years with right of renewal for another 2 years subject to approval. Lease was effective in July 2021 and due to expire on the 30th June 2024. Lease rentals for the year will be treated in accordance with IFRS 16.

Initial liability recognised	93,968	139,502
Addition to lease liability: Increase in rental space in Oct22	-	39,385
Less lease payment during the year	(95,995)	(90,163)
Plus interest expense for the year	<u>2,079</u>	<u>5,245</u>
	<u>52</u>	<u>93,968</u>

14. Trustees fee and Manager's fee

	2024	2023
	\$	\$
Trustee fee expense for the year	(128,169)	(95,742)
Manager's fee income for year	2,779,490	2,512,653

Trustee's fee

The Trustee receives a fixed fee of \$30,000 per annum plus .5% of the Trust's total comprehensive income for the year.

Manager's fees

Under the terms of the Trust Deed, the Manager is entitled to receive manager's remuneration set by the Manager and can be changed by agreement between the Manager and the Trustee. According to the joint resolution by the Trustees and the Manager's Board of Directors the Manager receives 1.3% of the UTOS Trust Net Asset. The Manager's fee income is charged by the UTOS Management Ltd to the UTOS Trust on a monthly basis for managing the Trust.

15. Contingent liabilities

As at 30 June 2024, the Company had no contingent liabilities or assets.

16. Events occurring after balance sheet date

There are no material events after balance date that require adjustment or disclosure in these financial statements.