



STATEMENT TO PARLIAMENT

28 February, 2025

Honourable Speaker
Legislative Assembly of Samoa
MULINUU

Dear Sir,

In pursuant of Section 15 of the Samoa National Provident Fund's Act, I present to the Legislative Assembly for discussion, the Samoa National Provident Fund's Annual Report for the financial year ending 30 June 2024.

The main objective of the Samoa National Provident Fund is to increase its membership, collect contributions and engage into reliable investments to generate returns for members. At the end of each financial year, an Interest is declared for members.

In that direction, the Fund aspires to accomplish its **Vision** of "*A prosperous today and a secure tomorrow*"

Yours faithfully



Hon. Lautimuia Afoa Uelese Vaai
MINISTER OF FINANCE





TABLE OF CONTENTS

STATEMENT TO PARLIAMENT

HIGHLIGHTS FOR 2024 1

BOARD OF DIRECTORS 2

THE CHAIRMAN'S REPORT 3

THE EXECUTIVE MANAGEMENT 4

THE CHIEF EXECUTIVE OFFICER'S REPORT 5

A. OVERVIEW OF OPERATIONAL PERFORMANCE AND RESULTS

MEMBER SERVICES DEPARTMENT 6

CORPORATE SERVICES DEPARTMENT 8

LEGAL SERVICES DEPARTMENT 9

INFORMATION AND COMMUNICATIONS TECHNOLOGY DEPARTMENT 11

INTERNAL AUDIT DEPARTMENT 12

B. OVERVIEW OF FINANCIAL PERFORMANCE AND RESULTS

LENDING OPERATIONS DEPARTMENT 13

PROPERTIES AND EQUITIES DEPARTMENT 15

FINANCE DEPARTMENT 17

C. CAPITAL EXPENDITURE AND PROJECTS 19

D. FUTURE RISKS AND UNCERTAINTIES 19

FINANCIAL STATEMENTS AND REPORT OF THE AUDIT OFFICE



MEMBERS CONTRIBUTIONS

increased by 9% to \$153.5 Million

9% INTEREST

Declared for all Members, at the value of \$87.3 Million

PROFIT

for the year realised a 22% increase, from \$74 Million to \$90 Million

SNPF ONLINE USERS

increased to 44,315 from 38,741 last year

HIGHLIGHTS FOR 2024

CASH BALANCE AT THE END OF THE YEAR

shows a 75% increase to \$108 Million from to \$62 Million

SAMOA NATIONAL PROVIDENT FUND

A PROSPEROUS TODAY AND A SECURE TOMORROW

BOARD OF DIRECTORS



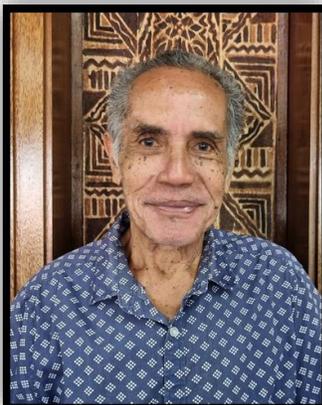
Moala Panoa Tavita
CHAIRMAN



Elena Ainuu Roberts
DIRECTOR



Leota Lalomanu Kosi Latu
DIRECTOR



Tupuola Fiu Peni Asi
DIRECTOR



Leapai Valovalo Tusani
DIRECTOR

THE CHAIRMAN'S REPORT

I am pleased to report on yet another successful financial year. As a key Government mutual state-owned enterprise, the Samoa National Provident Fund continues to seek out avenues of investment and service delivery in the best interest of the Members.

ACTIVITIES AND PERFORMANCE OF THE FUND

Operating and Financial Performance

The number of active members and voluntary contributors have increased over the year, including those who are on recognized Seasonal Employment Schemes. This is reflected in the significant increase of members contributions collected during the year, which totalled at \$153.5 million compared to the \$140.4 million in the previous year.

Net increase in assets available for allocation

A substantial increase in the net assets available for allocation was also recorded, from \$74.4 million to \$90.5 million at the end of the financial year. This is mostly due to the increase in interest revenue from the lending portfolio, gains from offshore investments and prudent controls over spending.

Other Developments

The Fund continues to perform well in maintenance of its Asset Allocation Strategic Investment Framework (SIF), Human Resource development, Review of Funds policies and guidelines for effective and efficient services for best interest of members and stakeholders.

CAPITAL & DIVIDEND INFORMATION

Return on members' funds

Despite the challenging economic environment, the Board was nevertheless able to declare 9% dividend for members in the previous financial year; 4% was paid as cash dividend while 5% was paid to members' account at the total cost of \$87.3 million to the Fund.

As Chairman, I believe that the Board will continue to work with the Fund's Senior Management team to achieve the Fund's goals for the benefit of all Members.

God bless,



Moala Panoa Tavita

CHAIRMAN OF THE BOARD OF DIRECTORS

THE EXECUTIVE MANAGEMENT



Ana Vaise Aiolupotea
MANAGER MEMBER SERVICES



Siligatusa Limasene Tupou
LENDING OPERATIONS MANAGER



Lemalu Selesitina Pule'aga
Meni Reti
CHIEF EXECUTIVE OFFICER



Lenata'i Vili Tiperia
MANAGER INFORMATION AND
COMMUNICATION TECHNOLOGY



Ausialemanaia Vanita Semisi Fanolua
MANAGER PROPERTIES & EQUITIES

Vacant Positions
Manager Finance
Manager Internal Audit
Manager Legal Services
Manager Corporate Services

THE CHIEF EXECUTIVE OFFICER'S REPORT

As I reflect on the past year, I am proud to present the achievements and developments of the Samoa National Provident Fund. Despite the challenges in the high turnover of the management team, the remaining staff demonstrated resilience and commitment in driving the organisation forward.

PERFORMANCE OVERVIEW

In year ending June 2024, the Samoa National Provident Fund achieved revenue of \$84m compared to the previous year of \$81m. The profits for this year were \$90m compared to \$74m in the previous year. This reflects a growth of 22% in profits. This performance reflects management and staff commitment to the reviewing of loan applications diligently, collection of contributions and investing of funds ensuring generation of income for distribution to the Fund's members and stakeholders.

STRATEGIC INITIATIVES

Throughout the year we focused on the collection of funds and controlling of expenditures. Other areas we noted was the continuation of the digital transformation which my predecessors initiated. Notable accomplishments include:

- Members being able to view details of their contributions and member loans on the Funds Portal
- The Fund was able to complete the upgrade of its Financial Management system from the Navision to the Business Central.

MARKET CONDITIONS

Presented both challenges and opportunities. The local market landscape is limited in terms of opportunities for investment in areas with higher returns. The local market is very limited to term deposits, hence why the Organisation sought overseas for opportunities to invest in for better returns to distribute to SNPF contributors.

FUTURE OUTLOOK

As we move into the new financial year 2024/2025, we remain focused on the new Samoa Medical Healthcare Scheme which will enable members to access better healthcare in Samoa. SNPF is also undergoing a major assignment in the restructuring of the Organisation to better support its new Corporate Plan 2025-2027.

ACKNOWLEDGEMENT

I would like to express my gratitude to our dedicated Board of Directors, employees, contributors and valued stakeholders. Your support and commitment are vital to our success.

In closing I am confident that Samoa National Provident Fund is well positioned to continued growth and success. Together, we will navigate the challenges and seize the opportunities that await us.

God bless.



Lemalu Selesitina. Pule'aga Meni-Reti

A. OVERVIEW OF OPERATIONAL PERFORMANCE AND RESULTS

MEMBER SERVICES DEPARTMENT

Over the year, a total of 34,280 active members was recorded which is an increase by 214 or 1% compared to 34,066 of the previous financial year. This count includes those on the Recognized Season Employer Scheme (RSE).

MEMBERS CONTRIBUTIONS

The escalated efforts towards compliance measures have contributed to the 9% increase of Members' contributions. At the end of the financial year, contributions collected totalled to \$153.5 Million compared to the \$140.4 of the previous year

WITHDRAWALS

The total of withdrawals made during the year was \$105.4 million, an increase compared to \$92.4 million recorded for the previous year.

EMPLOYERS PORTFOLIO

The Fund values on-going good working relationships with Employers. Together their commitment to compliance is honoured, and the Fund greatly acknowledges the Employers for their efforts and part played. By the end of the financial year, 153 New Employers registered with the Fund bringing the total to 2151.

IMPROVEMENT TO PROCESSES

It is the aim of the Fund to continuously consider avenues of improving processes for the Members. In March 2023, the Mobile Application was launched to strengthen accessibility of Members to the Fund's Services. To support this, the Members have been encouraged to register for online access to services. This registration has increased to 44,315 registered members online, considering the 38,741 of last year.



INTEREST/DIVIDEND

The Board approved and declared an interest of 9% for the financial year ending 30th June 2024 at a cost of \$87.3 million. The costs of Interest Declared for each of the last 5 years, are shown in *Graph 1*

DEATH BENEFIT

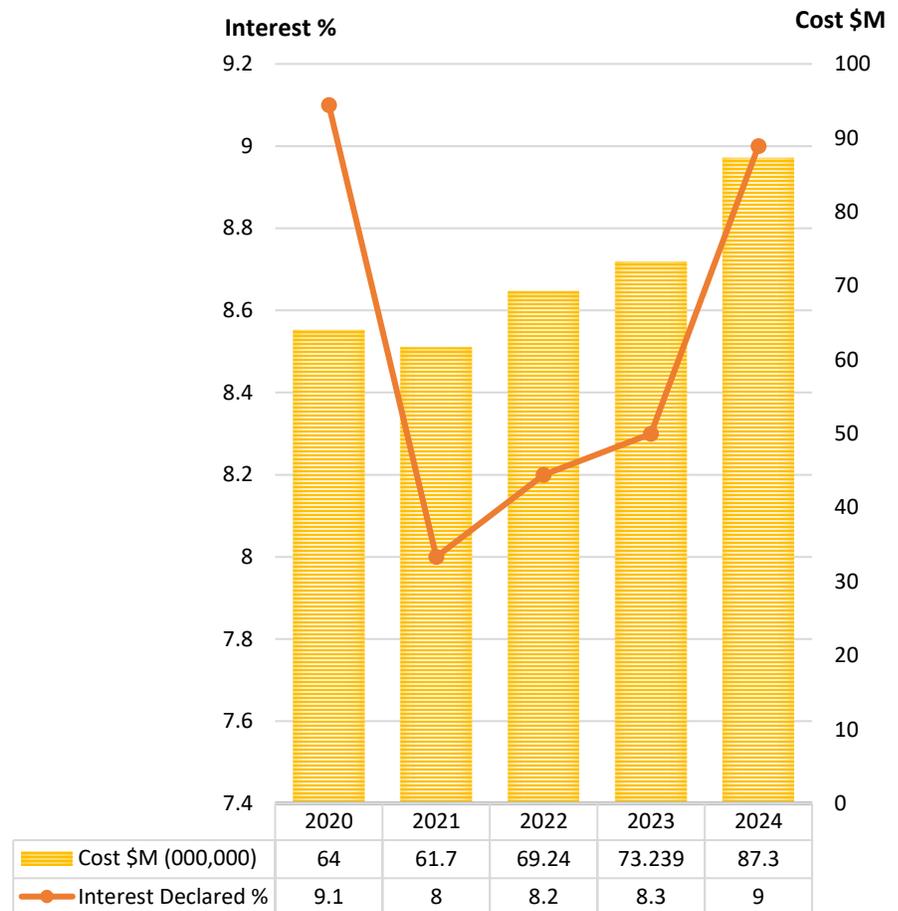
A slight decrease of 1% was noted for the Special Death Benefit of \$5,000; from \$912,433 in the previous year to \$826,138 recorded in this financial year.

RETIREE PENSION SCHEME

There were 137 retiree pensioners remaining at year end for the Retirement Pension Scheme. This consists of 89 pensioners and 48 beneficiaries, a decrease of 9% when compared to 157 pensioners recorded for last year's retiree pension portfolio.

The total cost of the Retiree Pension for the year was \$408,000 which is an increase of 5% when compared to \$398,000 in the previous year. The pension pool was \$1.3 million at year end, a decrease of 16% from \$1.5 million in the previous year. There were no new pensioners during the year.

**Graph 1: Cost of Interest Declared
2020 - 2024**



CORPORATE SERVICES DEPARTMENT

The portfolios of the Fund have expanded over the years towards achieving *A prosperous Today and a secure Tomorrow*. This growth not only warranted the functional and operational separation of the Investment department in the previous financial year, but it now validates the Board's call for an Organisational Structural Review. Through this lens, it is evident that the Fund recognises the importance of recruiting and retaining the right people with the talent and skills to perform the right set of duties and responsibilities. Furthermore, the Fund values efficiency and effectiveness in its improved systems and strives to match this in its personal service to the members.

STAFF DEVELOPMENT

Staff development is therefore a crucial component in efficient and effective service delivery. During the year, 35 capacity building opportunities for staff professional development were recorded, and these opportunities have mainly been channelled from external providers in the areas of:

- ✓ Public Administration and Governance areas such as Occupational Health and Safety, Anti-corruption, Employer-Employee Relationships, Public Private partnerships, Archives and Record keeping and of course Customer Service
- ✓ ICT subject areas such as Artificial Intelligence Tools, Right to Information and Statistical systems
- ✓ Finance topics including Sustainable Finance, Statistics, Risk Based Auditing

These training opportunities complement our own internal departmental refresher trainings on the Fund's processes and systems.

STAFF COUNT AND MOVEMENT

At the start of the financial year, 148 staff continued the operations in both Upolu and Savaii Offices. Throughout the year ending June 2024, 1 staff member passed away, 18 ceased to be employed by the Fund mainly to enter into other employment opportunities, while 20 staff were welcomed to the Fund.



LEGAL SERVICES DEPARTMENT

The Legal Department is responsible for representing the Fund in all legal proceedings and managing all legal matters related to the Fund including:

- ✓ recovering funds from loan accounts transferred from the Lending Operations Department;
- ✓ retrieving member contributions from Employer accounts;
- ✓ providing legal advice to the Board and Management;
- ✓ secure Securities for all investment loans amongst other duties; and
- ✓ assisting with the Fund’s procurement process and contract management.

INVESTMENT ACCOUNTS

At the start of the financial year, the total value of the investment loan portfolio was \$15.5 million, with \$3.04 million in arrears across 98 delinquent accounts. By the end of the year, the portfolio grew to \$25.8 million, with arrears increasing to \$6.5 million across 133 accounts. The Legal Department successfully settled 52 accounts, resulting in total receipts of \$2.7 million for the year, compared to \$6.7 million the previous year.

Table 1: Investment Accounts Arrears

	JUNE 2023	JUNE 2024	+/-	%
NUMBER OF ACCOUNTS	98	133	+31	+30%
OUTSTANDING BALANCE	\$15,510,513.93	\$25,896,535.13	+\$10,386,021.20	+67%
ARREARS	\$3,044,607.91	\$6,534,549.24	+\$3,489,941.33	+87%

EMPLOYER ACCOUNTS

Regarding the employer accounts referred to the Legal Department for recovery, contributions collected from 23 active accounts totaled \$424,488.25 at year-end, while surcharge payments reached \$18,149.80. The arrears related to members' contributions increased from \$235,952.46 at the end of the previous financial year (June 2023) to \$369,117.19 by the end of the financial year (June 2024).

Table 2: Employer Accounts

	JUNE 2023	JUNE 2024	+/-	%
NUMBER OF ACCOUNTS	17	23		
CONTRIBUTIONS RECEIVED	\$346,000.00	\$424,488.25	+\$78,488.25	+23%
SURCHARGES RECEIVED	\$4,500.00	\$18,149.80	+\$13,649.80	+33%
ON HOLD SCHEDULES	\$660,733.84	\$1,157,330.25	+\$496,596.41	+75%
OUTSTANDING SURCHARGES	\$235,952.46	+\$369,117.19	+\$133,164.73	+56%



CHALLENGES AND CONSIDERATIONS

The Legal Department faced several challenges that contributed to the increase in arrears and the outstanding balance of investment accounts:

- ✓ The lack of in-house legal counsel hindered efficient management of legal correspondence and submissions, particularly since the team was primarily managed by a non-lawyer;
- ✓ Staffing shortages strained the department, with only two Senior Officers managing over 100 investment accounts and employer accounts;
- ✓ The control on member contributions for long-term benefits impacted recovery efforts; and
- ✓ Delays in recovery actions allowed arrears to grow, as interventions started only after three (or more) missed payments. Staffing shortages also affect the loan officers responsible for recoveries.

Despite these challenges, the Legal Department remains committed to a rigorous recovery approach, especially as investment loans continue to be referred to for action. The team has also ensured the proper management of loan securities, employment contracts, and the procurement process throughout the year.

INFORMATION AND COMMUNICATIONS TECHNOLOGY DEPARTMENT

The ICT department aims to provide excellent customer experience through effective utilization of technology to increase member engagement and improve efficiency of services. The Fund has been on a digital transformation journey to ensure efficiency, accuracy, integrity, security of its information systems and to ensure its ability to evolve with technology transformation.

FUND MANAGEMENT SYSTEMS (FMS)

The Fund’s partnership with its FMS system developers, General Capital Technologies, continues to enable members’ online access to their accounts through the Mobile App and the Members Portal. These products allow members to submit Small Loan applications, Withdrawal requests and Special dividend applications online.

EMPOWERING ICT STAFF

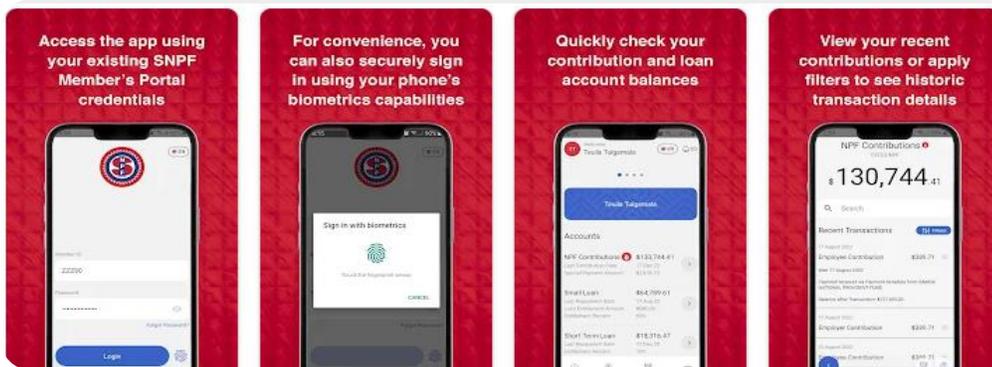
Our staff attend various cyber security and other ICT-related trainings and workshops to ensure we stay up to date with new developments and potential threats in the ICT environment around the world.

COMPUTER SUPPORT

We continue to procure high performance computers and computer components such as Solid-state drives and computer RAMs, to enhance computer operational performance and to ensure our staff have the best tools to assist with their daily tasks. Upon our advice, the Fund invested in Conference equipment such as sound systems, projectors and a ceiling-mounted white screen for the conference rooms in Savaii.

UTILIZING DATA

The availability of quality data effectively informs Management decisions and compilation of mandatory financial audit reporting. Leveraging data has allowed the Fund to provide reports, conduct insightful budget forecasts and meet its obligation in ensuring maximum return on its investments for the members of the Fund.



INTERNAL AUDIT DEPARTMENT

This Financial Year began with staffing shortages at the Management level, whereby the work for the usual team of four (4) was continued by only two (2) until the successful recruitment of the Manager Internal Audit in June 2024. In addition, the absence of an Audit Committee in this duration challenged the completion of most planned activities for the year. Despite this critical shortage for most of the financial year, the resilience of the team maintained a prudent implementation of internal controls and ensured risk management processes remained effective.

In this setting, the team managed the daily operations through pre-audit activities and close collaborations with other departments, which were instrumental in:

- ✓ keeping oversight at zero,
- ✓ optimizing available resources
- ✓ identifying potential issues before transactions were finalized, thereby reinforcing preventive measures and
- ✓ promoting adherence to policies and procedures.

Through these actions the following achievements are recorded for this FY:

- Pre-Audit: 100%
- Post Audits: 40%
- Spot Checks – 100%
- Two (2) Investigations

Looking ahead, the Internal Audit Division plans to;

- Expand audit coverage to include new areas of risk.
- Enhance the use of data analytics in audit processes.
- Strengthen follow-up procedures to ensure timely implementation of recommendations.

The Internal Audit Department remains dedicated to supporting the organization's governance and risk management efforts. Despite the challenges faced, we have provided valuable insights and recommendations to enhance internal controls and ensure the organization's continued success

B. OVERVIEW OF FINANCIAL PERFORMANCE AND RESULTS

LENDING OPERATIONS DEPARTMENT

LENDING PORTFOLIO

The aim of the Board’s strategic decision to split the Investment Department into two specialised departments, was to improve operations efficiency, and allow for a more focused management of the Fund’s Lending Portfolio and its extensive Properties and Equities Portfolio.

The Lending Operations Department and the Properties and Equities Department both adhere to investing funds in accordance with the Fund’s *Strategic Investment Framework* (SIF), to earn maximum returns for the Fund.

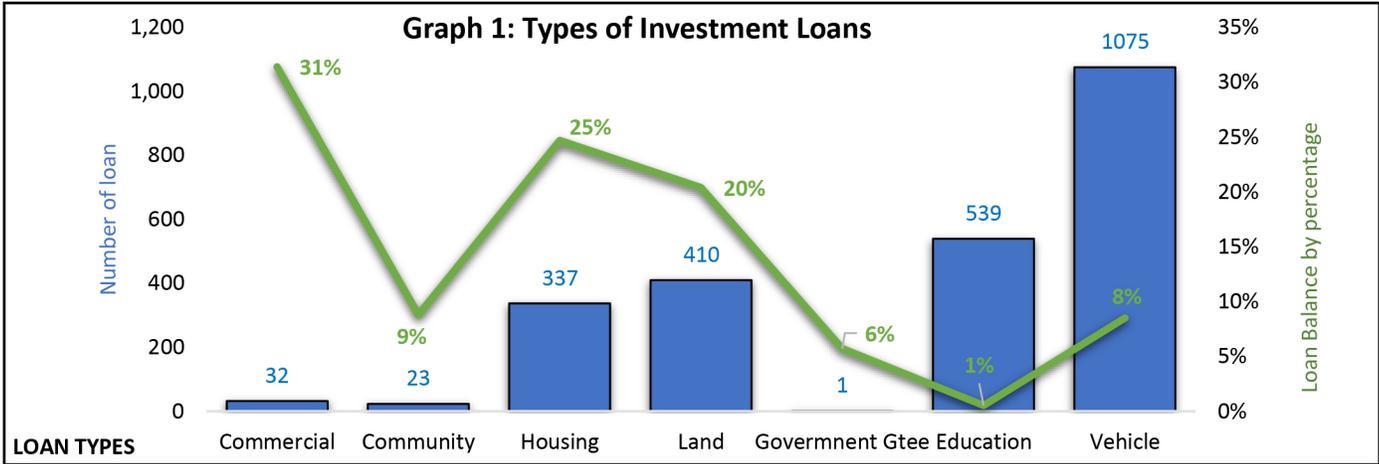
In this direction, the value of the Lending Portfolio by the end of the financial year totalled to **SAT\$654.9 Million** with the following composition:

- 1. Small Loans (58%)
- 2. Short Term Loans (13%)
- 3. Investment Loans (28%) and
- 4. Education Loans (0.14%)

The Investment Loans in particular increased in number during the year and managed in terms of the following types:

- 1. Commercial Loans (32)
- 2. Community Loans (23)
- 3. Housing Loans (337)
- 4. Land Loans (410)
- 5. Government Guarantee (1)
- 6. Education Loans (539)
- 7. Vehicle Loans (1075)

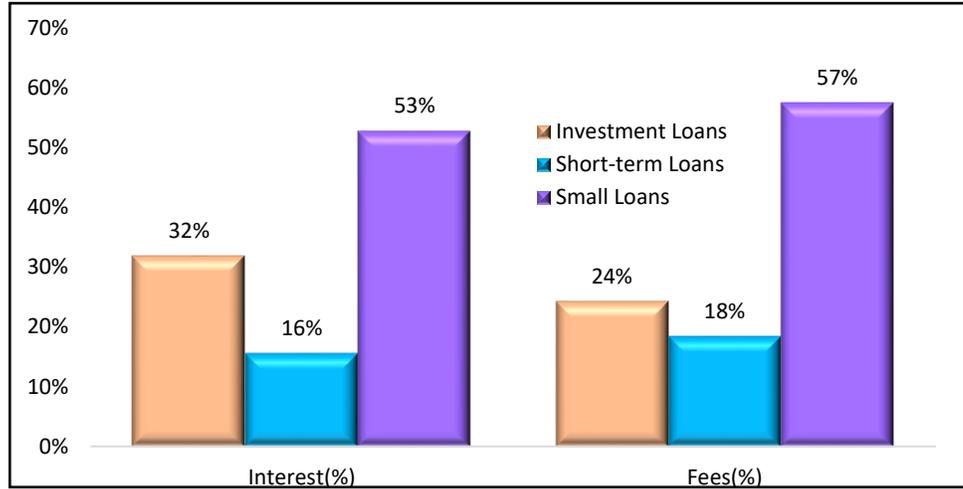
Graph 1 shows that while the majority of the Investment Loans were Vehicles Loans, the highest loan balances are Commercial Loans (31%), Housing Loans (25%) and Land Loans (20%)



LENDING INCOME CATEGORIES

During this financial year, a total of 83% of the Fund's Total Income was earned through Interests and Service Fees. *Graph 2* shows the Lending activities with reference to Interests earned and Service Fees.

Graph 2: Lending Income



EXAMPLES OF PROJECTS THE FUND HAS ASSISTED WITH THROUGH INVESTMENT LOANS DURING THE FINANCIAL YEAR

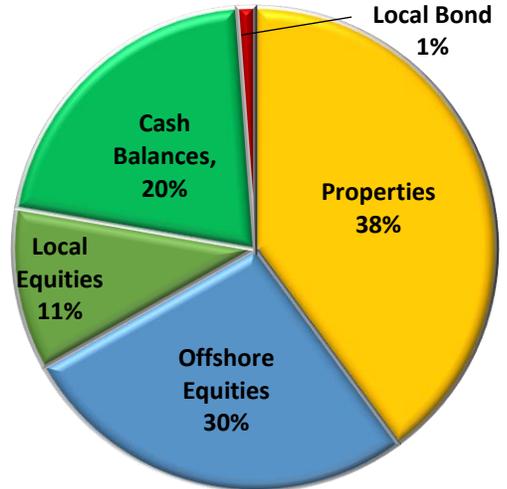


PROPERTIES AND EQUITIES DEPARTMENT

Since the separation of the Investment Portfolio including the Properties & Equities Department (PED) in March 2023 and going into the reported financial year, there has been an enhanced focus on engaging and securing strategic investments to earn maximum returns for the Fund. The value of the PED portfolio by the end of the financial year totalled to **SAT\$544.6 Million** which is detailed below and illustrated in *Graph 1*:

1. Properties (38%)
2. Offshore Equities (30%)
3. Local Equities (11%)
4. Cash Balances (20%) and
5. Local Bond (1%)

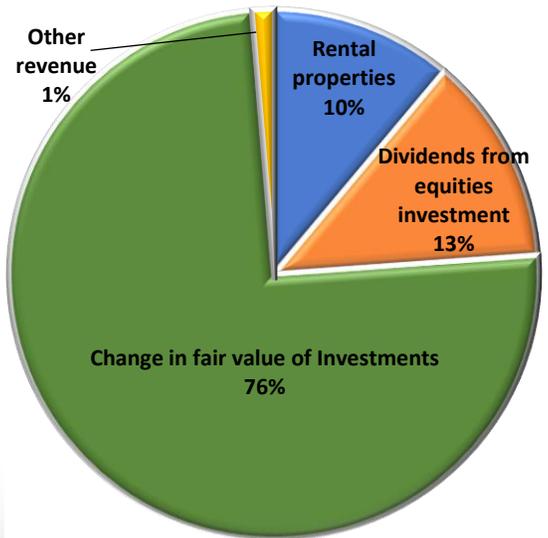
Graph 1: Properties & Equities Portfolio



PROPERTIES AND EQUITIES INCOME

In respect of the Total Income allocation only. The allocation of income derived from this assessment allocation is given on *Graph 2*.

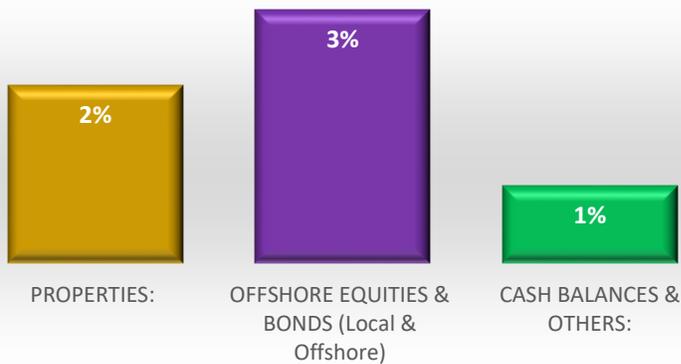
Graph 2: Properties & Equities Income



INVESTMENTS RETURN

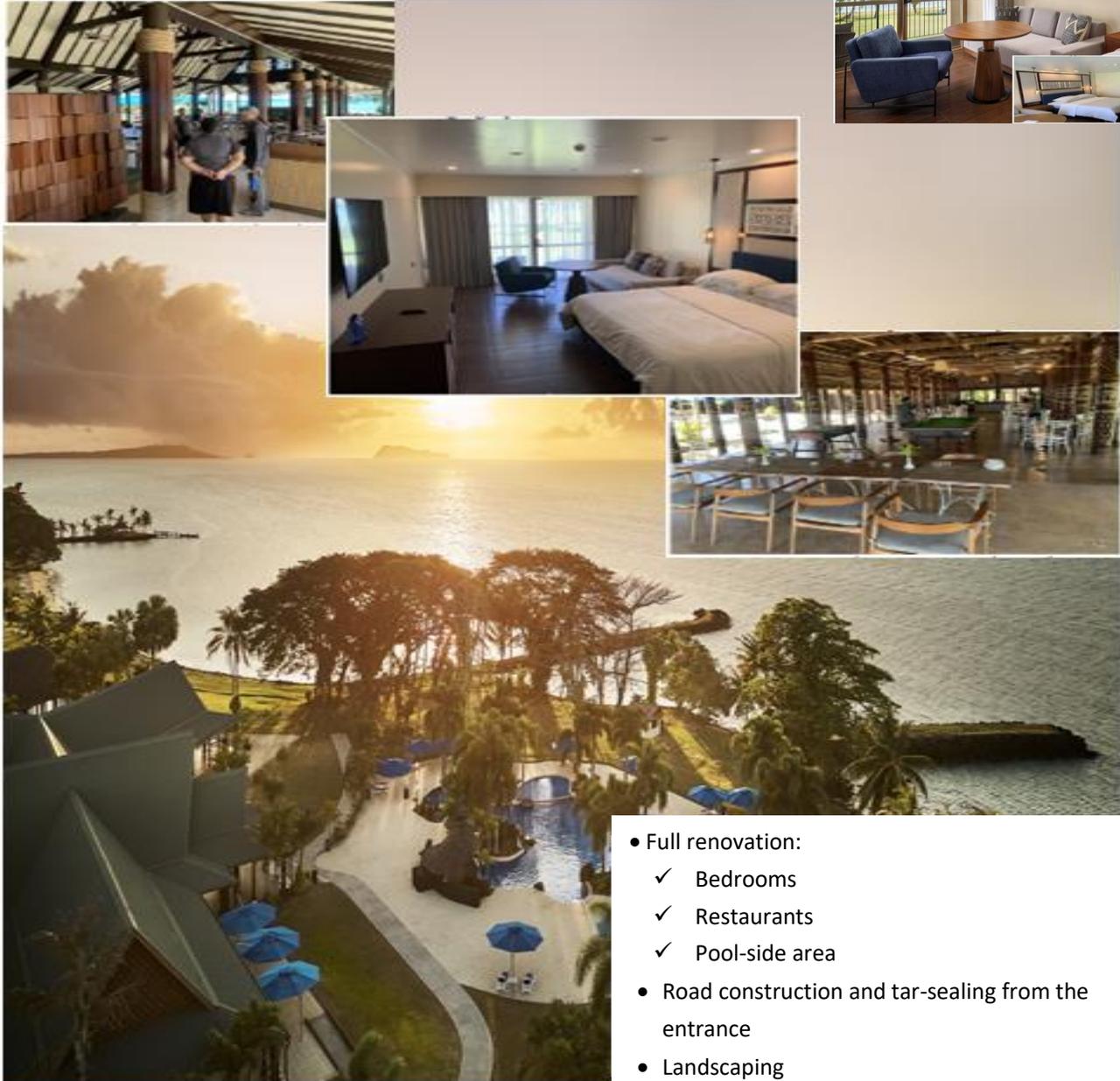
Graph 3 below illustrates the respective Rates of Return (weighted average) on each asset class of investment. The Rates of Return (RoR) are derived by taking the income over an average of each asset class in the Properties & Equities Portfolio during the year.

Graph 3: Rate of Return 2024



PROPERTIES & EQUITIES PROJECTS DURING THE FINANCIAL YEAR

The Mulifanua Beach Resort of Samoa

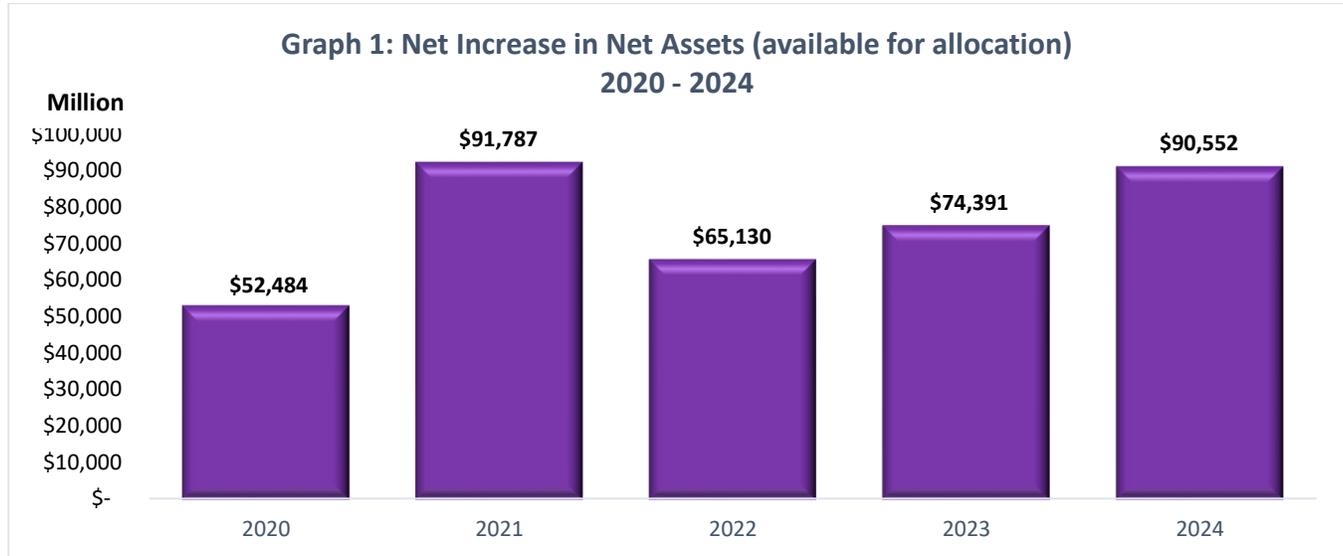


FINANCE DEPARTMENT

FINANCIAL PERFORMANCE

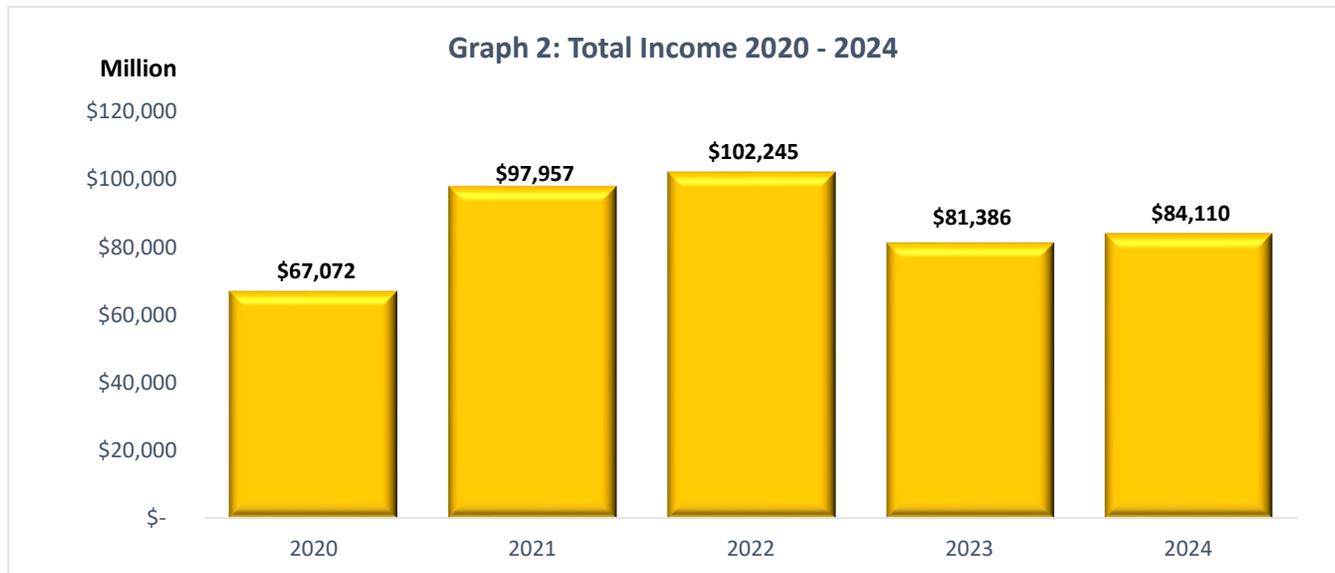
Net Increase in Net Assets (Available for allocation)

As at end of financial year, the net increase in net assets available for allocation totalled to \$90,552 Million (*Graph 1*). This attributed primarily to growth in interest revenue from the lending portfolio, the exceptional performance of the offshore investment, gains from offshore investments and stringent controls over spending by maintaining actual total expenditure.



Total Income

On the other hand, the Total Income (*Graph 2*) for the year is 4% higher compared to previous year due to gains in equity investment properties and 2% higher compared to budget.



Investment Income

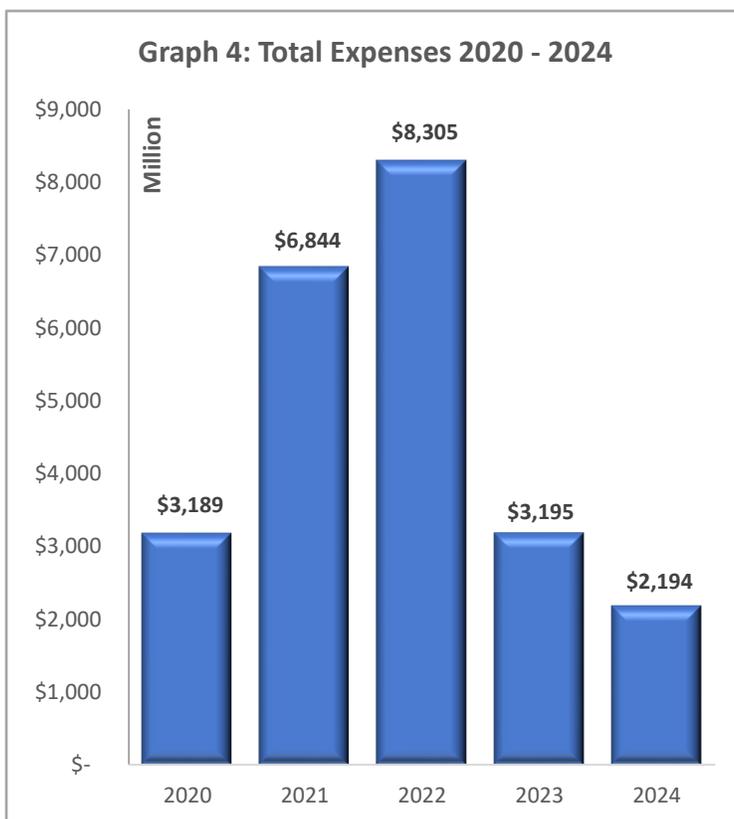
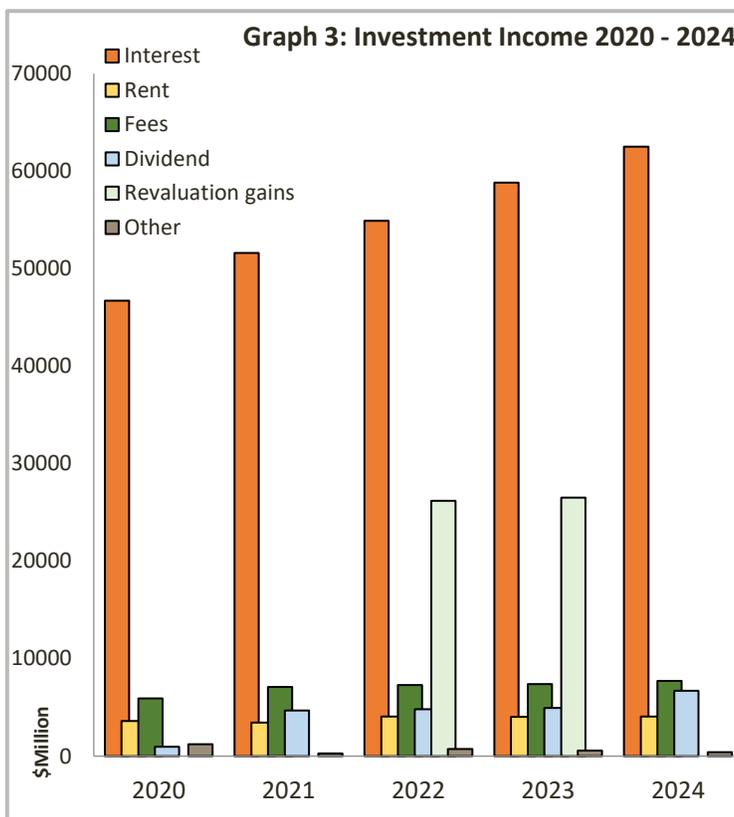
An overview of the past five years illustrates the Fund’s heavy reliance on the interest revenue from its lending portfolio and its growth over the years as shown in *Graph 3*. The major income components where the Fund generates its’ income from are primarily interest earned from loans portfolio, rental properties, services fees and dividend income. \$65.9million was generated from loans portfolio July 2023 – June 2024. Rental income from SNPF various properties earned \$4.2 million revenue, Dividend income earned \$5.6 million and Service fees earned \$8 million.

Expenses

The Total Expenditure (exclusive of doubtful debts, impairments of financial assets, depreciation and gain/(Loss) on foreign exchange) for 2024 decreased by 31% compared to the total costs in 2023. Additionally, actual costs were lower than budget by 29%. This is due to Management’s tight control of spending. Total expenses over 5 years are shown in *Graph 4*

FINANCIAL POSITION

As of 30 June 2024, the Fund’s statement of financial position remains strong with healthy cash reserves and an overall \$1.2 billion net asset position.



C. CAPITAL EXPENDITURE AND PROJECTS

Major capital expenditures/payments incurred during this financial year are shown in the following table:

Category	Year to Date
Land & Building	3,330,000
Motor Vehicle	116,000
Computer Systems & Software	230,000
Fixture & Fittings	-
Plant & Equipment	232,000
Work in Progress (WIP)*	26,000
Total	3,934,000
<i>*WIP includes – Building Apia and Vaitele Upgrading / Renovations</i>	

D. FUTURE RISKS AND UNCERTAINTIES

The unforeseen in the form of global pandemics, extreme climate crisis and wars to name a few can impact the least and the most established economies alike. The Fund's Board and Management serves well to be alert towards economic contractions evident in hyperinflation and constant fluctuation in stock market prices and oil-prices.

Samoa National Provident Fund

Financial Statements
30 June 2024

Samoa National Provident Fund
Financial Statements
For the Year Ended 30 June 2024

<u>Table of Contents</u>	<u>Pages</u>
Board Members' Report	3-5
Statement by the Board	6
Statement of Financial Performance	7
Statement of Net Assets Available for Benefits	8
Statement of Changes in Members Benefits	9
Statement of Changes in General Reserves	10
Statement of Cash Flows	11
Notes to and forming part of the Financial Statements	12-36
Independent Auditor's Report to the members of the Samoa National Provident Fund	37-39

**Samoa National Provident Fund
Board Members' Report
For the Year Ended 30 June 2024**

The Board members present their report together with the financial statements of the Samoa National Provident Fund ("Fund") for the year ended 30 June 2024 as set out on the accompanying pages and the Auditors report thereon in accordance with a resolution of the Board of Directors and signed on behalf of the Board.

Board Members

The Board members of the Fund during the year and up to the date of the report were:

Mr Panoa Tavita Moala (Chairperson) appointed on 24th November 2023
Mr Leota Kosimiki Latu (Board member)
Mrs Elena Ainuu Roberts (Board member)
Mr Tupuola Fiu Peni Asi (Board member)
Mr Leapai Valovalo Tusani (Board member)

Operation of the Fund

The Fund is a defined contribution fund, and the operation of the Fund has been carried out in accordance with the provisions of the Samoa National Provident Fund Act 2011.

Principal activities

The Fund is a compulsory savings scheme covering all employees in Samoa and overseas for the purposes of retirement and pension benefits. Furthermore, the Fund collect contributions promptly and invest these funds to generate returns for members.

Going concern

The financial statements of the Fund have been prepared on a going concern basis. We consider the application of the going concern principle to be appropriate in the preparation of these financial statements as we believe that the Fund has adequate funds to meet its liabilities when they fall due over the next 12 months from the date of the Board members report.

Operating results

Total net surplus attributable for allocation for the year ended 30 June 2024 was \$90,551,791 (2023: \$74,390,861).

**Samoa National Provident Fund
Board Members' Report (continued)
For the year ended 30 June 2024**

Reserves

The Board approved the allocation of net surplus to members' accounts from the Fund's income statement as annual interest at a rate of 9% (2023: 8.3%)

Bad and doubtful debts

At the date of this report, the Board members are not aware of any circumstances which would render the amount written off for bad debts, or amount of the provision for doubtful debts, inadequate to any substantial report.

Significant events during the year

- (i) **Dividend 2.4% was paid to members in January 2024.**
On the 9th January 2024, the Board approved a special interim dividend of 2.4%, to the value of \$24.07 million to be paid out 100% cash to members on 10th January 2024. The total amount withdrawn was \$17million. All dividends less than \$50 and dividends that were not withdrawn were credited back to members' accounts.
- (ii) **Interest declared for members in financial year ending 30 June 2024**
The Board approved to declare interest rate of 9% for the year ending June 2024, total amount of \$87million, 4% was paid in cash and 5% was credited to members' contributions accounts in June 2024.
- (iii) **Taumeasina Development Corporation Limited (TDCL) share acquisition in June 2024**
As at June 2024, the Fund converted accrued interest to the total value of \$425,000.00 of available shares in Taumeasina Development Corporation Limited (TDCL) to the total value of \$20,322,364.00. Total SNPF shares in TDCL is 20% holding at the end of June 2024.
- (iv) **Total Member Contribution as at 30 June 2024**
As at June 2024, the total member contribution reached \$1.1 billion tala from significant increase in contribution collected and interest credited to members' accounts this financial year.
- (v) **Upgrade of system from Navision Dynamics to Business Central in June 2024**
As at June 2024, the accounting software used for reporting purposes Navision Dynamics was upgraded and is now known as Business Central.

Events subsequent to balance date

The financial statements reflect the best estimates of the Fund's Board and management based on the information available at the time of preparation.

No matters or circumstances have arisen since the end of the financial year which would require adjustment to or disclosure in the financial statements.

Basis of preparation

The financial statements of the Fund have been drawn up in accordance with International Financial Reporting Standards and the requirements of the Samoa National Provident Fund Act 1972.

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. The financial statements are prepared in Samoan tala (SAT).

**Samoa National Provident Fund
Board Members Report (continued)
For the Year Ended 30 June 2024**

Related party transaction

All related party transactions have been adequately recorded in the financial statements as disclosed in the notes to the financial statements.

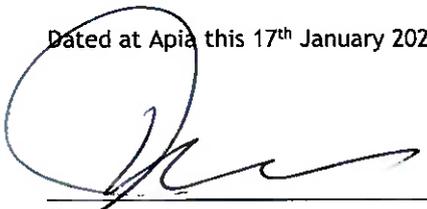
Other circumstances

At the date of this report, the Board members are not aware of any circumstances not otherwise dealt with in this report or financial statements which render any amounts stated in the financial statements misleading.

Unusual transactions

The result of the Fund's operations during the financial year and up to the date of this report, has not in the opinion the directors, been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

Dated at Apia this 17th January 2025



Chairperson

Director

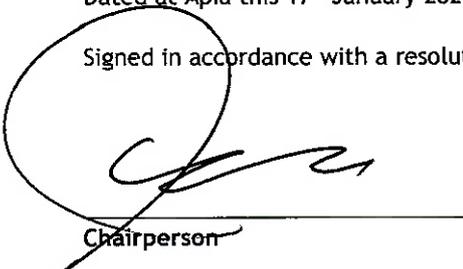
**Samoa National Provident Fund
Statement by the Board
As at 30 June 2024**

In the opinion of the Board members:

- (a) The accompanying statement of financial performance is drawn up so as to give a true and fair view of the results of the Fund for the year ended 30 June 2024;
- (b) The accompanying statement of net assets available for benefits is drawn up so as to give a true and fair view state of the affairs of the Fund as at 30 June 2024;
- (c) The accompanying statement of changes in member benefits is drawn up so as to give a true and fair view of movement in member benefits of the Fund for the year ended 30 June 2024;
- (d) The accompanying statement of changes in reserves is drawn up so as to give a true and fair view of movement in reserves of the Fund for the year ended 30 June 2024;
- (e) The accompanying statement of cash flows is drawn up so as to give a true and fair view of movement in cash flows of the Fund for the year ended 30 June 2024;
- (f) At the date of this statement there are reasonable grounds to believe that the Fund will be able to pay their debts as and when they fall due;
- (g) All related party transactions have been recorded and adequately disclosed in the attached financial statement in accordance with IAS 24: and
- (h) The financial statements and notes are in accordance with the Samoa National Provident Fund Act 1972.

Dated at Apia this 17th January 2025

Signed in accordance with a resolution of the Board:



Chairperson



Director

**Samoa National Provident Fund
Statement of Financial Performance
For the year ended 30 June 2024**

	Notes	<u>2024</u>	<u>2023</u>
		‘\$000	‘\$000
Income			
Interest income	5(a)	65,937	62,487
Dividend	5(b)	5,590	6,713
Property rental	6	4,164	4,064
Service fees		8,021	7,704
Other income	7	398	418
Total income		84,110	81,386
Expenses			
Audit fee		(83)	(87)
Directors’ expenses		(36)	(33)
Building maintenance		(232)	(324)
Directors’ fees	30(i)	(84)	(57)
Doubtful debts		-	133
Impairment of financial assets		(15,736)	(1,318)
Depreciation	21,22	(990)	(982)
Personnel costs	8	(4,858)	(4,819)
Rent expenses	9	-	(9)
Gain/(Loss) on foreign exchange	11(d)	(1,696)	(810)
Other operating costs	10	(1,759)	(2,818)
Total expenses		(25,474)	(11,124)
Net increase in net assets available for allocation		58,636	70,262
Other comprehensive Income			
Change in fair value offshore/local investment	11(a)	20,796	7,071
Change in fair value of other equity investment	11(b)	(1,121)	(738)
Change in fair value of convertible loans	11(c)	12,241	(2,204)
Total other comprehensive income		31,916	4,129
Net increase in net assets available for allocation		\$90,552	\$74,391
Net increase in net assets allocated to:			
Members’ accounts (interest to members)		\$87,303	\$73,240
Funds		3,249	1,151
Total		\$90,552	\$74,391

The income statement is to be read in conjunction with the notes to and forming part of the financial statement.

Samoa National Provident Fund
Statement of Net Assets Available for Benefits
As at 30 June 2024

	Notes	<u>2024</u>	<u>2023</u>
		‘\$000	‘\$000
Assets			
Cash			
Cash balances	13	86,590	47,982
Receivables			
Accrued income and prepayments	19	5,263	7,404
Accounts receivable	18	531	844
Investments			
Term deposits	12	21,991	14,044
Equity investments	15	194,035	155,612
UTOS note		6,000	6,000
Loans and advances	16	667,752	633,297
Investment properties	22	187,736	189,718
Other Assets			
Property, plant and equipment	21	16,347	13,406
Right use of assets	23(a)	31	32
Inventories	14	1,650	1,650
Term receivables from land sales	17	148	133
Total assets		<u>1,188,074</u>	<u>1,070,122</u>
Liabilities			
Other payables and accruals	20	(1,912)	(1,190)
Lease liability	23(c)	(32)	(32)
Employer subsidiary accounts	24	(3,583)	(3,488)
Employees entitlements and other liabilities	25	(567)	(471)
Total liabilities (exclude net assets available to pay benefits)		<u>(6,094)</u>	<u>(5,181)</u>
Net assets available for member benefits and reserves		<u>\$1,181,980</u>	<u>\$1,064,940</u>
Comprising:			
Member benefits			
Allocated to members		1,154,683	1,036,556
Unallocated to members	26	2,138	2,057
Total member benefits		<u>1,156,821</u>	<u>1,038,613</u>
Reserves			
General reserve		20,900	21,899
Pension reserve	27	1,324	1,493
Asset revaluation reserve	28	2,935	2,935
Total reserves		<u>25,159</u>	<u>26,327</u>
Total Funds		<u>\$1,181,980</u>	<u>\$1,064,940</u>

The accompanying notes form part of these financial statements.

For and on behalf of the Board:


 Chairperson


 Director

Samoa National Provident Fund
Statement of Changes in Members Benefits
For the year ended 30 June 2024

	<u>Judiciary Retirement Fund</u>	<u>Education Fund</u>	<u>National Provident Fund</u>	<u>Total Contributions</u>	
	JRF	EDF	NPF	<u>2024</u>	<u>2023</u>
	\$000	\$000	\$000	\$000	\$000
Balance at 1 July	1,789	573	1,034,194	1,036,556	971,748
Plus:					
Contribution	745	160	152,554	153,459	140,367
Special Benefits to members	3	-	2,242	2,245	2,352
Interest on members accounts*	150	51	87,101	87,303	73,239
Interest on members accounts**	2	-	1,999	2,000	2,313
	2,689	784	1,278,090	1,281,563	1,190,019
Less:					
Withdrawals to members	498	49	104,861	105,409	92,441
Withdrawals fees	4	-	348	352	290
Annual administration fees	2	1	2,928	2,931	2,903
Loans offset against contribution	-	-	-	-	11,654
Special dividend payout***	24	1	17,923	17,948	46,175
Transfer to Pension Pool	-	-	240	240	
	528	51	126,300	126,880	153,463
Due to members at year end	2,161	733	1,151,789	1,154,683	1,036,556
Net increase in members' benefits				118,127	64,806

*Interest credited to members account 30 June 2024 of 9%

** Interest credited to members accounts on withdrawals during the year

***Special cash payout in January 2024 (2.4%), July 2024 (1.6%)

The statement of changes in member benefits is to be read in conjunction with the notes to and forming part of the financial statements.

**Samoa National Provident Fund
Statement of Changes in General Reserves
For the year ended 30 June 2024**

	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
Balance as at 1 July	21,899	25,469
Add:		
Net surplus for the current period	90,552	74,391
Transfer from STL loan (adjustment)	(1)	1
	<u>112,450</u>	<u>99,861</u>
Less:		
Death benefit paid	826	912
Interest credited to members accounts on withdrawals	2,001	2,313
Interest credited to members end of financial year	87,303	73,239
Bonus 4% on withdrawal and/or death	1,419	1,442
AS400/FMS adjustment immigration	-	56
	<u>91,549</u>	<u>77,962</u>
Balance as at 30 June	<u>\$20,900</u>	<u>\$21,899</u>

The statement of changes in reserves is to be read in conjunction with the notes to forming part of the financial statement.

**Samoa National Provident Fund
Statement of Cash Flows
For the Year Ended 30 June 2024**

	Note	<u>2024</u>	<u>2023</u>
		‘\$000	‘\$000
Cash flows from operating activities			
Interest received (excluding loans and advances)		3,364	(614)
Dividends received		5,590	6,712
Property rentals received		5,165	4,525
Payment to suppliers and employees		(22,623)	(9,090)
Net cash generated from operating activities		(8,504)	1,533
Cash flows from investing activities			
Loans and advances provided/(repaid)		12,737	22,657
Equity investments (acquired)/disposed		678	(2,178)
Proceeds/(losses) from sale of fixed assets		33	3
UTOS note (acquired)		-	(6,000)
Other income from investing activities		13,694	2,482
Amount spent to acquire/develop investment properties		(1,951)	(2,437)
Net cash from/(used in) investing activities		25,191	14,527
Cash flows from financing activities			
Contributions received from employers & members		155,799	142,028
Contributions received from unallocated members		80	219
Withdrawal payments to members		(105,409)	(92,441)
Pensions paid to members		(408)	(398)
Death benefits paid		(826)	(912)
Bonus 4% on withdraw & death benefit		(1,419)	(1,442)
Dividend paid		(17,949)	(46,174)
Net cash (used in)/from financing activities		29,868	880
Net increase/(decrease) in cash balances		46,555	16,940
Cash balances at beginning of the financial year		62,026	45,086
Cash balances at end of the financial year	12,13	\$108,581	\$62,026

The statement of cash flow is to be read in conjunction with the notes to and forming part of the financial statement.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2024

1. General information

The Samoa National Provident Fund (the “Fund”) is a defined contribution superannuation fund domiciled in Samoa. The address of the Fund’s registered offices as listed:

- SNPF Main Office - Apia
- SNPF Vaitele Agency - Vaitele industrial area
- SNPF Savaii Agency - Salelologa Savaii

The Samoa National Provident Fund (the “Fund”) was incorporated under the National Provident Fund Act 1972 (the ‘Act’), with amendments under the Samoa National Provident Amendment Act 2010 which was effective 1 July 2010. SNPF is a compulsory savings scheme covering all employees in Samoa for the purposes of retirement.

The financial statements were authorized for the issue by the Board of Directors on 17th January, 2025.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Statement of compliance

The financial statements of the Fund are general purpose financial statements and have been prepared in accordance with International, Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”) and the requirements of the Samoa National Provident Fund Act 1972. The financial statements have been prepared under the historical cost convention, as modified by the fair valuing of the investment properties and equity investments.

The Financial statements of the Fund represented all the Fund’s investment and operation activities and accounts for all equity interests at fair value. As per IAS 27, the Fund has prepared a separate financial statement to provide a more comprehensive and precise financial statement for its members in relation to the Fund’s activities and operations.

IFRS form the basis of International Accounting Standards adopted by the IASB. The preparation of financial statements in accordance with IFRS requires management to exercise its judgement in the process of applying the Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

2.2 Adoption of new and revised Accounting Standards

(a) New standards, interpretations and amendments adopted from 1 January 2024:

The following new standards and amendments are effective for the period beginning 1 January 2024:

- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendment - Supplier Finance Arrangements).
- Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non-Current)
- IAS Presentation of Financial Statements (Amendment - Non-current Liabilities with Covenants)

The Fund carried out an assessment of the new standards, interpretations and amendments and concluded that the adoption of the above new standards, interpretations and amendments has had no effect on the financial statements.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.2 Adoption of new and revised Accounting Standard (continued)

(b) New standards, interpretations and amendments effective from 1 January 2025 and 1 January 2026

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Fund has decided not to adopt early as some of them may not be applicable. The Fund is still reviewing the effect of these new standards for applicability and impact on its financial statements for the next financial year.

The following amendments are effective for the period beginning 1 January 2025:

- Lack of exchangeability (Amendment to IAS21)

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)

2.3 Foreign currency translation

(a) Functional and presentation currency

The Fund operates principally in Samoa and hence the financial statements are presented in Samoa dollars, which is both the functional and presentation currency. Amounts have been rounded to the nearest thousand dollars except where otherwise noted.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Fund at the exchange rates on the dates of the transactions.

Foreign exchange gains and losses that related to borrowings and cash equivalents are presented in profit or loss together with all other foreign exchange gains and losses and are presented in profit or loss at a net amount.

2.4 Property, plant and equipment

Items of property, plant and equipment are initially recognized at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions. Property, plant and equipment are stated at cost less accumulated depreciation, except for land and buildings which are stated at valuation.

Depreciation on assets under construction or capital works in progress does not commence until they are complete and available for use. Capital works in progress are stated at historical costs and are not depreciated.

Depreciation is provided on the following items of property, plant and equipment to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Buildings	2.5% Straight line
Motor vehicles	25% Straight line
Plant and Equipment	25% Straight line
Fixture and Fittings	20% Straight line
Computer Systems and Software	10% Straight line

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.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.5 Intangible assets

Computer software

The acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (ten years). Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Fund, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives.

2.6 Investment properties

Investment properties, principally comprising freehold and leasehold land and buildings, are held for long-term rental yields and are not occupied by the Fund. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value, determined by external independent valuers who have appropriate recognised professional qualification and recent experience in the location and category of property being valued. Changes in fair values are recorded in the income statement.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred. Property that is being constructed for future use as investment property is accounted for as investment property until construction or development is complete, at which time it is re-measured to fair value. Any gain or loss arising from re-measurement is recognised in the income statement.

All leases that meet the definition of investment property are classified as investment property and measured at fair value.

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified accordingly. Any gain or loss arising from this remeasurement is recognized in the income statement.

Subsequent expenditure is charged in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred. Property that is being constructed for future use as investment property is accounted for as investment property until construction or development is complete, at which time it is re-measured to fair value. Any gain or loss arising from re-measurement is recognized in the profit or loss.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and re-classified accordingly. Any gain arising from this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss.

2.7 Impairment of non-financial assets

The carrying amounts of the Fund's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.7 Impairment of non-financial assets (continued)

pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairing testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognised in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.8 Financial instruments

Financial Assets

(a) Recognition and derecognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provision of the financial instrument.

(b) Derecognition

Financial assets are derecognised when the contractual rights to the cash flow from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is recognised when it is extinguished, discharged, cancelled or expires.

(c) Classification and initial measurement

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 9, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

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

Financial assets of the Fund are classified into the amortised cost category only and consist of cash and cash equivalents, bank term deposits, trade receivables and loans and advances. The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

(d) Subsequent measurement and gains and losses

i. 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.

ii. 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 exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.8 Financial instruments (continued)

iii. Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI.

(e) Impairment

The Fund recognizes loss allowances for expected credit loss (ECLs) on financial assets measured at amortised cost and loan commitments issued.

The Fund measures loss allowance at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and 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. These include cash at bank and other deposits or accounts in respect of banking operation loss allowances for trade receivables are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Fund 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 Fund's historical experience and informed credit assessment and including forward-looking information.

The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Fund considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Fund in full, without recourse by the Fund to actions such as realizing security (if any is held); or
- The financial asset is more than 90 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the investment is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

Measurement of ECLs

ECLs are a probability weighted estimate of credit losses.

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive).
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows; and
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are operation becomes a party to the irrecoverable loan commitment that is to be the date of initial recognition for the purposes of applying the impairment requirements.

ECLs are discounted at the effective interest rate of the financial asset.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.8 Financial instruments (continued)

Credit-impaired financial assets

At each reporting date, the Fund assesses whether financial assets carried at amortised cost and debt securities at FVOCI 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 Fund on terms that the Fund would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for security because of financial difficulties.

Presentation of allowances for ECL in the statement of net assets available for benefits

Loss allowance for ECL are presented in the statement of net assets available for benefits as follows:

- Financial assets measured at amortised cost, as a deduction from the gross carrying amount of the assets;
- Loan commitments: generally, as a provision.

(f) Derecognition

The Fund 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 risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial Liabilities

(a) Classification and measurement of financial liabilities

The Fund's financial liabilities include trade and other payables and are classified into the amortised cost category. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Fund designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(b) Derecognition

The Fund derecognises a financial liability when the contractual obligations are discharged or cancelled or expired.

2.9 Receivables

Receivables are carried at amortised cost-less provision for impairment on the basis set in note 2.8. Receivables are categorised as being at amortised cost under financial assets.

Where a receivable is considered to be irrecoverable, the receivable is written off in the accounts, subject to Board approval. When the recoverability of a receivable is in doubt, an appropriate amount is charged against the income as provision for doubtful debts.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.10 Cash balances

Cash balances include cash at bank and on hand, term deposits and other highly liquid investments with original maturities of 12 months or less. Cash and cash equivalents are categorised as amortised cost under financial assets.

2.11 Leases

At inception of a contract, the Fund assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Fund allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. The Fund has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 disclosed separately if they are different from those under IFRS 16 and the impact of changes is also disclosed.

(i) As a lessee

The Fund recognizes a right-of-use asset and a lessee liability at the lease commencement date. The right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any leases payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Fund's incremental borrowing rate. Generally, the Fund uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date; and
- The exercise price under a purchase option that the Fund is reasonably certain to exercise, lease payments in an optional renewal period if the Fund is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Fund is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future estimate of the amount expected to be payable under a residual value guarantee, or if the Fund changes its assessment of whether it will exercise a purchase, extension, or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in income statement if the carrying amount of the amount of the right-of-use asset has been reduced to zero.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

2. Summary of significant accounting policies (continued)

(i) As a lessee (continued)

Short-term leases and leases of low-value assets

The Fund has elected not to recognize right-of-use assets and lease liabilities for short-term leases of space that have a lease term of 12 months or less and leases of low-value assets. The Fund recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Fund acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Fund makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If any arrangement contains lease and non-lease components, the Fund applies IFRS 15 to allocate the consideration in the contract.

2.12 Employee entitlements

(a) Wages and salaries, annual leave and sick leave

Liabilities for employees' entitlements to salaries and wages, annual leave, sick leave and other current employee entitlements (that are expected to be paid within twelve months) as accrued at undiscounted amounts and calculated at amounts expected to be paid as at reporting date.

(b) Superannuation contributions

The Fund also contributes towards a defined contribution plan (SNPF) for its employees 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 income statement.

2.13 Other payables and accruals

Other payables and accruals are measured at amortised cost.

2.14 Income Tax and Vagst (Value Added Goods and Services Tax)

The income of the Fund is exempt from income tax under section 54 of the Act, and all income and expenditure relating to the rental operations are disclosed exclusive of Value-Added Goods and Services Taxes.

2.15 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

2.16 Liability for accrued benefits

The liability for accrued benefits is the Fund's present obligation to pay benefits to members and beneficiaries. It has been calculated as each fund's net assets as stated on the statement of net assets available for benefits.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.17 Contributions

Contributions from employers and members are recorded when control of the asset is ascertained upon receipt of the contribution schedule forms from the employers and the registration of the forms by the Fund. The contribution shall be paid as a 10% deduction from the total wages of the employee and a 10% contribution by the employer. The contribution shown in the statements of changes in member benefits represents total contributions received/receivable from employers and members. Contributions from employers and members are recorded when control of the asset is ascertained upon receipt of the contribution schedule forms from the employers and the registration of the forms by the Fund.

The Fund does not accrue for contributions for which no contribution schedule forms are received or received but not registered as it is not able to reliably estimate the contributions balance. Under the SNPF Act, the amount of contributions for an employee for a month is the amount equal to 10% of the total wages payable to the employee by the employer for the month. The contribution shall be paid as a 10% deduction from the total wages of the employee and a 10% contribution by the employer. The legislation allows for additional contributions to be made.

The contributions shown in the statements of changes in member benefits represent total contributions received/receivable from employers and members.

2.18 Income recognition

Income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Fund recognises income when it transfers control over a product or provides a service to a third party.

Income is recognised as follows:

Income	Nature, timing of satisfaction of performance obligations and significant payment terms
Dividend income	Dividend income from investments is recognised when the right to receive payment is established. Settlement terms are within one year.
Interest income	Interest income is earned from investments such as loans and advances, term deposits, land debtors and bank accounts. Interest income from loans is recognised using the effective interest rate method.
Property rentals	Property rental income from operating leases is recognised on a straight-line basis over the term of the lease.
Services fess	Fees comprise small loans, short term loans, investment application, maintenance fees, housing application, withdraws fees. Income from fees is recognised when related services have been provided.

2.19 Comparative figures

Where necessary, comparative figures have been adjusted to conform with presentations adopted in the current year.

2.20 Reserve

Reserves comprise both the legislative solvency reserve equivalent to 10% of the total benefits accrued to members of the Fund as required under the SNPF Act 1972.

2.21 Interest on members' contributions

In accordance with Section 36 of the Act, interest on members' accounts in the National Provident Fund and Judiciary Reserve Fund, is calculated on the amounts standing to their credit with the Fund at the commencement of each financial year. An interest rate of 9% was declared for the end of 30 June 2024, (June 2023: 8.3%).

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

2. Summary of significant accounting policies (continued)

2.22 Expense recognition

All expenditures are recognised in the income statement on an accrual basis.

2.23 Loans and advances

Loans and advances are carried at their recoverable amount represented by the gross value of the outstanding balance (principal plus interest) adjusted for provision for doubtful loans. Non-performing accounts identified by Management as per the Fund's policy are subject to Board approval. At the time a loan is considered non-performing and approved by the Board, interest is ceased until settlement.

2.24 Equity investments

Investments in unlisted company shares are valued at fair value at a balance date based on market information and/or the best estimates of fair value as determined generally by independent and knowledgeable valuers in every three years. The investment team and management carry out an annual internal desktop valuation. Units held at the Unit Trust of Samoa, Unit Trust of Fiji, IFC BSP, Blackrock and ATH Fiji, ATH VI are stated at the value based on monthly unit price.

2.25 Inventory

Lands held for sale are stated at cost. Building stocks are recorded at cost less any provision for stock obsolescence and comprises of items purchased in bulk to maintain the Fund's many buildings.

2.26 Actuarial report

The review is performed every three years, and the most recent actuarial was carried out by Melville Jessup Weaver in September 2024 for period ended 30 June 2023, this review however, is relevant to 30 June 2024. The recent revaluation indicated that the Pension Reserve Account has a deficit of \$727,000 as at 30 June 2023. The deficit is more than 10% of the total liability of the Pension Reserve Account. In accordance with the funding policy, a transfer of \$727,000 to the Account should be made in the new financial year in order to bring the Account into balance as at the valuation date.

3. Financial Risk Management

3.1 Financial risk factors

This section outlines the Fund's exposure to financial risks and describes the methods used by management to control these risks. The primary risks are those of credit risk, liquidity risk and market risk (interest rate, foreign exchange).

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Foreign Currencies Exchange risk

The Fund has investments in foreign currencies and acquires certain services from abroad and is exposed to foreign exchange risk arising from various exposures, primarily with respect to the USD, Australian, PGK, Euro, Fijian and NZ dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The significant settlements, the Fund is required to seek quotations from recognised banks and use the most favorable exchange rate for purposes of the settlement.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

3. Financial Risk Management (continued)

3.1 Financial risk factors (continued)

(ii) Price risk

The Fund is significantly exposed to equity securities price risk because of investments held by the Fund classified in the Statement of financial position at fair value through profit or loss. The Fund is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio.

b) Credit risk

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the Fund. The Fund's primary exposure to credit risk arises from its lending and investing activities. The Fund has strict policy guidelines in dealing with credit worthy customers and obtaining sufficient collateral to mitigate the risk of financial loss. Credit risk is also closely monitored by the Internal Auditor through regular and independent reviews designed to test the quality of credit exposures and to ensure compliance with Fund policies. These reviews are administered by the Audit Committee.

Impairment losses (reversals) on financial assets at amortised cost recognised in income statement were as follows:

	<u>2024</u>	<u>2023</u>
	<u>\$000</u>	<u>\$000</u>
Cash and cash equivalent	(18)	(25)
Accounts receivables	125	5
Accrued income	13	(347)
Equity investment	(1,121)	(990)
Loans and advances	(15,340)	52
Convertible notes	(2,732)	(2,204)
	<u>(19,073)</u>	<u>(3,509)</u>

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- Loss given default (LGD);
- Exposure at default (EAD).

PD estimates are estimates at a certain date, which are calculated based on internally compiled data comprising both quantitative and qualitative factors. The probability of default for loan and advances range from 5% to 35%.

LGD is the magnitude of the likely loss if there is a default. The Fund estimates LGD parameters based on the parameters determined for different types and natures of financial assets and using guidance material developed by independent parties. LGD for loans and advances range from 1% to 5%.

The LGD rates reflect the structure, collateral, seniority of the claim and recovery costs of any collateral that is integral to recovery or settlement of the financial assets as well as the finance cost of settlement delays.

EAD represents the expected exposure in the event of a default. The Fund derives EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD is generally the gross carrying amount of the financial asset.

(c) Collateral management

Collateral is used to mitigate credit risk, as the secondary source of repayment in case the counterparty cannot meet its contractual repayment obligations.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

3. Financial Risk Management (continued)

3.1 Financial risk factors (continued)

(d) Liquidity risk

Liquidity risk arises in the general funding of the Fund's activities. It includes both the risk of being unable to fund assets at appropriate maturities and rates, and the risk of being unable to fund settlements on contribution accounts in an appropriate time and frame.

(e) Interest rate risk

Interest rate risk arises from the change in interest rate causing fluctuations in the fair value of financial instruments and their liability funding. These mismatches may be due to timing differences in the repricing of the asset and liability. The Fund's risk management strategy aims to actively monitor these mismatches to minimise the effects on interest rate risk.

4. Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results.

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 the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of financial assets

Impairment of financial assets carried at amortised costs are assessed using the expected credit loss model. For details of impairment on financial assets, refer to note 2.8 (d) and note 3.1 (b).

(b) Impairment of property, plant and equipment

The Fund assesses whether there are indicators of impairment of all property, plant and equipment at each reporting date. Where there are indicators of impairment an impairment test is performed. If the carrying amounts exceed the recoverable amount an impairment provision is recognised.

(c) Fair value determination for financial assets and investment properties carried at fair value

The Fund carries a number of its financial assets, being equity investments at fair value. Refer to Note 14 for details. In addition, it carries its investment properties at fair value, as detailed in note 21.

Equity investments

Equity investments are carried at fair value at balance date based on market information and/or the best estimates of fair value as determined generally by independent and knowledgeable valuers, but markets are subject to considerable volatility. The valuations bring with them an increased level of uncertainty, which increases the risk of values in the future period or on realisation being materially different to the values at which they are recorded. Similarly future market movements may lead to similar impacts on the recorded values of those equities that are readily tradeable. This increases the risk of a material adjustment to the carrying amount of equity investments within the next financial year. The assumptions underlying the value in use and calculations used to measure the fair value of equity investments were adjusted through the discount rate and cash flow projections to reflect reasonable estimates and the increased risks associated with the estimated cash flows.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

4. Critical accounting estimates and judgements (continued)

(c) Fair value determination for financial assets and investment properties carried at fair value (continued)

Investment properties

Investment properties are also carried at fair value at balance date, based on the best estimates of fair value determined generally by independent and knowledgeable valuers. The property valuations also bring with them an increased level of uncertainty, which increases the risk of values in future periods or on realisation being materially different to the values at which they are recorded. This increases the risk of a material adjustment to the carrying amount of investment properties within the next financial year.

Expected credit losses

The Fund's holding in financial assets carried at amortised cost, including loans and advances, receivables and government securities and fixed interest securities, are subject to consideration of expected credit losses that may result from delays in settlement or non-collection of the asset. The expected credit losses have been determined based on best estimates of probability of default and loss given default. However, there is an increased level of uncertainty because of greater estimation around future events impacting the counterparties, which increases the risk of material adjustments being made to the level of expected credit losses as further information around the counterparties in future.

This increases the risk of a material adjustment to the carrying amount of the above-mentioned financial asset within the next financial year. The Fund has used its judgments based on the specific facts and circumstances including the recovery forecasts of different industries and the organisation's own responses to determine the various possible future scenarios which forms the basis of their assumptions in their estimation of ECL.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

The Fund 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 liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e., the fair value of the consideration given or received. If the Fund determines that the fair value on the initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be significant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in the income statement on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 fair value measurement are those instruments valued based on the quoted prices (unadjusted) in active markets for identical assets or liabilities

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

4. Critical accounting estimates and judgements (continued)

(c) Fair value determination for financial assets and investment properties carried at fair value (continued)

- Level 2 fair value measurements are those instruments valued based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

- Level 3 fair value measurements are those instruments valued based on inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following tables shows the carrying amounts and fair values of financial assets and financial liabilities and investment properties, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value			
	Fair value \$000	Amortised Cost \$000	Total \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Balance as at 30 June 2024							
Equity investments	194,035	-	194,035	58,613	38,909	96,513	194,035
Investment properties	187,736	-	187,736	-	-	187,736	187,736
Balance as at 30 June 2023							
Equity investments	155,358	-	155,358	58,682	-	96,676	155,358
Investment properties	189,717	-	189,717	-	-	189,717	189,717
Equity investment							
						<u>2024</u> \$'000	<u>2023</u> \$'000
Balance as at 1 July						28,750	27,554
Unrealised gains (losses) included in income statement						(1,121)	(990)
Acquisition						20,679	2,186
Written against provision						-	-
Balance as at 30 June (refer note 15(b))						\$48,308	\$28,750
Investment properties							
Balance as at 1 July						189,717	188,370
Net Acquisition						(1,981)	1,347
Balance as at 30 June (refer note 22)						\$187,736	\$189,717

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

5. Interest	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
(a) Interest income		
Term deposits	518	251
UTOS note	255	213
Loans and advances	64,643	61,654
Land debtors	17	15
Bank accounts	503	354
Total interest income	\$65,937	\$62,487
(b) Dividend		
Dividend - from related parties	417	229
Dividend - other equities	5,173	6,484
Total dividend	\$5,590	\$6,713
6. Property rental		
	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
NPF Building - other tenants	463	348
NPF Building - carpark	33	32
NPF Building - Savaii office	187	123
Samoa house & new chancery office building	253	244
Yazaki building	678	678
SNPF plaza	2,026	2,162
Digicel	3	3
Samoa tourism authority - Fale	55	55
Vaitele agency	72	72
Fong complex	45	25
ACE Saleufi complex	188	164
Industrial Vaitele land lease	161	158
Total property rental	\$4,164	\$4,064
7. Other income		
	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
Gain on sale of fixed assets	32	3
Other revenue	366	415
Total other income	\$398	\$418
8. Personnel costs		
	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
Salary & allowance	4,262	4,256
Overtime	163	124
Performance bonus	-	242
Long/sick/accrued leave	197	23
Management end of contract benefit	81	97
Staff retirement benefit	154	77
Total personnel costs	\$4,858	\$4,819

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

9. Rent expenses	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Rent paid - (old bldg)	-	9
Total rent expenses	\$ -	\$9
10. Other operating costs	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Computer services costs/software license	300	297
Utilities, telephone & internet	570	416
Local travel	84	122
Legal fees	139	50
Insurance	(184)	209
Overseas travel	52	291
Printing and stationery	115	141
Repair and maintenance	286	252
Office expenses	281	824
Other expenses	116	216
Total other operating costs	\$1,759	\$2,818
11. Change in fair value	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
(a) Change in Fair Value of Offshore & Local investment		
Unrealised gains on offshore investment	20,796	7,071
Realised gains/(losses) on offshore investment	-	-
Net fair value gains/(losses)	\$20,796	\$7,071
(b) Change in fair value of other equity investment		
Unrealised gains/(losses) on equity investment	(1,121)	(738)
Realised gains/(losses) on equity investment	-	-
Net fair value gains/(losses)	\$(1,121)	\$(738)
(c) Change in fair value of convertible loans		
Unrealised gains/(losses) on convertible loans	12,241	(2,204)
Realised gains/(losses) on convertible loans	-	-
Net fair value gains/(losses)	\$12,241	\$(2,204)
(d) Net foreign exchange gain/(loss)		
Unrealised gain/(loss)	(1,696)	(810)
Net Fair Value gains/(losses)	\$(1,696)	\$(810)

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

12. Term deposits	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Local banks and financial institutions - local currency	22,000	14,050
Less: Impairment provision	(9)	(6)
Balance as at 30 June 2024	\$21,991	\$14,044
Maturity represented as:		
12mths to 24mths	\$21,991	\$14,044
13. Cash balances	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Cash at bank & cash on hand*	86,625	48,001
Less: Impairment provision	(35)	(19)
Balance as at 30 June 2024	\$86,590	\$47,982
*Cash on hand includes \$500.00 as petty cash for payments less than \$50.00.		
14. Inventories	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Land held for sale	1,644	1,644
Building consumable	6	6
Balance as at 30 June 2024	\$1,650	\$1,650
15. Equity investments	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Traded equities (a)	145,727	126,609
Other equity investments (b)	48,308	29,003
	\$194,035	\$155,612
(a) Traded equities		
~ Level 1 - Local listed equities	6,489	6,312
~ Level 1 - Foreign equities	128,122	109,798
* Local Unit Trust	11,116	10,499
	\$145,727	\$126,609

~ Level 1 equity investments are classified at fair value through income statement and the Fund uses the closing market price as at the reporting date. Level 1 includes:
 IFC BSP (Papua), Blackrock (Australia), ATH shares (Fiji), ATH IV shares (Papua), Unit Trust of Samo
 Unit Trust of Fiji.

* For Unit Trusts, the Fund uses exit prices at the reporting date.

Valuation Process

SNPF engages a reputable and adequately qualified international firm to carry out valuations of its investment in equities. The firm selected to carry out the valuations work with the Fund management team and the investee’s management team to prepare a business valuation required under IFRS 13.

John Vila and Associates was engaged to carry out the valuation of the Fund’s equities investments in MBRS and the management assessed this year 2024 as per Board approval. The objective of the valuation service is to assess perceived fair value for statutory financial reporting purposes as required under the international Financial Reporting Standards (IFRS).

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

15. Equity investments (continued)

The Valuation reports are based on information available on 30 June 2024. The Adjusted Net Asset Value, Market Capitalisation and Dividend Yield methodologies were used to ascertain the values at year end.

(b) Other equity investments

<u>Names</u> <u>Investments</u>	<u>Valuer</u>	<u>Ownership</u>	<u>2024</u> <u>'\$000</u>	<u>2023</u> <u>'\$000</u>
Mulifanua Beach Resort Samoa	Management	54%	6,703	7,613
Computer Services Ltd	Management	67%	1,958	2,148
CSL Mobile Ltd	Management	50%	13,961	13,961
Samoa Submarine Cable Company	Management	20%	5,261	5,281
Taumeasina Convertible Loan	Management	20%	20,425	-
			\$48,308	\$29,003

The above investments have been measured at fair value noted 2.8(d)(i)

Valuation technique and significant unobservable inputs

<u>Other equity investments</u>	<u>Valuation techniques</u>	<u>Movement FV</u>
Mulifanua Beach Resort Samoa	Market Capitalisation	Decrease
Computer Services Ltd	Adjusted Net Asset Value	Decrease
CSL Mobile Ltd	Adjusted Net Asset Value	No change
Samoa Submarine Cable Company	Dividend Yield	Decrease

16. Loans and advances

	<u>2024</u> <u>'\$000</u>	<u>2023</u> <u>'\$000</u>
Loans and advance (member loans) (a)	464,474	419,742
Loans to related parties (convertible loans) (b)	7,250	27,476
Customer term loans (investment loans) (c)	216,332	205,065
Gross loans and advances	\$688,056	\$652,283
Deduct: provision for suspend interest & fees	(166)	(800)
Deduct: impairment on convertible loans (Taumeasina & MBRS)	(3,629)	(19,092)
Deduct: impairment of equity portion convertible loans (TIR & MBRS)	897	3,570
Deduct: provision and impairment loans and advances	(17,405)	(2,665)
Total impairment provision	(20,304)	(18,986)
Net loans and advances	\$667,752	\$633,297
Current	2,556	132,077
Non-Current	685,500	520,206
Gross loans and advances	\$688,056	\$652,283
<u>Movement in the impairment provision for loans and advances:</u>		
Opening balance	(2,665)	(1,897)
Movement in provision during the year	(14,740)	(767)
Loans written off against provision	-	-
Ending balance	(17,405)	(2,665)

a) Member loans - Member loans include small loan and short-term loans. For Small loans member can borrow 50% of their SNPF contributions. These small loans are charged with interest at 9.5% per annum. Included are members' loans to key management Personnel circa \$1,563,913.00. There are no member loans to directors for this year. Short-term loans allow active members to borrow 15% of their contributions apart from their usual small loan entitlement at 12% for a term of 3 years.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

16. Loans and advances (continued)

- b) Loans to related parties - AGBR note - total note of \$6.5million at 4% for 3 years from March 2018 to March 2021. In May 2021, the board approved the extension of the note/loan term to another 3 years. AGBR note has accumulated balance of \$7.5m
- c) Customer term loans - Interest on large loans is charged at an average rate of 9% per annum. Included in investment loans to key management personnel circa \$3,822,913.42 there are no investment loans to directors. There are no staff loans schemes as all staff loans are treated as public loans.

17. Term receivables from land sales	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Land debtors	151	137
Less: Impairment provision	(3)	(4)
Balance as at June 2024	\$148	\$133

Term Receivables are charged interest at 10% per annum for a repayment period of ten years. Legal transfer to title is not made until the full price of the land plus outstanding interest has been paid.

18. Accounts receivable	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Trade receivables	1,025	2,038
Impairment provision	(741)	(1,410)
BMR account*	284	628
	246	216
Balance as at 30 June 2024	\$531	\$844

*The BMR account refers to operating costs relating to the Plaza and the SNPF buildings which are recharged to tenants. For the SNPF Building, the Fund pays for the operating costs inclusive of building maintenance and common area costs incurred during the year. To recover the funds used, a rate based on these total payments is used to invoice tenants in the next financial year.

Movement per provision for doubtful debts

Opening balance	(1,410)	(1,366)
Additional provision during period	-	(45)
Provision written back	669	-
Balance as at 30 June 2024	(741)	(1,410)

19. Accrued income and prepayments	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Accrued income - term deposits	382	88
Accrued income - MBRS & Taumeasina convertible loans	4,738	7,132
Less: Impairment provision for convertible loans	(334)	(347)
	4,786	6,873
Accrued dividend	266	284
Prepayments	211	247
Balance as at June 2024	\$5,263	\$7,404

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

19. Accrued income and prepayments (continued)

Movements in the impairment provision are as follows:

Balance as at 1 July 2023

	Term Deposits	Convertible loans
New and increased provisioning	5	347
Balance as at 30 June 2024	3	-
Provisions reversed	-	(13)
Balance as at 30 June 2024	\$8	\$334

20. Other payables and accruals

	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Rent received in advance	200	181
Sundry creditors and accruals	1,511	898
VAGST payable	201	110
Balance as at 30 June 2024	\$1,912	\$1,190

21. Property, plant and equipment

	Land	Building	Vehicle	Computer Systems	Fixtures &Fitting	Plant & Equipment	WIP	Total
	‘\$000	‘\$000	‘\$000	‘\$000	‘\$000	‘\$000	‘\$000	‘\$000
Balance at the beginning of year	3,411	6,704	1,040	3,783	2,537	4,726	654	22,855
Additions	-	3,330	116	230	-	232	26	3,934
Disposals	-	-	-	(4)	(2)	(166)	-	(172)
Balance at the end of the year	3,411	10,034	1,156	4,009	2,535	4,792	680	26,617
Accumulated Depreciation								
Balance at the beginning of year	-	184	1,017	2,064	2,460	3,724	-	9,449
Depreciation charge for the year*	-	233	26	257	51	426	-	993
Disposals	-	-	-	(4)	(2)	(166)	-	(172)
Balance at the end of year	-	418	1,041	2,316	2,508	3,984	-	10,270
Carrying amount at the beginning of year	\$3,411	\$6,520	\$23	\$1,719	\$77	\$1,002	\$680	\$13,406
At the end of year	\$3,411	\$9,617	\$113	\$1,692	\$26	\$807	\$680	\$16,347

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

22. Investment properties	2024	2023
	'\$000	'\$000
Properties at fair value		
Balance at the beginning of the year	189,718	188,370
Transfer from property, plant and equipment	-	-
Change in fair value (revaluation)	-	-
Disposal	-	-
Depreciation*	-	-
Acquisition	5,122	-
Work in progress	(7,104)	1,348
Balance as at 30 June 2024	\$187,736	\$189,718

The recent revaluation of local investment properties (land and buildings) was carried out in May 2021 by Elon Betham Licensed Public Valuers an independent valuer in Samoa. The valuation for two overseas properties was carried out in FY2022. This exercise was undertaken to establish fair value for the purpose of financial reporting in accordance with IFRS. The fair value measurement for all the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

*Total Depreciation (note 21 & 22) for IP and PPE \$990,266. (Refer page 7, PL Depreciation)

Total Properties, Plant and Equipment (PPE) & Investment Properties (IP)

	2024	2023
	'\$000	'\$000
<u>Investment Properties (IP)</u>		
Land	118,983	118,983
Building	66,811	61,686
WIP - Building	1,942	9,048
Total investment properties	\$187,736	\$189,717
<u>Property, Plant and Equipment (PPE)</u>		
Land	3,411	3,411
Building	9,618	6,522
Motor vehicle	113	23
Computer Systems/Software	1,692	1,719
Plant and Equipment	807	1,002
Fixture and fittings	26	77
WIP - PE, CSS	680	653
Total PPE	16,347	13,404
Balance as at 30 June 2024	\$204,083	\$203,124

23. Leases

(a) <u>Right use of assets</u>	2024	2023
	'\$000	'\$000
Balance as at 1 July	32	33
Additions	-	-
Depreciation charged for the year	(1)	(1)
Balance as at June 2024	\$31	\$32

The incremental borrowing rate is 4% in 2024, (2023 - 4%). Annual depreciation total to \$854.

(b) Lease liabilities

	2024	2023
	'\$000	'\$000
Maturity analysis -contractual undiscounted cashflows		
Less than one year	2	2
One to five years	8	8
More than five years	51	59
Total undiscounted lease liabilities at 30 June 2024	61	69

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

23. Leases (continued)

(c) Lease liabilities as at 30 June

Investment properties		
Current	1	1
Non-current	32	32
	\$33	\$33
Amount recognized in income statement		
Interest on lease liabilities	1	1
Depreciation on right of use assets	1	1
Balance as at June 2024	\$2	\$2

The Fund lease asset relates to the leasing of land (2 acre) at Salelologa from Samoa Land Corporation for the construction of new SNPF building. The lease period is 40 years with the rate to be reviewed every 40 years, the lease commenced in October 2019 and the lease agreement contains an extension for another 40 years. The movement in the right of use asset as presented in the statement of financial position.

24. Employer subsidiary accounts	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
Employer subsidiary	3,331	3,236
Provision for doubtful employer balances	252	252
Balance as at June 2024	\$3,583	\$3,488

Employer subsidiary accounts are used for posting paid schedules and receipting remittances on schedules. Contribution is released to members' accounts (employees) upon full payment. Any advance payments on schedules are left as it is under the Employer subsidiary accounts for future schedules. Surcharges are charged on employers' accounts for outstanding contributions not submitted to the Fund.

25. Employees' entitlement and other liabilities	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
Accruals for audit fees	120	113
Provision for employee benefits	447	358
Balance as at 30 June 2024	\$567	\$471

	Audit Fees ‘\$000	Employee Benefits ‘\$000	<u>2024</u> ‘\$000	<u>2023</u> ‘\$000
Opening balance	112	359	471	552
Additional provision	104	263	367	360
Payments	(96)	(175)	(271)	(307)
Reverse provision	-	-	-	(134)
Balance as at 30 June 2024	\$120	\$447	\$567	\$471

26. Unallocated to members	<u>2024</u>	<u>2023</u>
	‘\$000	‘\$000
Opening balance	2,057	1,836
Portion identified during the period	(1,315)	(1,602)
Unclaimed deposits during the period	1,396	1,823
Balance as at 30 June 2024	\$2,138	\$2,057
Net decrease in unallocated members	80	221

Unclaimed deposits represent: (i) unidentified contributions after reasonable work has been carried out, (ii) unwithdrawn contributions belonging to members over 65, and (iii) members with remaining credits (iv) UDA transferred to General Reserve as approved by Board. The Unclaimed Deposits Account is established under section 32(4),(6) & (7) of the National Provident Fund Act 1972.

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

27. Pension reserve	2024	2023
	‘\$000	‘\$000
Opening balance	1,493	1,890
New pension accounts	212	-
Transfer from general reserve	-	-
Pension paid to pensioners	(380)	(397)
Balance as at 30 June 2024	\$1,324	\$1,493

Represents contribution from members who have reached 55 years of age and over, and who have become pensioners. These members' balances are transferred out of their contribution accounts and into the pension pool. In addition, when the pool requires additional funding, the Fund does transfers from the General Reserve subject to Board approval.

28. Asset revaluation reserve

	2024	2023
	‘\$000	‘\$000
Opening balance	2,935	2,935
Balance as at 30 June 2024	\$2,935	\$2,935

Revaluation surplus balance relates to revaluation of land and buildings (Properties) in 2015.

29. Notes to the statements of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statements of cash flows, cash and cash equivalents include cash on hand and at call deposits with other financial institutions. Cash and cash equivalents at the end of the reporting period as shown in the statements of cash flows is reconciled to the related items in the statements of net assets as follows:

	Notes	2024	2023
		\$000	\$000
Cash and cash equivalents	12,13	108,581	62,026
Cash and cash equivalents at end of financial year		108,581	62,026

(b) Cash flows presented on a net basis

Cash flows arising from the following activities are presented on a net basis in the statements of cash flows:

- i. Interest and dividends received, rentals properties
- ii. Contributions received from employers and employees
- iii. Investment and maturity of term deposits and cash balances

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 30 June 2024

30. Related parties

(a) Board members:

The Board members of the Fund during the year were:

Mr. Panoa Tavita Moala (Chairperson)
 Mr. Leota Kosimiki Latu
 Ms. Elena Ainuu
 Mr Tupuola Peni Asi
 Mr Leapai Valovalo Tusani

(b) Transactions and balances with related parties

	<u>2024</u>	<u>2023</u>
	\$000	\$000
(i) Directors*		
Directors' remuneration - fees and allowances	84	57
	84	57

*Any director who is a member of the Fund contributes and receives benefits on the same terms and conditions as those available to other members.

* Directors remuneration includes amounts paid to the directors of the Fund.

(ii) Key management personnel

In addition to the directors, key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly (whether executive or otherwise) of that entity. During the reporting period, the following people were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling of activities:

- Ms Lemalu Selesitina Pule'aga Meni-Reti - Chief Executive Officer (appointed 17th July 2023)
- Ms Faalogo Luana Esera - Chief Financial Officer (contract ended 30th June 2024)
- Ms Vanita Fanolua - Manager Property and Equities
- Ms Siligatusa Limasene Tupou - Manager Lending Services (reappointed 23rd October 2023)
- Mr Lenatai Vili Tiperia - Manager Information and Technology (promotion effective 11th December 2023)
- Ms Aualiitia Sine Lafaialii Korua - Manager Legal (resigned 4th August 2023)
- Ms Ana Vaise Aiolupotea - Manager Member Services
- Ms Lautimuia Larina Lemisio - Manager Corporate Services (resigned 12th July 2024)
- Ms Naseri Mikaele - Manager Internal Audit (appointed 20th May 2024)

The aggregate compensation of the key management personnel for the Fund comprises of short-term benefits and is set out below:

	<u>2024</u>	<u>2023</u>
	\$000	\$000
<u>Key management (Senior) personnel disclosures</u>		
Compensation of key management personnel remuneration	34	91
Remuneration	1,958	846

Management personnel who are members of the Fund contribute and receive benefits on the same terms and conditions as those available to other members (except in some instances the Fund contributes over and above the minimum statutory levels in line with the individual's employment contract).

Samoa National Provident Fund
Notes to and forming part of the Financial Statements (continued)
For the year ended 30 June 2024

31. Absence of finance manager and delay in completion of financial statement

During the year ended 30 June 2024, the Fund experienced a period during which no finance manager was employed. This absence impacted the Fund's ability to prepare the financial statements within the usual timeframe, resulting in a delay in their finalization.

Management has acknowledged the operational challenges caused by the absence of a finance manager and has implemented measures to address this issue. These measures include the recruitment of a qualified finance manager subsequent to the reporting period and the enhancement of internal financial reporting processes to ensure the timely preparation of financial statements in future periods.

Management confirms that all necessary adjustments and disclosures have been made to ensure that the financial statements present fairly, in all material respects, the financial position, performance, and cash flows of the Fund as at 30 June 2024 and for the year then ended, in accordance with the IFRS Accounting Standard.

This disclosure is made to provide transparency to the Fund's stakeholders regarding the circumstances described in the auditor's emphasis of matter paragraph in the independent auditor's report.

32. Commitments and contingencies

(a) Commitments

The Fund was committed to lend \$60 million Investment Loans during the year, of which \$2.2million remains undrawn at year end.

(b) Contingencies

The Directors are not aware of any significant contingent liabilities as at 30 June 2024.

33. Subsequent events

The directors are not aware of any other matter or circumstances not otherwise dealt with in the financial statements that have significantly or may significantly affect the operations of the Scheme, the results of those operations or state of affairs of the Scheme in the subsequent year.



AUDIT OFFICE

REPORT OF THE AUDIT OFFICE

TO THE GOVERNING BODY IN CHARGE OF GOVERNANCE – SAMOA NATIONAL PROVIDENT FUND

Audit Opinion

The Samoa Audit Office (SAO) has audited, under Article 97A of the Constitution 1960 and amendments and Part 4 of the Audit Act 2013, the Financial Statements of the Samoa National Provident Fund, which comprises of the Statement of Financial Position as at 30 June 2024, the Statements of Net Assets, Changes in Members Benefits, Statement of Changes in General Reserves, Statement of Cash Flows, Statement of Financial Performance for the year ended 30 June 2024, and a Summary of Significant Accounting Policies and Other Explanatory Notes. The Accounting Firm of BDO Chartered Accountants assisted in the audit. The Engagement Partner on the audit resulting in this Independent Auditor's Report is Taimalie Ernest Betham.

In the opinion of SAO, the accompanying financial statements give a true and fair view of the financial position of the Samoa National Provident Fund as at 30 June 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

SAO through its Delegate, BDO Chartered Accountants and Taimalie Ernest Betham conducted its audit in accordance with International Standards on Auditing (ISAs). SAO's responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. SAO and its Delegate are independent of the Samoa National Provident Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to SAO's audit of financial statements in Samoa, and SAO and its Delegate has fulfilled its other ethical responsibilities in accordance with these requirements and the IESBA Code. SAO and its Delegate believe that the audit evidence obtained is sufficient and appropriate to provide a reasonable basis for this audit opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors report but does not include the financial statements and our auditors report thereon. SAO's opinion on the financial statements does not cover the other information and SAO does not express any form of assurance conclusion thereon.

In connection with SAO's audit of the financial statements, SAO's responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or SAO's knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work SAO has performed, SAO concludes that there is a material misstatement of this other information, SAO is required to report that fact. SAO has nothing to report in this regard.

Emphasis of Matter

SAO draws attention to Note 31 of the financial statements which describes that during the period of the audit, the Fund did not have a Finance Manager employed. This absence contributed to a delay in the preparation and completion of the financial statements. Furthermore, SAO also would like to draw attention to audit observations formed by its Delegate during the course of the audit which have been conveyed to those in charge of governance of the Samoa National Provident Fund (SNPF) through the management letter report and other email communications.

Management has disclosed in Note 31 of the audited financial statements the measures undertaken to address the issues in Note 31, Emphasis Section, Management Letter Report and various email communications from SAO and the Delegate and has ensured the financial reporting process is appropriately managed in the future. The opinion of SAO and the Delegate are not modified in respect of this matter.



AUDIT OFFICE

Other Matters

Without modifying the audit opinion, SAO draws attention to other matters as follows:

1. The audit was completed on the 23rd January 2025, and this is the date on which our opinion is expressed. That date exceeds the requirement under section 23(1) and Schedule 6.2 of the Public Bodies (Performance and Accountability) Act 2001 for SAO to provide an audit report on the financial statements of the Auditee no later than four (4) months from the end of the financial year.
2. The failure in 1 is due to the delays in the completion of the audit by the Delegate due to the absence of a Finance Manager and other Senior Managers of SNPF for the year ended 30 June 2024.

Responsibilities of 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 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, directors are responsible for assessing the Fund'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 intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

SAO's audit 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 SAO's 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, SAO exercised professional judgment and maintain professional skepticism throughout the audit. SAO 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors and management.
- 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 Fund's ability to continue as a going concern. If SAO and the Delegate concluded that material uncertainty existed, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the audit opinion. The conclusions of SAO and Delegate are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



AUDIT OFFICE

*Please address all correspondences
to the Controller and Auditor General*

- 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.

SAO communicated with the Directors and Management regarding, among other matters, the significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Other Legal and Regulatory Requirements

In the opinion of SAO and the Delegate the financial statements have been prepared in accordance with and comply with the requirements of:

- Public Bodies (Performance and Accountability) Act 2001; and the
- Public Finance Management Act 2001 (and amendments)

SAO also confirms that:

- It has been given reasonable information, explanations and assistance necessary for the conduct of the audit; and
- the Fund has kept financial records sufficient to enable the financial statements to be prepared and audited.

SAOs audit was completed on the 23rd January 2025 and its opinion is expressed as of that date.

Roseanne Faau
AUDIT DIRECTOR PUBLIC BODIES AUDIT

Apia, Samoa
27 January 2025