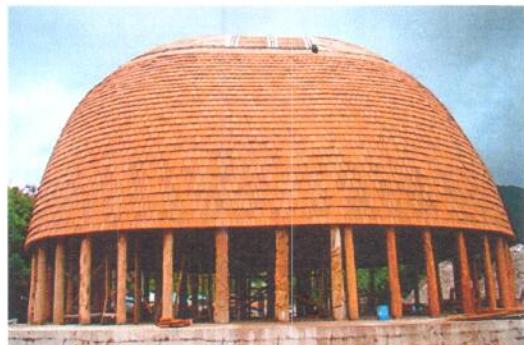




# SAMOA HOUSING CORPORATION



# ANNUAL REPORT 2014

## **LISI O MATAUPU**

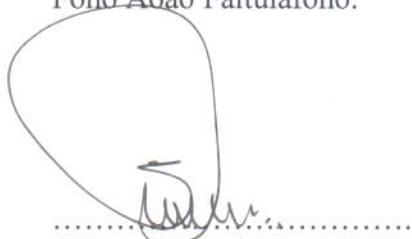
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Afioga i le Fofoga Fetalai  
Palemene  
MULINUU

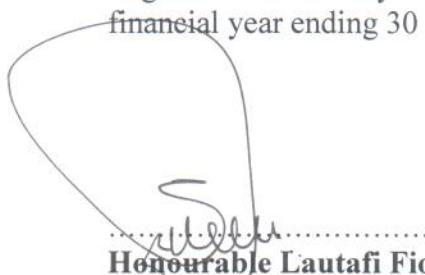
E tusa ai ma aiaiga i le Vaega 40 o le Tulafono a le Faalapotopotoga o Mea Tau Fale 2010 ou te tuuina atu ai le Lipoti o le tausaga faaletupe na mae'a i le aso 30 Iuni 2014 i le Fono Aoao Faitulafono.



**Afioga Lautafi Fio Selafi Purcell**  
**MINISITA, FAALAPOTOPOTOGA TUMA'OTI A LE MALO**

Mr Speaker  
Legislative Assembly  
MULINUU

In pursuant of Section 40 of the Housing Corporation Act 2010, I present to the Legislative Assembly the Annual Report for the Samoa Housing Corporation for the financial year ending 30 June 2014.



**Honourable Lautafi Fio Selafi Purcell**  
**MINISTER OF PUBLIC ENTERPRISES**

## **RIPOTI A LE TAITAIFONO**



O se tausaga e ui i lu'itau ae sa manuia na feagai ma le Faalapotopotoga o Fale. Na tuu iai lana faamuamua o le fesoasoani i tagata lautele ia lelei o latou apitaga, ae faapea foi ona tali atu i le moomia o fale mautotogi o i latou ua autovaa mai i le taulaga mo galuega ma a'oga a le fanau.

O le anoliu lava o le auaunaga o le fesoasoani atu ia i latou e lē ausia tulaga moomia mo nonogatupe i faletupe o fefā'atauaiga ona o le leai o ni aseta e faamau mai ai tupe mo le fausia o fale lelei e siitia ai le soifua fiafia maloloina lelei. O le pasia o le toe teuteuina talafeagai o lana tulafono o le Faalapotopotoga o Fale o le 2010, ua mafai ai ona opogi ma faalelei fale mautotogi a le Malo, auā aiga tau atinae ma faasolo atu ai i le umia lava e i latou o se fanua ma se apitaga umia saoloto.

O le tele ma le mamafa o tupe nonō atu, e mo fale e fausia i eleele faaleaganuu. O se faiga ua una'ia ai le atunuū i afioaga i tua e faaaoga lenei avanoa lē au maua e mafai ai ona atinae ma matuā faatāua le ola soifua maloloina. E ui ina lagona e le Faalapotopotga le li'a ona o le lē lava o tupe maua mai ona o le laitiiti o tului o ana auaunaga, o se lu'i e le o alo tamala iai, ona e gaoā le ala i lona faatinoina, i le faatupe o ana taumafaiga.

Ua molimauina pea i lana ripoti faaletupe o le faaiuga o le 2014 le siisii a'e pea o ana tupe maua faasili faapea ana aseta faaopoopo. Ua faamauina ai le \$38.8 miliona tala i le aofaiga o nonogatupe ua tuuina atu e 2,693 o se siitaga e 18% ma le 19% e sili a'e ai mai le tausaga ua tuanai. Na togitogi ai foi le aofaiga o le sea (dividend) tuuina atu i le Malo mo le tala faaletupe o le 2012 e \$253,118.

E maitauina pea le augata o le atunuū e vala ma a latou seleni e toe faaola mai ai a latou aitalafu, ae o le tuitui pea ma tinoū ia mafai ona fa'aauau le feau a le Faalapotopotoga ua tulai lelei ai le taumafai. E fa'aauau le fesoasoani atu a le Faalapotopotoga pe a toaaga e fesoasoani mai i le totogi mai o aitalafu.

Ua faapea lava ona faia pea o aoaoga a le Komiti Faatonu ma le aufaigaluega i Samoa ma atunuū e mamao ia laualuga pea le iloa o faiga fou ua oo iai le lautele o le lalolagi i le faatinoina o auaunaga faapitoa faapenei.

E toalima Faatonu, ma e 17 fonotaga na faatautaia i le tausaga faaletupe lenei. E momoli ai le faafetai i ē uma o paaga a le Faalapotopotoga i le lagolago mai i galuega o lenei tausaga. E lē faaitiitia foi la'u faafetai i sui o le Komiti Faatonu ma le mamalu o le Pulega ma le aufaigaluega, mo galuega lelei ua taunuū ai i le manuia lenei tausaga.

## **CHAIRMAN'S REPORT**

This year was a very challenging but successful one for the Samoa Housing Corporation. It endeavoured to play its crucial role as catalyst to facilitate the development in the housing sector through home financing as well as providing rental properties. The Corporation continued to play that pivotal role in providing financial assistance readily accessible for most people and in particular those who are not eligible for loans from commercial banks. The passing of the Housing Corporation Act 2010 further empowered the Corporation to administer government rental properties hence assisting to accommodate developing families who will eventually graduate to own homes and residential property.

The majority of the Corporation lending goes to projects on customary lands. This provides the incentives for people to undertake home developments in their village communities and its niche market has flourished and persistently accommodates the low-income earners need for better homes. On the contrary, the Corporation experienced some difficulties in maintaining the profit margin as efforts continued to review doubtful loans and improve the quality of the lending portfolio, not to mention the government rental properties an additional responsibility that anticipates self funding.

The financial performance of the Corporation for financial year ending June 2014 reflected once again the improvement in profitability and asset base compared to 2013. The total value of the Corporation's portfolio at the end of the financial year is \$38.8 million tala by value and 2,693 by number of loans an increase of 18% and 19% respectively from the previous year. Dividends totaling \$253,118 for the financial year 2012 were paid to the Government during this period.

The many problems encountered in debt collection indicated changes in circumstances and more obviously the many social and traditional obligations people are pressured to meet. However, I am confident the arrears problem will certainly improve over time with better budgeting and once people are confident to prioritize the use of limited earnings as well as the recovery work by the Corporation. Notwithstanding the various challenges the Corporation has encountered during the year, the viability, of the Corporation's business is envisaged as its risk management program is in place.

The Board of Directors, management and staff continued to undertake trainings both local and overseas to further substantiate transparency, good governance and accountability in the execution of duties and responsibilities of the Corporation.

There are five Directors on the Board and in total 17 meetings were held during this financial year.

I wish to thank all the stakeholders for their support and cooperation throughout the year. The Directors, management and staff of the Corporation have all contributed tremendously to another successful year.



Tuilaepa Eti Faolotoi  
**CHAIRMAN**



## **RIPOTI A LE OFISA SILI**

O le tausaga 2014 o se vaitaimi manuia lea i galuega faatino o le Faalapotopotoga. E laualuga pea le silasila toto'a a le Faalapotopotoga e faataunuu lana auaunaga faapitoa. O le tuuina atu lea o le tau'au e faapito lava i le vaega o le atunu e lē talia ni a latou nonogatupe i faletupe o fefaataua'iga ona e leai ni aseta, po'o fanua umia saoloto e avea ma ni faamaoniga ae tuu mai tupe mo le atina'e faalelei o apitaga.

E ui ina ua mautinoa le tele o le avanoa e mafai ai ona lē mafai ona iai se toomaga o le auaunaga pe a tula'i mai se tulaga lē maalofia ma lē mafai ai ona toe faaola mai o tupe ua nonō atu i lea vaega o ō tatou tagata, ae pei ona ta'ua ua faapito iai le tulafono toe teuteu o le Faalapotopotoga o Fale 2010.

O le tulai mai o le afā o Eveni, o se ala faaopoopo i nai pona masani o le auaunaga, e pei o le siisii a'e pea o tau o oloa fau fale, ma le lē lava o le faaso – ma tuai ai le totogi mai o tupe ua faatulagaina i masina taitasi – ma le faatinoina o le auaunaga, ae ua maitauina pea le solosolo malie a'e o le siitia o tupe maua mamā, ma le faaleleia atili o le auaunaga.

O lo o tuputupu a'e malie lava le faaaogaina o le auaunaga e le atunu, e pei ona iai le aofaiga o nonogatupe ua taliaina e \$18,549,545 o se siitaga e 13% sili ai nai le tausaga 2013. O se molimau lelei lea e atagia ai o aga sa'o le tautigā o le Komiti Faatonu, le Pulega ma le mamalu o le aufaigaluega i o latou nafa.

O le ono masina muamua o le 2014, o le faaiuga lea o nonogatupe fesoasoani o le afa o Eveni. Na faamatuu atu ai le tupe aofai e \$12.5 miliona tala e toe faaleleia ai maota ma laoa o le atunu na aafia ma mafatia i lea foi mala faalenatura.

O Iulai 2013 na faaopoopo mai ai e le Malo le vaaia ma le faafoeina e le Faalapotopotoga o ona fale mautotogi, i se tulaga lelei sili a'e. O le ioeina lava lea o le tomai, agavaa o le Faalapotopotoga faatuatuaina.

E matuā faatāua e le Faalapotopotoga le iai o se tupe faasili mai i ana galuega fai ma laualuga ai lana tupe maua mai lana tautua (ROE) ia mafai ai ona faataunuu le auaunaga i le atunu e pei ona faavae ai. Ma o lea faasiliga e \$713,930 na faamauina ai se faaitiitia i le 0.46% mai i le tausaga talu ai ae o se tulaga o lo o lelei ua iloa ai le tele o le galuega taumafai e aoao mai aitalafu, ma taumafai foi e faaitiitia tupe fa'aalu, auā o le vaitau tonu lea o mafatiaga o le afa o Eveni. E ui e 3% ua faatulagaina o se tupe faasili lelei lea e tatau ona maua mai i galuega fai, ae o le tului na matuā pa'u i nonogatupe faapitoa mo le atinae toe fuata'i i le mae'a ai o le malaia ia Eveni.

E fia faamauina le agaga o le faafetai i le Kabeneta ma le Malo, Komiti Faatonu ma paaga uma a le Faalapotopotoga ona o se tausaga manuia lenei i galuega faatino.

## **CHIEF EXECUTIVE OFFICER'S REPORT**

2014 has been a successful year for the Corporation as it continues to serve the general public on modest incomes emphasizing its long term vision of being the active leader in financing affordable homes and rental properties. Furthermore, it has always been mindful of its legislative requirement to be successful as a business whilst operating in a risk prone sector of the housing market. Despite the challenges as to the impact of Cyclone Evan's concessional loan scheme, increase on the costs of goods and services as well as pursuit of long standing hardcore accounts, the level of profitability and efficiency has been maintained.

Loan approvals has steadily increased to \$18,549,545 reflecting a 13% rise from 2013, an impact of the combined effort of the Board, management and staff in accommodating the public's demand for unsecured and mortgaged loans driven by their aspirations for better homes and living standards. The first half of the 2014 financial year, July to December 2013 saw the completion of the Cyclone Evan Recovery Loan program. In total, the Corporation extended loans for the Cyclone Recovery Program totaling \$12.5 million tala which has benefit hundreds of households within the country. The additional function of managing government rental properties that were officially taken over on July 1 2013 is a further milestone in the history of the Corporation that hailed confident and trust by the Government in its ability to effectively deliver this service.

The Corporation maintained its focus on maximizing profit, aiming at improving its 'return on equity (ROE) as well as being self sustainable and meeting the needs of our people. Net Profit of \$713,930 recorded a slight decrease of 0.46% but still a very good result indicating the effort in maximizing sales and collections with cost reduction wherever possible while concluding its rehabilitation program on Cyclone Evan victims. The 'return on equity ratio' of 3% is considered acceptable given the concessional interest rate charged for Cyclone Evan loans reducing interest income.

Compliance with the governing legislation is a constant challenge with the efforts in responding to the inevitable risks derived from unsecured loans portfolio. Staff personnel have been consistently upskilled with enhanced risk assessment, management capability, operational efficiency and aggressive recovery work to counter the challenges.

Continuous affiliation of the Corporation with international financial institutions further cultivated relationship and opportunities in terms of training, exposure and innovation for its personnel. These additional activities have added value to the staff's skills and further motivate the passion of commitment and loyalty to the Corporation.

I would like to thank the Government, stakeholder, Chairman, Board of Directors and staff for their support and assistance which in a successful and productive year.



Matautia Rula Levi

**CHIEF EXECUTIVE OFFICER**

**THE DIRECTORS OF THE CORPORATION DURING 2014:**



Tuilaepa Eti Faolotoi  
Director



Rev. Dr. Siaosi Salesulu  
Director



Maryann Lameko  
Director



Tuialii Ropeti Chan Cheuk  
Director



Jason Annandale  
Director

## MANAGEMENT

The Management Team during the year was as follows:



*Matautia Rula Levi  
Chief Executive Officer*



*Fulumoa Su'a  
Deputy Chief Executive Officer*



*Leitufia Mati Luamanuva  
Manager Loans Operations*



*Seulu Aleki Afoa  
Manager Finance & IT*



*Sautiamavaasa Titimaea Tiotio  
Manager Corporate Services*



*Faaiifoaso Alosio Leota  
Manager Legal Services*



**FAALAPOTOPOTOGA O MEA TAU FALE**

**RIPOTI O TUPE**

**MO LE TAUSAGA FAAIUINA 30 IUNI 2014**

LISI O TOTOGA	Itulau
Ripoti a le suetusi	1
Faamaoniga mai faatonu	2
Ripoti o le tulaga o tupe	3
Ripoti o tupe maua ma tupe faaalu	4
Ripoti o suiga o saofaga	5
Ripoti o tupe fetafeai	6
Faamatalaga i faamatalaga o tupe	7 - 16

Telephone (685) 22298/20760  
Facsmile (685) 21163  
P.O. Box 535, Apia, (W) Samoa  
Email: [suarimoni@samoaw.ws](mailto:suarimoni@samoaw.ws)

**LIPOTI A LE SUETUSI**

**I LE PULE MA SU'ETUSI SILI**

**FAALAPOTOPOTOGA O MEA TAU FALE A SAMOA**

Ua mae'a ona matou su'eina le Tala o Tupe a le Faalapotopotoga o Mea Tau Hale a Samoa ua faapipii atu, e aofia ai le faamatalaga o le tulaga tau tupe i le aso 30 Iuni 2014, le faamatalaga o tupe maua ma tupe faaaoga, faamatalaga o suiga o tupe faavae ma tupe faaagaga faapea ma faamatalaga o tupe maua mai ma tupe totogi atu, mo le tausaga e pei ona faai'uina i lena aso, faataasi ai ma faamatalaga faaopopo e faamanino ai le Tala o Tupe ma o loo otooto atu ai faiga faavae taua o loo tapenaina ai Tala o Tupe a le Faalapotopotoga.

**Matafaioi a le Fono a Faatonu Mo le Tala o Tupe**

O le matafaioi a le Fono a Faatonu, le tapenaina ma le tu'uina faatasi o le Tala o Tupe ina ia talafeagai ma tusa ma Aiaiga Faava-o-Malo mo le tapenaga ma le faalauiloaina o Tala Faaletupe. O lea matafaioi e aofia ai le fausia ma le tausisia o taiala ma tulafono faalotoifale e faatatau i le saunia ma le tuuina mai o lipoti tau tupe e talafeagai ma sa'oloto mai ni sesē matuia e ono mafua mai i ni faiga piopio po'o se sasi; le filifilia ma le faaaogaina o tuutuuga fatausī tusi talafetaui; ma le faia o tala faatatau faatausī tusi i soo se tulaga, e talafeagai

**Matafaioi a le Su'etusi**

O la matou matafaioi o le faaalia lea o se manatu i luga o nei faamatalaga tau-tupe e faavae i luga o la matou su'ega. Sa faagasolo le matou su'ega e tusa ai ma Aiaiga Faa-Su'etusi Fa'ava-o-Malo. O nei Aiaiga Faa Suetusi e manaomia ai lo matou mulimuli i manaoga o le amiotonu ua faataatia mai mo le auaunaga Faa-Suetusi ma ia fuafua ma faatino le su'ega ina ia maua ai se manatu talafeagai e mafai ai ona faapea, o faamatalaga tau-tupe ua sueina, e aunoa ma ni sese matuia o iai.

O se su'ega o tusi e aofia ai le faatinoina o auala faasuetusi e maua mai ai mau ma faamaoniga e uiga i tupe ma faamatalaga i totonu o tala o tupe. O auala e filifilia e fua i le faamasinoga a le Suetusi, e aofia ai le fuafua faatatau lelei o le faaono iai o ni sesē matuia i faamatalaga tau-tupe, e afua mai i ni faiga piopio poo se sasi. I le fuafuaina lelei o ia faafitauli, e iloilo e le Suetusi ia taiala ma tulafono faalotoifale e faatatau ile saunia ma le mauaina o faamatalaga tau-tupe talafeagai, ina ia faufau ai auala Faa-Suetusi e fetau ma ia atugaluga, peitai e le mo le faamoemoe e faaalia ai se manatu e uiga i le saogalemu o ia taiala ma tulafono mo le puipuiga. O se su'ega foi e aofia ai le lauliliuina o le fetau o tuutuuga faatausī tusi o lo o faaaogaina ma le talafeagai o tala faatatau faatausī tusi o ni tupe sa faia e le Fono Faatonu, atoa ai ma le lauliliuina o le faataatiaga i lona aaoatetele o Tala o Tupe.

Ua matou talitonu o la matou galuega sa faatino ma mau sa matou mauaina, ua lava ma talafeagai lea e faavae ai so matou manatu.

**Manatu**

I lo matou manatu, o le Tala o Tupe ua aumai ai se vaaiga e tonu ma talafeagai e uiga i le tulaga tau tupe a le Faalapotopotoga o Mea Tau Hale a Samoa, e pei ona iai i le aso 30 Iuni 2014, faapea ai tupe maua ma tupe faaaoga, suiga o tupe faavae ma tupe faaagaga faapea ma tupe maua mai ma tupe totogi atu mo le tausaga na **faiiuina** i lea aso, e tusa ai ma Aiaiga Faava-o-Malo i le Tapenaga ma le Faalauiloaina o Lipoti Faale-tupe.

Ua matou mauaina uma faamatalaga ma faamaninoga sa matou manaomia. I lo matou manatu, o loo lelei le tausia e le Faalapotopotoga faamaumauga ma faamatalaga tau tupe ma o loo faaalia foi e Tala o Tupe a le Faalapotopotoga faamatalaga o loo manaomia e le Tulafono o Mea Tau Hale a Samoa 2009, faapea le Tulafono o Faalapotopotoga a le Malo (Faatinoga o Galuega ma le Mafai ona Tali atu) 2001.

  
Ah Chong

Chartered Accountants

FAALAPOTOPOTOGA O MEA TAU FALE  
FAAMAONIGA E FAATONU  
MO LE TAUSAGA FAAIUINA 30 IUNI 2014

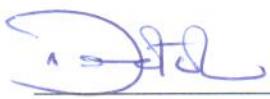
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Ua matou faamaonia o Ripoti o Tupe o lo'o faapipii faatasi atu e aofia ai ripoti o le tulaga o Tupe, ripoti o tupe maua ma tupe faaalu, ripoti i suiga o saofaga, ripoti o tupe fetafeai ma faamatalaga i ripoti o tupe mo le tausaga faaiuina 30 Iuni 2014.

- a) ua tuuina mai i se vaaiaga e tonu ma talafeagai i mataupu e fitoitonu iai; ma
- e) saunia ia tusa ai ma Tulaga o le Ripotiina o Tupe Faava o Malo; ma
- i) mulimilitai i le Tulafono o le Pulega o Tupe 2001 ma le Tulafonoo Kamupani 2001 (suia 2006) ma ia fesootai ma le faasologa o totoga o faamatalaga o tupe sa faia ia tusa ai ma le Tulafono o Faalapotopotoga a le Malo (Faatinoina o Galuega ma le Mafai ona Tali Atu)2001.

Matou te le o iloaina nisi mataupu o loo aofia i auiliiliga i le faamatalaga o tupe e ono le sao ma tau faasese.

Ua matou taliaina le Faamatalaga o Tupe o loo faapipii i le Aso ...../...../..... mo Faatonu o le Faalapotopotoga o Mea Tau Hale.



Saini

Tuilaepa Eti Faolotoi  
**TAITAIFONO**  
Faalapotopotoga o Mea Tau Hale  
Apia, Samoa

9/4/15



Saini

Matautia Rula Levi  
**OFISA SILI**  
Faalapotopotoga o Mea Tau Hale  
Apia, Samoa

      /      /

FAALAPOTOPOTOGA O MEA TAU FALE  
 RIPOTI O LE TULAGA O TUPE  
 FAAIUGA 30 IUNI 2014

	Faamatalaga	2014 SAT\$	2013 SAT\$
<b>MEA TOTINO</b>			
Tupe taulimaina & tupe i faletupe	4	822,413	171,573
Isi aitalafu ma tupe totogi muamua	5	29,712	22,353
Faaunegatupe	7	35,126,090	29,733,660
Mea totino i taimi umi	14	5,301,051	2,223,726
<b>AOFAI O MEA TOTINO</b>		<b>41,279,266</b>	<b>32,151,312</b>
<b>AITALAFU</b>			
Isi aitalafu ma tupe faaalu o loma le totogiina	12	270,170	220,555
Lisi mau mai fale mautotogi e lei tatau ona maua	6	2,924	-
Saofaga faaputu mo faaunegatupe		46,880	3,600
Tivi e totogi	13	715,587	611,739
Nonoga tupe	9	13,257,307	15,273,985
<b>AOFAI O AITALAFU</b>		<b>14,292,868</b>	<b>16,109,879</b>
<b>TUUFAATASIGA O MEA TOTINO MA AITALAFU</b>		<b>26,986,398</b>	<b>16,041,433</b>
<b>TUPE FAAVAE MA FAAAGAGA</b>			
Tupe faavae ua totogi mai	3	20,588,000	10,000,000
Tau fetuunai o meatotino faaagaga	11	321,182	321,182
Tupe faaagaga lautele	10	6,077,216	5,720,251
<b>AOFAI TUPE FAAVAE MA FAAAGAGA</b>		<b>26,986,398</b>	<b>16,041,433</b>

O nei faamatalaga e faitauina faatasi ma faamatalaga faapipii o Ripoti o Tupe i le itulau e 7 i le 16.

E fai ma sui o le Komiti Faatonu;



Sui Komiti Faatonu

9/4/15



Sui Komiti Faatonu

9/4/15

FAALAPOTOPOTOGA O MEA TAU FALE  
 RIPOTI O TUPE MAUA MA TUPE FAAALU  
 MO LE TAUSAGA FAAIUINA 30 IUNI 2014

	Faamatalaga	2014 SAT\$	2013 SAT\$
<b>TUPE MAUA</b>			
Tului maua i tupe faaune		3,358,514	3,051,649
Lafoga totogi mai i faaunegatupe	15 (i)	847,912	613,868
Lisi o maua mai fale mautotogi	6	240,420	-
Isi tupe maua	15 (ii)	65,131	83,869
<b>AOFAI O TUPE MAUA</b>		<u>4,511,977</u>	<u>3,749,386</u>
<b>TUPE FAAALU</b>			
Suetusi	12	22,661	19,550
Tuualalo o tau o meatotino	14	327,723	139,598
Lafoga ma isi tupe faaaluu i faatonu	20 (i)	126,962	95,593
Tau e patino i tagata faigaluega	16	1,618,961	1,334,020
Tau o le anofale ma le lotoifale	17	102,795	84,451
Tupe faaaluu patino i le ofisa	18	464,161	684,331
Faaunegatupe ua faaletonu	8	828,142	348,925
Tului totogi mo aitalafu ma nonogatupe	19	306,642	325,676
<b>AOFAI O TUPE FAAALU</b>		<u>3,798,047</u>	<u>3,032,144</u>
<b>TUPE MAMA</b>		<b>713,930</b>	<b>717,242</b>
<b>AVEINA ATU I TUPE LAUTELE FAAAGAGA</b>	<b>10</b>	<b>(713,930)</b>	<b>(717,242)</b>
		<u>\$Nil</u>	<u>\$Nil</u>

O nei faamatalaga e faitauina faatasi ma faamatalaga faapipii o Ripoti o Tupe i le itulau e 7 i le 16.

**FAALAPOTOPOTOGA O MEA TAU FALE**  
**RIPOTI I SUIGA O SAOFAGA**  
**MO LE TAUSAGA FAAIUINA 30 IUNI 2014**

	Faamatalaga	Tupe Faavae SAT\$	Tupe Faaagaga Lautele SAT\$	Tau Fetuunai o Meatotino Faaagaga SAT\$	Aofaiga SATS
Paleni 1 Iulai 2012		10,000,000	5,361,630	321,182	15,682,812
Tupe mama mo le piriota		-	717,242	-	717,242
Toese: Tivi e totogi	13	-	(358,621)	-	(358,621)
<b>Paleni 30 Iuni 2013</b>		<b><u>10,000,000</u></b>	<b><u>5,720,251</u></b>	<b><u>321,182</u></b>	<b><u>16,041,433</u></b>
Tupe faavae tuuina mai	3	10,588,000	-	-	10,588,000
Tupe mama mo le piriota		-	713,930	-	713,930
Toese: Tivi e totogi	13	-	(356,965)	-	(356,965)
<b>Paleni 30 Iuni 2014</b>		<b><u>20,588,000</u></b>	<b><u>6,077,216</u></b>	<b><u>321,182</u></b>	<b><u>26,986,398</u></b>

*O nei faamatalaga e faitauina faatasi ma faamatalaga faapipii o Ripoti o Tupe i le itulau e 7 i le 16.*

FAALAPOTOPOTOGA O MEA TAU FALE  
 RIPOTI O TUPE FETAFEAI  
 MO LE TAUSAGA FAAIUINA 30 IUNI 2014

	Faamatalaga	2014 SAT\$	2013 SAT\$
<b>TUPE FETAFEAI I GALUEGA FAATINO</b>			
Tupe totogi mai e paaga		13,724,252	13,214,520
Tupe totogi atu i paaga		(15,282,829)	(15,525,290)
Tupe totogi atu i le aufaigaluega		(1,573,643)	(1,263,759)
O isi tupe faaalu		(874,035)	(1,290,493)
<b>TUPE FETAFEAI I GALUEGA FAATINO</b>		<u>(4,006,255)</u>	<u>(4,865,022)</u>
<b>TUPE FETAFEAI I TUPE O LO'O FAAFAIGALUEGA</b>			
Tului maua mai i tupe teu faavaitaimi	13	30,372	4,578
Faatauina o mea totino mo taimi umi		<u>(296,829)</u>	<u>(120,094)</u>
<b>TUPE FETAFEAI I TUPE O LO'O FAAFAIGALUEGA</b>		<u>(266,457)</u>	<u>(115,516)</u>
<b>TUPE FETAFEAI MAMA I GALUEGA FAALETUPE</b>			
Tupe faavae tuuina mai		7,500,000	-
Tupe o le nonoga tupe i le Fale Tupe Tutotonu o Samoa (CBS)		-	5,000,000
Tupe totogi i faaunegatupe		(1,303,161)	(1,278,060)
Tului totogi o aitalafu i taimi pupuu i fale tupe		(21,683)	(53,115)
Tivi ua totogi	12	<u>(253,117)</u>	-
<b>TUPE FETAFEAI MAMA I GALUEGA FAALETUPE</b>		<u>5,922,039</u>	<u>3,668,825</u>
<b>AOFAIGA FAASILI/ FAAITIITIA</b>		1,649,327	(1,311,713)
<b>TUPE I TUA MA TUPE I FALETUPE I LE AMATAGA O LE TAUSAGA</b>		<u>(885,425)</u>	<u>426,288</u>
<b>TUPE I TUA MA TUPE I FALETUPE I LE FAAIUGA O LE TAUSAGA</b>		<u>763,902</u>	<u>(885,425)</u>
<i>Folasia faapea :</i>			
Tupe o loo taulimaina ma o loo i fale tupe	4	822,413	171,573
Aitalafu i taimi pupuu i fale tupe	8	<u>(58,511)</u>	<u>(1,056,998)</u>
<b>TUPE FETAFEAI I LE FAAIUGA O LE TAUSAGA</b>		<u>763,902</u>	<u>(885,425)</u>

*O nei faamatalaga e faitauina faatasi ma faamatalaga faapipii o Ripoti o Tupe i le itulau e 7 i le 16.*

## 1. Faamatalaga Faalauaitele

Sa faavaeina le Faalapotopotoga o Mea Tau Hale ia Me 1990 i le Tulafono (Faalapotopotoga o Mea Tau Hale 1989). O le Tulafono fou o le 2001 a Faalapotopotoga a le Malo ua fulisia ai le uluai tulafono. Ua taliaina e le Palemene i le 2010 le iloiloga o le Tulafono o le Faalapotopotoga o Mea Tau Hale 1989 ua suia i le Tulafono o le Faalapotopotoga o Mea Tau Hale 2010 ma ua faamamaluina nei. O le faamoemoe autu o le Faalapotopotoga ia faaleleia maota ma laoa ma siitia le tulaga o le soifuauga aemaise ie e lima vaivai, e faaune atu i ai tupe i luga o mokesi poo isi puipuiga talafeagai mo le faaunegatupe e fesoasoani ai i le fausia o fale fou, faatele, faafou, faamaea poo le faatauina o se fanua mo le fausia o se fale i luga o lea fanua.

Sa taliaina ele Kabeneta i lana fonotaga ia Me 2013 le aveese o le pulega o falenofo lisi a le malo mai i le Matagaluega o Galuega ae tuuina atu i le Faalapotopotoga o Mea Tau Hale o Samoa mo le puleaina ma faatautaia faapisinisi.

O loo faafocina le Faalapotopotoga e le Komiti o Faatonu e toa 5. O sui o le Komiti sa filifila mai i le vaega tumaoti o le atunu.

## 2. Faamatalaga o Taiala Taua i le Tausiaina o Tusi

O le aotelega o taiala taua i le tausiaina o tusi sa faaaogaina e le Faalapotopotoga i le sauniaina o faamatalaga o tupe.

### a) Faamatalaga o le mulimilitai i taiala:

O le faamatalaga o tupe sa saunia e tusa ai ma le Tulafono o le Pulega o Tupe 2001, e momia le mulimilitai i Tulaga o le Ripotiina o Tupe Faava o Malo e pei ona aiaia e le Komiti o Tausiaina Tusi Faava o Malo (IASB).

E tusa ai ma le Vaega 91 o le Tulafono o Pulega o Tupe 2001, o le Faalapotopotoga o Mea Tau Hale ua aloia o le Faalapotopotoga a le Malo, e tatau ai ona faamalieina aiaiga o le Tulafono o Faalapotopotga a le Malo (Faatinoina o Galuega ma le Mafai ona Tali Atu) 2001 i le galueina o ripoti.

### e) Faiga faavae i le saunia ina o le ripoti

O lo' o faaaogaina tau faavae i faamatalaga o le tala o tupe sei vagana ai le fanua ma le fale sa toe iloiloina tau. Ina ia tusa ai ma aiaiga o le IFRS, e tatau i le pulega ona faia faatofalaiga i tau o meatotino, aitalafu, tupe maua ma tupe faaalu e ono aafia ai tau ua folasia i le ripoti. E ono le tutusa tau o faatofalaiga ma tau ua maea faatino. O faatofalaiga e iloiloina faaaauaua, mai lea taimi i lea taimi. O le toe fuafuaina o faatofalaiga e iloa tino i le piriota. e faatino ai ma piriota i le lumana.

### i) Faamaumauga faatusatusa

Ua folasia faamaumauga faatusatusa ina ia atagia ai le faatumauina o faavae o folasaga o aofaiga faamauina o le tausaga faaletupe o loo iai nei.

### o) Gaigoiga o tupe ma lona faaaogaina mo folasaga

O faamatalaga o tupe o lo'o folasia i le Tala Samoa (SAT) ma ole tupe foi lea o loo faaaogaina e le Faalapotopotoga.

### u) Tupe mai fafo

O fefaatauaiga e taulimaina ai tupe mai fafo e faaliliuina ma faamauina i le tau o loo faaaogaina i lena taimi. Tupe o le a totogi ma totogi atu e faaliliuina i le tau o loo taulimaina i le aso ua faaiuina ai le tausaga faaletupe. O ese esega o fesuiaiga o tupe mai fafo e faamauina i le faamatalaga o faatinoga o galuega o tupe.

### f) Faaunegatupe ua faaleaogaina ma faaagaga mo faaunegatupe ua faaletonu

Ua faamatuuese e le Faalapotopotoga i tausaga taitasi le lua pasene mai nonogatupe ua talia i le tausaga e faaagaga mo faaunegatupe e faaleaogaina ma faaletonu le totogiina seja ausia le sefulu pasene (10%) o le tuufaatasiga o faaunegatupe, ma faatumau ai loa i lea tulaga i tausaga uma. E toe iloiloina faaunegatupe ua faaletonu e faaagaga mo le famauina e tusa ai ma aiaiga na faavae ai le faaunegatupe. O faaunegatupe ua faaleaogaina e faamauina ma toese mai i faaunegatupe faaagaga ina ua mautinoa e le toe faaolaina.

**2. Faamatalaga o Taiala Taua i le Tausiaina o Tusi (faaauau)**

**g) Tupe maua faailoina**

***Tului maua***

O tului maua mai i faaunegatupe ma tupe faafaigaluegaina ua faamauina i tupe o loma le totogi ina mai. O tului o faaunegatupe ua faaleaogaina e faatoa faamauina pea a totogi mai.

***Lafoga o faaunegatupe***

O lafoga e faamauina pea totogi mai ae o lafoga i faaunegatupe ua faaletonu e le faamauina sei vagana ua totogi.

***Tupe maua i lisi o falenofo***

O tupe maua i lisi o falenofo e faailoina i fua tuu sa'o i le taimi o le lisi.

**I) Tupe o lo'o I Faletupe ma taulimaina**

O le Faamatalaga o le Tulaga o Tupe o lo'o aofia ai tupe i faletupeo, tupe o taulimaina, ma tupe o lo'o teu faavaitaimi i le umi e i lalo ifo o le tausaga.

**m) Aitalafu e totogi mai**

O lo o faamauina aitalafu totogi mai i tinoi tupe talafeagai i le maea ai ona toesea faaunegatupe ua le totogiina. ma faaagaga. I faaiuga o tausaga taitasi o loo lipotia, e toe iloiloina ai foi poo aofaiga o tupe ua tauaveina ma aitalafu e totogi mai ua mautinoa e le o iai se aafiaga e ono atagia mai le le toe totogiina. A faapea e iai, e faailoina vave lava ia faaletonu i faamatalaga o tupe o galuega faatino.

**n) Fuafuaina o tau talafeagai**

O tau talafeagai e iloiloina faapea:

- O tino i tupe e faamauina i tau talafeagai
- O aitalafu totogi mai e faamauina i tau ua iai i tusi ona o tau e pito sili ona latalata ona e vave ona totogiina mai.
- O faaunegatupe ua faamauina i tau ua maea ona toesea aofaiga faaagaga o faaunegatupe faaletonu

**p) O meatotino tau tupe**

E vaevaeina e le Faalapotopotoga ana meatotino tau tupe i faaunegatupe ma isi aitalafu totogi mai. E faalagolago le vaevaega i le mafuaaga na faatau mai ai. E iloilo e le pulega le vaevaega o meatotino tau tupe i le amataga o le faailoa.

***Faaunegatupe ma isi aitalafu totogi mai***

O faaunegatupe ma isi aitalafu totogi mai o meatotino tau tupe e le aofia i fefaatauaiga i le maketi. O faaunegatupe e i totonu o le 12 masina le taimi e totogi mai ai e faavasega o meatotino taimi nei ao Faaunegatupe e silia i le 12 masina le umi e totogi mai ai, ua faavasega o meatotino i taimi umi.

***Mea Totino Tau Tupe e faatau ese***

O mea totino tau tupe e faatau ese e le aofia i vaega o fefaatauaiga i le maketi. O loo aofia i mea totino i totonu o le 12 masina sei vagana e matua i tua atu o le 12 masina i le maea ai o le aso atofa faaiu o le faamatalaga o tupe.

**s) Faaagaga**

O faaagaga e faailoa i le faamatalaga o tulaga o tupe pe a o iai se aafiaga faalekulafono e afua mai i taimi ua tuanai ma e atagia mai le totogi ina maea o ia faaunega tupe i le faasolo mai o faamanuiaga o le tamoaiga.

**t) Aitalafu totogi atu**

Aitalafu totogi atu o lo o iloga tau aofai i oloa ma auauanga sa tuuina mai i le Faalapotopotoga ae lei maea le tausaga faaleture - e atagia pea toe faia faatau o nei lava oloa ma auauanga i le lumanai.

**2. Faamatalaga o Taiala Taua i le Tausiaina o Tusi (faaaauau)**

v) Meatotino

Ua fuaina tau aofai o meatotino i uluai tau na faatau mai ai e aofia ai ma tau o gaioiga faapipii i meatotino i le amataga ua toese mai ai tuualalo faaputuputu faapea tupe le maua faaputuputu. Ua faaaogaina le fua tuusao e tuualalo ai tau faavae ma le umi e aoga ai. O le lisi o alafua ua faaaogaina mo tuualalo o meatotino:

Fale	2.5%
Taavale	20% & 33%
Meafale a le Ofisa	20%
Masini a le Ofisa	33%
Polokalame Komepiuta	33%
Tagavai a le Faalapotopotoga	5%
Falenofo lisi	10%
O isi lisi	33%

h) Tivi

O tivi e faailoina i aitalafu totogi atu i le piriota ua fuaina e totogi ai ina ia o gatusa ma le Tulafono Faatonutonu o Faalapotopotoga a le Malo(Faatinoga o Galuega ma le Mafai Ona Tali Atu) 2002.

k) Tau o nonogatupe

O tau o tupe nono e faailoina i le faamatalaga o le faatinoga o galuega o tupe i le piriota na faatino ai le nonogatupe.

r) Faamanuiaga a le aufaigaluega

E fai saofaga le Faalapotopotoga i le SNPF mo le faamalieina o le tulafono i saofaga mo le aufaigaluega. O se matafaioi ua maioio lelei lona fuafuaina ma e faailoina i le faamatalaga o le faatinoga o galuega o tupe.

O totogi o le aufaigaluega e le'i totogi ina e aofia ai aso malolo ma isi faamanuiaga (ua fuafuaina e totogi i totonu o le 12 masina) ua faamauinina aofaiga i le ripoti o aitalafu e le i totogia i le aso atofa o le ripoti.

**Lafoga**

E le totogi lafoga le Faalapotopotoga e tusa ai ma le vaega 51 o le Tulafono o Mea Tau Fale 2010

**3. Tupe Faavae Faatagaina ma Tupe Faavae ua Totogiina**

	2014 SATS	2014 SATS
Tupe faavae faatagaina ma ua totogi(10,000,000 sea - \$1 i le sea)	10,000,000	10,000,000
Tupe Faavae faaopopo ua totogina(7,500,000 sea - \$1 i le sea)	7,500,000	-
Falenofo lisi a le Malo	3,088,000	-
<b>Aofaiga o tupe faavae(Malo o Samoa)</b>	<b>20,588,000</b>	<b>10,000,000</b>

O tupe faavae faatagaina a le Faalapotopotoga e na o le Malo o Samoa e aumai ai e tusa ai ma le vaega 22 o le Tulafono a le Faalapotopotoga o Mea Tau Fale 2010. O falenofo lisi a le Malo e 72 sa tuuina mai i le Faalapotopotoga o Mea Tau Fale ina ua talia e le Kapaneta e tusa ai ma le vaega e 32 o le Tulafono a le Faalapotopotoga 2010.

**4. Tupe o loo i Faletupe ma Taulimaina**

Tupe teu faavaitaimi

	2014 SATS	2014 SATS
Faletupe - ANZ Bank (Samoa) Ltd	50,339	50,339
Faletupe - Samoa Commercial Bank	500,000	-
	<b>550,339</b>	<b>50,339</b>

Tupe o lo o i fale tupe ma taulimaina

Faletupe - ANZ Bank (Samoa) Ltd	70,765	75,750
Faletupe - National Bank of Samoa	44,671	22,568
Faletupe - Samoa Commercial Bank - Falenofo Lisi	87,299	-
Faletupe - Westpac Bank (Samoa) Ltd	67,139	21,716
Tupe mo Matapuu Vave	2,200	1,200
<b>Aofaiga o tupe teu faavaitaimi ma tupe o lo'o i faletupe ma taulimaina</b>	<b>822,413</b>	<b>171,573</b>

**Faamatalaga o tupe teu faavaitaimi:**

**ANZ Bank(Samoa)Ltd**

Vaitaimi	: 1 Masina
Tului	: 2.5%
Aso e matua ai	: Faafouina lava i le aso e matua ai

O tupe teu faavaitaimi i le Faletupe o le ANZ Bank Samoa Ltd, o loo faamauinina ai faatau faaialafu e faaaogaina ai masini tekonomensi.

**4. Tupe o loo i Faletupe ma Taulimaina(faaauau)**

*Faamatлага o tupe teu faavaitaimi:*

*Samoa Commercial Bank*

Vaitaimi	: 1 Masina
Tului	: 3.5%
Aso e matua ai	: Faafouina lava i le aso e matua ai

**5. Isi Aitalafu ma Tupe Totogi Muamua**

	2014 SAT\$	2014 SAT\$
Aitalafu a le aufaigaluega ma isi	9,279	1,032
Tupe totogi muamua	<u>20,433</u>	<u>21,321</u>
<b>Aofai o Isi Aitalafu ma Tupe Totogi Muamua</b>	<b><u>29,712</u></b>	<b><u>22,353</u></b>

**6. Falenofo Lisi**

	2014	2013
Aofai o lisi i le faaiuga o le tausaga	240,420	-
Toese lisi ua totogi mai	<u>(242,954)</u>	<u>-</u>
Lisi totogi mai e le o ma'ua le faapogai	(2,534)	-
Aofai mama o lisi o falenofo	<u>(390)</u>	<u>-</u>
	<b><u>(2,924)</u></b>	<b><u>-</u></b>

Paleni o lisi o falenofo e faailoa mai ai le faasiliqa o lisi totogiina e le o manino.

**7. Faaunegatupe**

	2014 SAT\$	2013 SAT\$
Aofaiga o faaunegatupe i le faaiuga o le tausaga	38,813,685	32,872,818
Toese: Faaagaga mo faaunegatupe faaletonu (silasila i le faamatлага i le 8)	<u>(3,687,595)</u>	<u>(3,139,158)</u>
	<b><u>35,126,090</u></b>	<b><u>29,733,660</u></b>

E iloga tonu tinoi tupe o faaunegatupe e toe totogi mai i le maea ona iloilo faaagaga mo faaunegatupe faaletonu. E toe fetuunai tulaga faavae o faaunegatupe pe afai ua le ausia e le e ana le faaunegatupe tuutuuga faavae.

**8. Faaagaga mo Faaunegatupe Faaletonu**

	2014 SAT\$	2013 SAT\$
Paleni i le amataga o le tausaga	3,139,158	2,896,572
Faaopoopo: Faaagaga faaopopoina	<u>828,142</u>	<u>348,925</u>
Toese: Faaunegatupe ua faaleaoagaina ma aveese mai i faaagaga	<u>3,967,300</u>	<u>3,245,497</u>
<b>Paleni i le faaiuga o le tausaga</b>	<b><u>(279,705)</u></b>	<b><u>(106,339)</u></b>
	<b><u>3,687,595</u></b>	<b><u>3,139,158</u></b>

**9. Nonogatupe**

Aitalafu:

*Faletupe Tutotonu o Samoa(CBS)*

	2014	2013
	SAT\$	SAT\$
(i) Nonogatupe 1	2,750,311	3,060,950
(ii) Nonogatupe 2	2,319,575	2,566,560
(iii) Nonogatupe 3	3,257,916	3,589,477
(iv) Nonogatupe 4	<u>4,870,994</u>	<u>5,000,000</u>
<b>Aofai o nonogatupe</b>	<b><u>13,198,796</u></b>	<b><u>14,216,987</u></b>

FAALAPOTOPOTOGA O MEA TAU FALE  
 FAAMATAGA I FAAMATALAGA O TUPE  
 FAAIUGA 30 IUNI 2014

9. Nonogatupe (faaauau)	2014 SAT\$	2013 SAT\$
<i>Aitalafu tau tupe faavaitaimi i faletupe</i>		
Samoa Commercial Bank	58,511	1,056,998
<b>Aofai o nonogatupe</b>	<b>13,257,307</b>	<b>15,273,985</b>

**Faamatalaga o Faaunegatupe**

Faletupe Tutotonu o Samoa(CBS)

(i) Nonogatupe 1:

Umi e totogi ai : 10 tausaga  
 Tului : 3%  
 Tupe totogi i le masina : \$33,185  
 Faamaoniga : Lagolago a le Malo

(ii) Nonogatupe 2:

Umi e totogi ai : 10 tausaga  
 Tului : 3%  
 Tupe totogi i le masina : \$26,717  
 Faamaoniga : Lagolago a le Malo

(iii) Nonogatupe 3:

Umi e totogi ai : 10 tausaga  
 Tului : 3%  
 Tupe totogi i le masina : \$36,266  
 Faamaoniga : Lagolago a le Malo

(iv) Nonogatupe 4:

Umi e totogi ai : 15 tausaga  
 Tului : 3%  
 Tupe totogi i le masina : \$29,925  
 Faamaoniga : Lagolago a le Malo

*Faamatalaga o aitalafu tau tupe faavaitaimi i faletupe:*

**Samoa Commercial Bank**

Umi e totogi ai : 12 masina  
 Tului : 12%  
 Tupe totogi i le masina : Totogi atoa le aofaiga po'o se vaega i so'o se taimi  
 Faamaoniga : Fanua a le Faalapotopotoga 248 mita faatafafa, Poloka 945, Fuafuaga 6399

10. Tupe Faaleoleo Faalauaitele	2014 SAT\$	2014 SAT\$
Tupe faaleoleo paleni amata	5,720,251	5,361,630
Aumai mai tupe maua ma tupe faalu	713,930	717,242
Toese: Tivi ua faaagaga	(356,965)	(358,621)
<b>Aofai o tupe faaleoleo faalauaitele</b>	<b>6,077,216</b>	<b>5,720,251</b>

I le Vaega 29 o le Tulafono o le Faalapotopotoga o Mea Tau Fale 2010, e moomia le faavaeina ma faauauina o tupe faaleoleo faalauaitele.

**11. Aseta Toe Illoilo Faaleoleo**

Faamatalaga	Tuualalo					2014 SAT\$	2014 SAT\$
	Uluai	Faaputu	Aofai	Aofai	Toe		
	Tau	31/01/10	Totoe	Illoilo			
	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$		
Fanua	412,000	-	412,000	588,000	176,000	176,000	176,000
Fale	1,453,161	(148,343)	1,304,818	1,450,000	145,182	145,182	145,182
	<b>1,865,161</b>	<b>(148,343)</b>	<b>1,716,818</b>	<b>2,038,000</b>	<b>321,182</b>		<b>321,182</b>

### 11. Aseta Toe Iloilo Faaleoleo (faaaauau)

O le tau toe iloilo (fanua ma fale) sa faafoeina e Kaisara Real Estate ia Fepuari 2010, o se pisinisi fai laisene tutoatasi mo tau toe iloilo. Sa faaaogaina taiala o maketi e pei o tau faatauese faatususa o fanua ma fale tuaoi, tupe maua ma tau fesuiai o aseta ua iai tuualalo ua faamau ai tau talafeagai o loo taua i luga. O le alafua o tau ua faaaoga mo le toe iloiloga o tau o aseta sa toesea tuualalo faaputu ma faamauina le faateleina poo le faaititia o tau o aseta toe iloilo mai aofaiga tauave. O faasiliga ua faailo i Tau Toe Iloilo o Aseta Faaleoleo i lalo o Tupe Faavae maFaaleoleo.

### 12. Isi Aitalafu ma Auaunga e lei Totogia

	2014 SATS	2013 SATS
Auaunaga e le i totogia	90,997	71,299
Faaagaga mo le Suetusi	22,661	19,550
Isi Aitalafu	106,433	87,373
Faatau faaaatalafu i masini tekonomosi.	-	2,423
Faaagaga mo le umi o le auaunaga (faamanuiaga)	3,855	10,854
Tului maua i tupe faaune ae lei o'o i le piriota e patino iai	-	29,056
Tupe totogi e aiaia ai falenofo lisi	34,700	-
Paleni faasili o faaunegatupe	11,524	-
<b>Aofai o isi aitalafu ma auaunaga e lei totogia</b>	<b>270,170</b>	<b>220,555</b>

#### *O isi aitalafu:*

O aso malolo ua faamatuu mo le aufaigaluega, e lei faaaogaina ua faaliliu faatino o tupe e tusa ma totogi ua iai, lafoga o faaunegatupe ua taulimaina ae lei totogia i le Matagaluega o Tupe ma tupe ua faamauina e le o mautinoa e e tauala mai ai ua faamauina o isi aitalafu.

#### *Faatau faaaatalafu i masini tekonomosi:*

Aofai e faagata ai faatau faaatalafu i masini tekonomosi e NZ\$20,000 i le Faletupe o le ANZ Bank (Samoa) Ltd. O loo faaaogaina le teuga tupe faavaitaimi e \$50,000 e faamauina ai.

O faagaga e iloga lona faamauina i le faaiuga o le tausaga e fua i le totogi ua iai ma le umi na tautua ai.

#### *Tului maua i tupe faaune ae lei o'o i le piriota e patino iai*

Tului maua i tupe faaune ae lei o'o i le piriota e patino iai e afua mai i tului ua tolopo le mauaina mai i faaunegatupe masani ua totogina e faaunegatupe o le afa o Eveni e 3% le tului.

#### *Falenofo Lisi*

E taofia e le Faalapotopotoga tupe totogi e aiaia ai falenofo lisi.

### 13. Tivi e Totogi

O le Tulafono Faatonutonu o Faalapotopotoga a le Malo (Faatinoina o Galuega ma le Mafai ona Tali Atu) 2002 i le Vaega 6 parakarafa 6.2.1 (d) ua maioio ai o le lipoti faaletausaga e tatau ona aofia le tivi e totogi i le Malo i le tausaga faaletupe e fitoitou iai. I le ma le isi, o le Vaega 7 (parakarafa 25.2), e tatau i se kamupani ona totogi tivi ia tusa ai ma taiala o tivi a le Malo e pei ona fautuaina e le Ofisa Sili o le Matagaluega o Tupe mai lea i taimi lea taimi. Ia Me 2005, sa fautuaina e le Ofisa Sili o le Matagaluega o Tupe e faapea o le matafaioi a Faalapotopotoga a le Malo le totogi o tivi e 50% o tupe mama i le maea ona toesea o lafoga. I le 30 Iuni 2014, o loo iai tivi e le i totogia a le Faalapotopotoga o Mea Tau fale e tusa ai ma le alafua faavae e 50% o tupe mama i le maea ai ona toesea tivi ua totogi.

#### *Tivi e totogi*

Paleni amata

Tausaga Faalelupa: 30 Iuni 2013  
 30 Iuni 2014

Toese: Tivi ua totogi

**Tivi e totogi i le malo o Samoa**

	Tupe Mama SATS	2014 SATS	2014 SATS
Paleni amata	611,739	253,118	
Tausaga Faalelupa: 30 Iuni 2013	717,242	358,621	
30 Iuni 2014	713,930	356,965	-
		968,704	611,739
		(253,117)	-
<b>Tivi e totogi i le malo o Samoa</b>	<b>715,587</b>	<b>611,739</b>	

#### 14. Meatotino

Cost	Polokalame			Taavale			Masini			Meaafale			Tagavai			Falenofo			Isi Falenofo		
	Fale SAT\$	Komepira SAT\$	Fanua SAT\$	Taavale SAT\$	Ofisa SAT\$	SATS	Ofisa SAT\$	SATS	SHC SAT\$	Ofisa SAT\$	SATS	SHC SAT\$	Lisi SAT\$	SATS	Lisi SAT\$	SATS	Lisi SAT\$	Aofaga SAT\$			
Paleni 1 Julai 2012	1,450,000	85,766	588,000	444,596	255,964		34,194		9,760				-		-		-	2,868,280			
Faatau mai	-	-	-	82,120	33,613		4,361		-				-		-		-	120,094			
Faamatuu ese	-	-	-	(170,520)	(4,775)		-		-				-		-		-	(175,295)			
<b>Paleni 30 Juni 2013</b>	<b>1,450,000</b>	<b>85,766</b>	<b>588,000</b>	<b>356,196</b>	<b>284,802</b>		<b>38,555</b>		<b>9,760</b>				-		-		-	<b>2,813,079</b>			
Paleni 1 Julai 2013	1,450,000	85,766	588,000	356,196	284,802		38,555		9,760				-		-		-	2,813,079			
Faatau mai	-	41,398	-	65,500	64,111		10,141		-				3,214,357				9,541	3,405,048			
Faamatuu ese	-	-	-	-	-		-		-				-		-	-	-	-			
<b>Paleni 30 Juni 2013</b>	<b>1,450,000</b>	<b>127,164</b>	<b>588,000</b>	<b>421,696</b>	<b>348,913</b>		<b>48,696</b>		<b>9,760</b>				<b>3,214,357</b>				<b>9,541</b>	<b>6,218,127</b>			
<hr/>																					
Tuualalo Faaputu																					
Paleni 1 Julai 2012	87,602	70,672	-	259,983	171,674		30,404		2,441				-		-		-	622,776			
Tuualalo	36,250	5,789	-	58,921	36,688		1,462		488				-		-		-	139,598			
Faamatuu ese	-	-	-	(170,520)	(2,500)		-		-				-		-	-	-	(173,020)			
<b>Paleni 30 Juni 2013</b>	<b>123,851</b>	<b>76,461</b>		<b>148,384</b>	<b>205,862</b>		<b>31,866</b>		<b>2,929</b>				-		-		-	<b>589,354</b>			
Paleni 1 Julai 2013	123,851	76,461	-	148,384	205,862		31,866		2,929				-		-		-	589,353			
Tuualalo	36,250	5,836	-	83,248	43,609		2,577		488				154,081				1,634	327,723			
Faamatuu ese	-	-	-	-	-		-		-				-		-	-	-	-			
<b>Paleni 30 Juni 2014</b>	<b>160,101</b>	<b>82,297</b>		<b>231,632</b>	<b>249,471</b>		<b>34,443</b>		<b>3,417</b>				<b>154,081</b>				<b>1,634</b>	<b>917,076</b>			
<hr/>																					
Aofai Tauave																					
<b>30 Juni 2013</b>	<b>1,326,149</b>	<b>9,305</b>	<b>588,000</b>	<b>207,812</b>	<b>78,940</b>		<b>6,689</b>		<b>6,831</b>				-		-		-	2,223,726			
<b>30 Juni 2014</b>	<b>1,289,899</b>	<b>44,867</b>	<b>588,000</b>	<b>190,064</b>	<b>99,442</b>		<b>14,253</b>		<b>6,343</b>				<b>3,060,276</b>				<b>7,907</b>	<b>5,301,051</b>			

<b>15. Tupe Maua</b>	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
(i) <i>Lafoga totogi mai mo faaunegatupe</i>		
Lafoga totogi mai mo talosaga	84,320	78,871
Lafoga totogi mai mo le faapepaina o faaunegatupe	97,750	91,150
Lafoga totogi mai mo le faavaeina o faaunegatupe	168,640	157,742
Lafoga totogi mai mo faaunegatupe ua le totogia	276,464	115,437
Lafoga totogi mai i le tausia o faaunegatupe	220,738	170,668
	<b>847,912</b>	<b>613,868</b>

<b>(ii) O isi tupe maua</b>	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
Tului maua - teugatupe faavaitaimi	33,816	5,707
O isi tupe maua	31,315	78,162
	<b>65,131</b>	<b>83,869</b>

<b>16. Tupe Alu Patino i Tagata Faigaluega</b>	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
<i>Auiliiliga o tupe alu e patino i tagata faigaluega:</i>		
Totogi o le aufaigaluega	1,242,283	1,099,982
Saofaga 5% - SNPF	62,115	55,000
Lafoga mo faalavelave faafuasei 1% - ACC	12,422	11,000
	<b>1,316,820</b>	<b>1,165,982</b>
O isi tupe faaalu i le aufaigaluega	302,141	168,038
<b>Aofai o tupe faaalu ile tagata faigaluega</b>	<b>1,618,961</b>	<b>1,334,020</b>

O le aofai o i latou o lo o faafraigueluegaina e le Faalapotopotoga i le tausaga faaiuina e 31 (2012:29).

O isi tupe faaalu i tagata faigaluega e aofia ai le totogi o faamanuiauga o livi mo le umi ona tautua, faamanuiauga o le ritaea alauni mo le tauaveina o tiute faaopopo ma totogi o pili o aoga ale aufaigaluega pea faamanuiaina.

<b>17. Tupe alu i le Anofale ma le Lotoifale</b>	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
<i>Auiliiliga o tupe alu i le anofale ma le lotoifale</i>		
Eletise	49,164	46,149
Suavai	8,453	7,734
Lisi totogi	8,556	8,556
Telefoni	36,622	22,012
<b>Aofai o tupe alu i le anofale ma le lotoifale</b>	<b>102,795</b>	<b>84,451</b>

<b>18. Tupe alu e patino i mataupu a le ofisa</b>	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
<i>Auiliiliga o tupe alu e patino i mataupu a le ofisa</i>		
Faasalalauga ma faalauiloa	36,834	33,168
Alauni	29,969	24,339
Mataupu a le Ofisa	117,037	225,564
Pepa, Lomiga ma Isi	30,712	22,604
Inisiua	22,639	18,963
Galuega Lipea ma Faaleleia	92,590	49,987
Taavale	41,443	50,462
Aotauina o le aufaigaluega ma fonotaga	92,937	256,969
Tupe pau i aseta ua faatau ese	-	2,275
	<b>464,161</b>	<b>684,331</b>

<b>19. Tului e totogi i Nonogatupe</b>	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
<i>Auiliiliga o tului e totogi i tupe nono:</i>		
Tului - Aitalafu tupe faavaitaimi	21,674	53,480
Tului - Nonogatupe Faletupe Tutotonu o Samoa(CBS)	284,968	272,196
	<b>306,642</b>	<b>325,676</b>

O tului o aitalafu tupe faavaitaimi ua aofia i tului o nonogatupe ina ia tausisi i le folasaga o aitalafu tupe mai Faletupe e faailo o le nonogatupe.

## 20 Fefaatauaiga Feaiaa'i

### i) Tau i faatonu

Lafoga i Faatonu e \$126,962 (2013: \$95,593) sa totogi i le tausaga e aofia ai lafoga, alauni o le auai i fonotaga, taumafa o fonotaga, meaalofa ma faamanuiaga mo Faatonu ua mavae faapea ma isi.

O le faaiuga a le Kabeneta (FK) o lo o faamatalaina ai totogi mo faatonu ma alauni i le auai i fonotaga e faapea:

Taitaifono	- Totogi i le tausaga \$8,000 & auai i fonotaga \$300
Faatonu	- Totogi i le tausaga \$6,500 & auai i fonotaga \$250

<i>Tau i faatonu ma le pulega</i>	2014 SAT\$	2014 SAT\$
Lafoga i faatonu	39,971	39,711
Alauni i le auai i fonotaga	32,315	20,173
Isi tupe faaalu i faatonu	54,676	35,709
	<u><u>126,962</u></u>	<u><u>95,593</u></u>

### ii) Tupe faaalu i le pulega

*O totogi o le pulega i le tausaga:*

Totogi ma faamanuiaga pupuu	501,424	486,819
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*Saofaga a le Faalapotopotoga:*

Saofaga i le SNPF	25,071	24,341
Lafoga o faalavelave ma taui faafuasei	5,014	4,868
	<u><u>531,509</u></u>	<u><u>516,028</u></u>

### iii) O aiaiaga o fefaatauaiga ma e e feaiaa'i

O fefaatauaiga ie e feaiaai sa faatautaia i tau masani i le maketi i aiaiga faapisinisi.

## 21. Mataupu Faaletuple

O le vaega lenei e folasia ai le auivi i le feagai ai o le Faalapotopotoga ma faafitauli faaletuple ma faamatala ai metotia sa faaaogaina e le pulega e pulea ma mataituina ai ia faafitauli. O lavelave ogaoga e aofia ai aitalafu, o le faaliutupeina o aitalafu, tau i le maketi ma lavelave o galuega faatino.

### a) Pulega o lavelave o aitalafu

O lavelave e faamatalaina faapea, o le le totogiina e le paaga o lana aitalafu, ua le tusa ai ma tuutuga , ua iu ai ina pau tupe maua a le Faalapotopotoga.

Ua faaaoga e le Faalapotopotoga paaga e totogi aitalafu lelei ma tapa ia fanua ma fale e faamau ai aitalafu ia foia ai ai tupe pau e afua mai i aitalafu le totogia. O loo mataituina pe a le Faalapotopotoga tau o faatinoga o aitalafu i ana paaga ma faaaogaina faasiliga mai fefaatauaiga e faasafua i paaga ua talia ina. O lavelave o faaunegatupe o loo mataituina e le Vaega e Pulea ia Faaunegatupe ma le Vaega o Tulafono i le faia o iloiloga ma sailiga faaauau e iloa tino ai tulaga o loo iai ma poo mulimilitai i taiala faatulagaina a le Faalapotopotoga.

### e) Tau talafeagai

E faafoeina mataupu faaletuple i tau talafegai

### i) Lavelave i le maketi

O lavelave i le maketi o le fesuiga o tau, e pei o tau o tului, tau o saofoga, o tau o tupe mai fafo ma le faasafuaina o aitalafu(e le fesootai ma suiga a e o loo faatinoina ia suiga) e afaina ai tupe maua a le Faalapotopotoga ma aofai o mataupu tau tupe o loo taulimaina. O le sini autu o le pulega o lavelave o le maketi o le puleaina ma le faatonutonuina o lavelave o le maketi ia faatumauina i tulaga e talaina ao agai atu e faateleina tupe maua mai.

## 21. Mataupu Faaletuple(faaauau)

### o) Lavelave i le faaliu tupeina o aitalafu faaletonu

O le matafaioi patino a Faatonu le faavaeina o fuafuaga e gafa taulimaina ai lavelave i le faaliu tupeina o mataupu faaletonu e talafegai ma faavae o pulega o lavelave o le faaliutupe mo le faatupeina o manaoga o le Faalapotopotoga i taimi pupuu ma taimi umi.

O le puleaina o le lavelave i le faaliu tupeina o aitalafu faaletonu e faaputu tupe faaagaga, faasoa i Faletupe ma faaleoleo tupe nono i le mataituna faauau o tupe fetafeai ma fuafua mo le lumanai ma faafetaui i teuga tupe ma aitalafu faavaitaimi.

### u) Lavelave i galuega faatino

O lavelave i galuega faatino e faatatau lea i aafiaga tau lotoifale po'o aafiaga i tua atu o galuega faatino e aliae mai ona o mafuaaga eseese e aafia ai le Faalapotopotoga i mataupu faaletuple, faagasologa o galuega, o tagata faigaluega, tekonalosi faaonaponei ma aafiaga mai fafo e ese mai i pulega o lavelave o aitalafu, maketi ma le faaliu tupeina o aseta e pei o vaega ia e afua mai i tulafono ma aigaiga ua faatulagaina ma faatagaina.

O le naunautaiga o le Faalapotopotoga o le puleaina lea o lavelave i galuega faatino ina ia faapalenli le faaitiitia o tupe maumau ma le tauleagaina o le Faalapotopotoga ma le atoaga o tau o galuega e foia ai le gaosa o auala e faatino ai.

O le matafaioi tutasi mo le atinaeina ma le faagaigoiga o alafua i lavelave o galuega faatino e fitoi tonu lea i pulega a sinia o vaega taitasi.

## 22. Fuafuaga e faataunuina

### a) Faatinoga o Gaulega o lisi faatunu

	2014 SAT\$	2014 SAT\$
E le sili atu ma le tasi le tausaga	8,556	8,556
Faatapulaa i le maea o le tasi le tausaga ae le sili atu ma le lima tausaga	34,224	34,224
Sili atu ma le lima tausaga	51,336	51,336
Aofai o o faatinoga o galuega o lisi faataunu	<u>94,116</u>	<u>94,116</u>

O lo'o lisiina e le Faalapotopotogase se vaega o le Bluebird Lumber & Hardware mo le Ofisa i Savaii.

O le lisi e mo le 5 i le 10 tausaga ma le faamoemoe e faafou pe a maea ia le aso o le lisi.

### e) Fuafuaga e faataunu

Ina ia ogatusa ma le Tulafono Faatonutonu a Faalapotopotoga a le Malo 2001 ma aiaiga i le totogiina o Tivi e tusa ma le 50% o tupe mama e tatau ona totogi e le Faalapotopotoga le tivi i tausaga uma e pei ona faamatalatala atu i le faamatalaga 12.

### i) Isi Fuafuaga e Faataunu

E le o silafia e le Komiti Faatonu nisi fuafuaga e faataunu e le o aofia i le Famatalaga o Tupe i le tausaga faaiuina (2013: SAT\$0).

## 23. Mataupu tau aitalafu e ono tupu

E le o silafia e faatonu ni mataupu tau aitalafu e ono tupu i le tausaga faaiuina(2013: SAT\$0).

**SAMOA HOUSING CORPORATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

**SAMOA HOUSING CORPORATION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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Please address all correspondences  
to the Controller & Auditor-General



P.O. Box 13  
APIA, SAMOA

## AUDIT OFFICE

### REPORT OF THE AUDIT OFFICE

#### TO THE BOARD OF DIRECTORS – SAMOA HOUSING CORPORATION

We have audited the accompanying Financial Statements of the Samoa Housing Corporation comprising the statement of financial position as at 30 June 2014 and the statement of comprehensive income, changes in equity and cash flows for the year then ended, together with explanatory notes thereto which include a summary of significant accounting policies. The Accounting Firm of AH CHONG Public Accountants., Chartered Accountants, assisted in this audit.

#### The Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and presentation of these Financial Statements in accordance with International Financial Reporting Standards. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit work performed and the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Audit Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Samoa Housing Corporation as at 30 June 2014, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

We have obtained all the information and explanations that we have required. In our opinion, as far as appears from our examination of the records, the Corporation has kept proper accounting records and the financial statements of the Corporation give in the prescribed manner the information required by the Housing Corporation Act 2009 and the Public Bodies (Performance and Accountability) Act 2001 .

Our audit was completed on the 15<sup>th</sup> October 2014 and our audit opinion is expressed as at that date.

Apia, Samoa  
27 October 2014

*Cabete*  
Fuimaono Papali'i C.G. Afele  
CONTROLLER AND AUDITOR-GENERAL

**INDEPENDENT AUDIT REPORT**

**TO THE CONTROLLER & AUDITOR GENERAL**  
**SAMOA HOUSING CORPORATION**

We have audited the accompanying financial statements of the Samoa Housing Corporation, comprising the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, together with explanatory notes thereto which include a summary of significant accounting policies.

**The Responsibility of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors Responsibility**

Our responsibility is to express an audit opinion to the Controller and Auditor General on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit work performed and the audit evidence we have obtained are sufficient and appropriate to provide a basis for our opinion.

**Audit opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Samoa Housing Corporation as at 30 June 2014, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

We have obtained all the information and explanation that we have required. In our opinion, the Corporation has kept proper accounting records and the financial statements of the Corporation also provide in the prescribed manner the information required by the Housing Corporation Act 2009 and the Public Bodies (Performance and Accountability) Act 2001.

Apia, Samoa  
15 October 2014

*Ah Chong*  
Chartered Accountants

SAMOA HOUSING CORPORATION  
CERTIFICATION BY DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2014

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We certify that the attached financial statements for Samoa Housing Corporation comprising of the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and note to financial statements for the year ended 30 June 2014:

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

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

We authorize the attached financial statements for issue on 15 / Oct. / 2014 on behalf of the directors of the Samoa Housing Corporation.



*Signature*

Tuilaepa Eti Faolotoi  
**CHAIRMAN**  
Samoa Housing Corporation  
Apia, Samoa

/      /



*Signature*

Matautia Rula Levi  
**CHIEF EXECUTIVE OFFICER**  
Samoa Housing Corporation  
Apia, Samoa

/      /

**SAMOA HOUSING CORPORATION  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2014**

	Notes	2014 SAT\$	2013 SAT\$
<b>ASSETS</b>			
Cash and cash equivalents	4	822,413	171,573
Other debtors and prepayments	5	29,712	22,353
Loans portfolio	7	35,126,090	29,733,660
Property, plant and equipment	14	5,301,051	2,223,726
<b>TOTAL ASSETS</b>		<b><u>41,279,266</u></b>	<b><u>32,151,312</u></b>
<b>LIABILITIES</b>			
Other creditors and accruals	12	270,170	220,555
Rental receive in advance	6	2,924	-
Land loan deposit		46,880	3,600
Dividend payable	13	715,587	611,739
Borrowings	9	13,257,307	15,273,985
<b>TOTAL LIABILITIES</b>		<b><u>14,292,868</u></b>	<b><u>16,109,879</u></b>
<b>NET ASSETS</b>		<b><u>26,986,398</u></b>	<b><u>16,041,433</u></b>
<b>CAPITAL AND RESERVES</b>			
Paid up capital	3	20,588,000	10,000,000
Asset revaluation reserve	11	321,182	321,182
General reserve fund	10	6,077,216	5,720,251
<b>TOTAL CAPITAL AND RESERVES</b>		<b><u>26,986,398</u></b>	<b><u>16,041,433</u></b>

*This statement is to be read in conjunction with the accompanying notes to the financial statements on pages 7 to 16.*

On behalf of the Board of Directors;

*[Signature]*

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***Director***

  
\_\_\_\_\_  
**Alan R. Lichtenstein**  
Director

### Director

Date:      /      /

Date: 15/10/2014

SAMOA HOUSING CORPORATION  
 STATEMENT OF FINANCIAL PERFORMANCE  
 FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 SAT\$	2013 SAT\$
<b>INCOME</b>			
Interest on loans		3,358,514	3,051,649
Loan fees	15 (i)	847,912	613,868
Rental income	6	240,420	-
Other income	15 (ii)	65,131	83,869
<b>TOTAL INCOME</b>		<u>4,511,977</u>	<u>3,749,386</u>
<b>EXPENSES</b>			
Audit fees	12	22,661	19,550
Depreciation	14	327,723	139,598
Directors fees and expenses	20 (i)	126,962	95,593
Personnel costs	16	1,618,961	1,334,020
Occupancy costs	17	102,795	84,451
Administration expenses	18	464,161	684,331
Doubtful debts	8	828,142	348,925
Interest on borrowings	19	306,642	325,676
<b>TOTAL EXPENSES</b>		<u>3,798,047</u>	<u>3,032,144</u>
<b>NET PROFIT</b>		<b>713,930</b>	<b>717,242</b>
<b>TRANSFER TO GENERAL RESERVE</b>	10	<u>(713,930)</u> <u>\$Nil</u>	<u>(717,242)</u> <u>\$Nil</u>

*This statement is to be read in conjunction with the accompanying notes to the financial statements on pages 7 to 16.*

**SAMOA HOUSING CORPORATION**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	Notes	Capital SAT\$	General Reserve Fund SAT\$	Asset Revaluation Reserve SAT\$	Total SAT\$
Balance at 1 July 2012		10,000,000	5,361,630	321,182	15,682,812
Profit for the period		-	717,242	-	717,242
Less: Dividend provided	13	-	(358,621)	-	(358,621)
<b>Balance at 30 June 2013</b>		<b><u>10,000,000</u></b>	<b><u>5,720,251</u></b>	<b><u>321,182</u></b>	<b><u>16,041,433</u></b>
Capital injection	3	10,588,000	-	-	10,588,000
Profit for the period		-	713,930	-	713,930
Less: Dividend provided	13	-	(356,965)	-	(356,965)
<b>Balance at 30 June 2014</b>		<b><u>20,588,000</u></b>	<b><u>6,077,216</u></b>	<b><u>321,182</u></b>	<b><u>26,986,398</u></b>

*This statement is to be read in conjunction with the accompanying notes to the financial statements on pages 7 to 16.*

SAMOA HOUSING CORPORATION  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 SAT\$	2013 SAT\$
<b>CASH FLOWS TO OPERATING ACTIVITIES</b>			
Cash received from customers		13,724,252	13,214,520
Cash paid to customers		(15,282,829)	(15,525,290)
Cash paid for salaries and wages		(1,573,643)	(1,263,759)
Cash paid for other expenses		(874,035)	(1,290,493)
<b>NET CASH OUTFLOW TO OPERATING ACTIVITIES</b>		<b>(4,006,255)</b>	<b>(4,865,022)</b>
<b>CASH FLOWS TO INVESTING ACTIVITIES</b>			
Interest from investments		30,372	4,578
Purchases of fixed assets		(296,829)	(120,094)
<b>NET CASH OUTFLOW TO INVESTING ACTIVITIES</b>		<b>(266,457)</b>	<b>(115,516)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital injection from Government		7,500,000	-
Proceeds from CBS loan		-	5,000,000
Net repayments of loans		(1,303,161)	(1,278,060)
Interest on overdraft facility		(21,683)	(53,115)
Dividends paid	13	(253,117)	-
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>		<b>5,922,039</b>	<b>3,668,825</b>
<b>NET INCREASE/ DECREASE</b>		<b>1,649,327</b>	<b>(1,311,713)</b>
Cash and cash equivalents at beginning of year		(885,425)	426,288
<b>CASH AND CASH EQUIVALENTS AT YEAR END</b>		<b>763,902</b>	<b>(885,425)</b>
<i>Represented by :</i>			
Cash and cash equivalents	4	822,413	171,573
Bank overdraft	9	(58,511)	(1,056,998)
<b>NET CASH MOVEMENTS AT YEAR END</b>		<b>763,902</b>	<b>(885,425)</b>

*This statement is to be read in conjunction with the accompanying notes to the financial statements on pages 7 to 16.*

**SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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**1. General Information**

The Housing Corporation was established on May 1990 by an act of the legislature (Housing Corporation of Samoa Act 1989). The new legislation, Public Bodies Act 2001 overrules the initial Act. However, review of the Housing Corporation Act 1989 has been approved by Parliament in 2010 as Housing Corporation's Act 2010 and is now enacted. The main purpose of the Corporation is to improve housing and living conditions of lower moderate income persons and families by lending monies on mortgage or other securities to assist to build, extend, renovate or purchase land for the purpose of building a home thereon.

The Cabinet at its meeting in May 2013 approves the transfer of Government Rental Portfolio under the Ministry of Work, Transport & Infrastructure to the Samoa Housing Corporation to operate as commercial rental properties.

The Corporation's operations are directed by a 5 - member board of directors. The Board are all appointed members from the private sector.

**2. Statement of Significant Accounting Policies**

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

**a) Statement of compliance**

These financial statements have been prepared in accordance with the requirements of the Public Finance Management Act 2001 which requires the adoption of International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

In accordance with section 91 of the Public Finance Management Act 2001, Samoa Housing Corporation is designated as a Public Body, therefore it must also satisfy the reporting requirements under the Public Bodies (Performance & Accountability) Act 2001.

**b) Basis of preparation**

The financial statements are prepared on the basis of historical costs except for land and building which have been revalued. Reporting financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period and future periods.

**c) Comparative information**

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

**d) Functional and presentation currency**

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

**e) Foreign currency**

Transactions in foreign currency are translated to Samoan tala at the foreign exchange rate ruling at the date of the transaction. Amounts receivable and payable denominated in foreign currencies are translated at the rates of exchange ruling at balance sheet date. Foreign exchange differences arising on translation are recognized in the statement of financial performance.

**f) Bad and provision for doubtful loans**

The Corporation sets aside in each year at least two percent to its approvals of loans in that year as a provision against bad and doubtful debts until such time as the provisions equal ten percent of its loans portfolio, and will thereafter set aside annually such amounts as are sufficient to maintain this provision at that level. However, a yearly review of the individual loans are carried out to recognize impairment on those loans with reasonable

SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014

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**2. Statement of Significant Accounting Policies (continued)**

**f) Bad and provision for doubtful loans (continued)**

doubt that not all the principal and interest can be recovered in accordance with terms and conditions of the loan agreement. Bad debts are written off against the provision for doubtful debts in the period in which they are identified as unrecoverable.

**g) Revenue recognition**

*Interest income*

Interest income on loans and investments are recognized on accruals basis. Interest on impaired loans is recognized only when income is received.

*Loan fees*

Loan fees are recorded when they are earned. Fees on impaired loans are recognized only when income is received.

*Rental income*

Rental income from investment properties is recognized on a straight-line basis over the term of the relevant lease.

**h) Cash and cash equivalents**

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

**i) Accounts and other receivables**

Accounts and other receivables are recorded at fair value after providing for bad and doubtful debts. At the end of each reporting period, the carrying amounts of accounts and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in the statement of financial performance.

**j) Fair value estimation**

Fair value is determined as follows:

- Cash assets are carried at fair value;
- Receivables are carried at book value, which is the best estimate of fair value as they are settled within a short period;
- Loans are net of provisions for impairment.

**k) Financial assets**

The Corporation classifies its financial assets in the following categories; loans & receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

*Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not categorized in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

**l) Provisions**

A provision is recognized in the balance sheet when the corporation has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014

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**2. Statement of Significant Accounting Policies (continued)**

**m) Accounts and other payables**

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

**n) Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. All direct costs attributable to acquisition of assets have been capitalized. The following rates are used for the depreciation of property, plant and equipment:-

Buildings	2.5%
Motor vehicles	20% & 33%
Office furniture	20%
Office equipment	33%
Computer software	33%
SHC Logo	5%
Rental units	10%
Rental others	33%

**o) Dividends**

Dividends are recognized as a liability in the period in which they are due and payable pursuant to the Public Bodies (Performance & Accountability) Regulations 2002.

**p) Borrowing costs**

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

**q) Employee benefits**

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

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

**r) Taxation**

The Corporation is exempt from tax under section 51 of the Housing Corporation Act 2009

**3. Authorized and Paid up Capital**

	2014	2013
	SAT\$	SAT\$
Authorized and paid up capital (10,000,000 shares of \$1 each)	10,000,000	10,000,000
Additional paid up capital (7,500,000 shares of \$1 each)	7,500,000	-
Government housing	3,088,000	-
<b>Total capital (Government of Samoa)</b>	<b>20,588,000</b>	<b>10,000,000</b>

The authorized capital of the Corporation can only be subscribed to by the Government of Samoa as per section 22 of the Housing Corporation Act 2010. Government housing is the total value of 72 Government rental houses transferred to Samoa Housing Corporation as per Cabinet approval under section 32 of the Housing Corporation Act 2009.

**4. Cash and Cash Equivalents**

*Term deposit:*

	2014	2013
	SAT\$	SAT\$
ANZ Bank (Samoa) Ltd	50,339	50,339
Samoa Commercial Bank	500,000	-
	<b>550,339</b>	<b>50,339</b>

*Cash at bank and on hand:*

ANZ Bank (Samoa) Ltd	70,765	75,750
National Bank of Samoa	44,671	22,568
Samoa Commercial Bank - Rental Properties	87,299	-
Westpac Bank (Samoa) Ltd	67,139	21,716
Petty Cash Imprest	2,200	1,200
<b>Total term deposits and cash balances</b>	<b>822,413</b>	<b>171,573</b>

SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014

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**4. Cash and Cash Equivalents (cont'd)**

*Term deposit details:*

*ANZ Bank (Samoa) Ltd*

Term : 1 Month  
Interest rate : 2.5%  
Maturity date : Renew automatically  
Term deposit at ANZ Bank is used to secure CEO's master card.

*Samoa Commercial Bank*

Term : 1 Month  
Interest rate : 3.5%  
Maturity date : Renew automatically

**5. Other Debtors and Prepayments**

	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
Other and staff debtors	9,279	1,032
Prepayments	20,433	21,321
<b>Total other debtors and prepayments</b>	<b>29,712</b>	<b>22,353</b>

**6. Rental Portfolio**

	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
Total rent charged as at year end	240,420	-
Less: Rental payments	(242,954)	-
	(2,534)	-
Rental unidentified transactions	(390)	-
<b>Net rental portfolio</b>	<b>(2,924)</b>	<b>-</b>

Balance of rental portfolio above represents total rent overpaid as of 30 June 2014. Rental unidentified transactions accounts for unknown monies received from tenants rent payments from time to time.

**7. Loans Portfolio**

	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
Total loans portfolio as at year end	38,813,685	32,872,818
Less provision for doubtful loans ( <i>refer to note 8 below</i> )	(3,687,595)	(3,139,158)
<b>Net loans portfolio</b>	<b>35,126,090</b>	<b>29,733,660</b>

Loans are recognized at their recoverable values, after assessing provisions for impairment. Loans are restructured when the borrower is granted concession due to continuing difficulties in meeting the original terms terms and conditions.

**8. Provision for Doubtful Debts**

	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
Balance at the beginning of the year	3,139,158	2,896,572
Add: Additional provision	828,142	348,925
	3,967,300	3,245,497
Less: Write offs charged against provision	(279,705)	(106,339)
<b>Balance at year end</b>	<b>3,687,595</b>	<b>3,139,158</b>

**9. Borrowings**

*Loans:*

*Central Bank of Samoa*

	<b>2014</b>	<b>2013</b>
	SAT\$	SAT\$
(i) Loan 1	2,750,311	3,060,950
(ii) Loan 2	2,319,575	2,566,560
(iii) Loan 3	3,257,916	3,589,477
(iv) Loan 4	4,870,994	5,000,000
<b>Total loans</b>	<b>13,198,796</b>	<b>14,216,987</b>

SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014

9. Borrowings (cont'd)	2014 SAT\$	2013 SAT\$
<b><i>Bank overdraft:</i></b>		
Samoa commercial Bank	58,511	1,056,998
<b>Total borrowings</b>	<b>13,257,307</b>	<b>15,273,985</b>

***Loan details:***

Central Bank of Samoa

(i) Loan 1:

Term : 10 years  
Interest rate : 3%  
Monthly repayment : \$33,185  
Security : Government support

(ii) Loan 2:

Term : 10 years  
Interest rate : 3%  
Monthly repayment : \$26,717  
Security : Government support

(iii) Loan 3:

Term : 10 years  
Interest rate : 3%  
Monthly repayment : \$36,266  
Security : Government support

(iv) Loan 4:

Term : 15 years  
Interest rate : 3%  
Monthly repayment : \$29,925  
Security : Government support

***Bank overdraft details:***

***Samoa Commercial Bank***

Term : 12 months  
Interest rate : 12%  
Repayment : Whole or partial payment any time  
Security : Mortgage over property at Matafele  
: 248 square meters, Lot 945, Plan 6399

10. General Reserve Fund	2014 SAT\$	2013 SAT\$
Opening reserve fund balance	5,720,251	5,361,630
Transfer from profit and loss	713,930	717,242
Less: Dividend provided	(356,965)	(358,621)
<b>Total general reserve fund</b>	<b>6,077,216</b>	<b>5,720,251</b>

Section 29 of the Housing Corporation Act 2010 requires the Corporation to establish and maintain a general reserve fund.

11. Assets Revaluation Reserve

Description	Original	Acc.dep at	Revalued	2014 SAT\$	2013 SAT\$
	cost SATS	31/01/2010 SAT\$	Net Amount SAT\$		
Land	412,000	-	412,000	588,000	176,000
Building	1,453,161	(148,343)	1,304,818	1,450,000	145,182
	<b>1,865,161</b>	<b>(148,343)</b>	<b>1,716,818</b>	<b>2,038,000</b>	<b>321,182</b>

SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014

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**11. Assets Revaluation Reserve (cont'd)**

The revaluation (land and building) was carried out by Kaisara Real Estate Management an independent licensed valuer in February 2010. Market value approach i.e. sales comparison, income and depreciated replacement cost were used to determine the fair values of the above items. The cost method is used to account for revaluation of assets, where the original cost of assets less their accumulated depreciation and then determine whether there is an increase or decrease in assets revalued amounts from their carrying amounts. The above surplus is recognized in the Asset Revaluation Reserve under Capital and Reserves.

**12. Other Creditors and Accruals**

	2014	2013
	SAT\$	SAT\$
Accruals	90,997	71,299
Provision for audit fees	22,661	19,550
Other creditors	106,433	87,373
Master card	-	2,423
Provision for long service benefit	3,855	10,854
Interest received in advance	-	29,056
Rental bonds	34,700	-
Loan debtors credit balance	11,524	-
<b>Total other creditors and accruals</b>	<b>270,170</b>	<b>220,555</b>

*Other creditors:*

Other creditors includes leave entitlement benefits accruing to employees are measured at their present values using the relevant remuneration rates, stamp duty payable to Ministry of Finance and unidentified and unclaimed payments held by the Corporation.

*Master card:*

Master card limit is NZ\$20,000 at ANZ Bank (Samoa) Ltd and is secured by \$50,000 term deposit.

*Provision for long service benefit:*

Provision for long service benefit account for the Corporation's obligation to its long serving employees as specified in the Human Resource Manual

The provision to be recognized at the year end is determined on the basics of present value calculation taking into account the number of years in service.

*Interest received in advance:*

Interest received in advance are interest deferred from normal lending loans refinanced by cyclone Evan loan scheme at 3% interest rate. Balance has been carried forward and will be transferred to revenue when due according to terms and conditions.

*Rental bonds:*

These are bonds for rental units held by the Corporation.

**13. Dividend Payable**

The Public Bodies (Performance and Accountability) Regulations 2002 Schedule 6 paragraph 6.2.1(d) specifies that the annual report shall include "the dividend payable by the Public Body to the State for the financial year to which the report relates". Furthermore, Schedule 7 (paragraph 25.2) requires "a company to pay dividend in accordance with the Government's dividend policy as advised by the Financial Secretary from time to time". In May 2005, the Chief Executive Officer, Ministry of Finance advised that Public Trading Bodies would be accountable for a dividend of 50% of Net profit after tax. Consequently as at 30 June 2014, Samoa Housing Corporation has a liability for dividend payable at 50% of Net Profit After Tax, less dividend payments made.

	Net Profit	2014	2013
	SAT\$	SAT\$	SAT\$
<b>Dividend payable</b>			
Opening balance		611,739	253,118
Financial Years:			
30 June 2013	717,242	-	358,621
30 June 2014	713,930	356,965	-
		968,704	611,739
Less: Dividend payments		(253,117)	-
<b>Dividend payable to government of Samoa</b>		<b>715,587</b>	<b>611,739</b>

SAMOA HOUSING CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014

**14. Property, Plant and Equipment**

Cost	Building SAT\$	Computer Software SAT\$	Land SAT\$	Motor Vehicles SAT\$	Office Equipment SAT\$	Furniture SAT\$	SHC Logo SAT\$	Rental Units SAT\$	Rental Others SAT\$	Total SAT\$
	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$	SAT\$
Balance as at 1 July 2012	1,450,000	85,766	588,000	444,596	255,964	34,194	9,760	-	-	2,868,280
Additions	-	-	-	82,120	33,613	4,361	-	-	-	120,094
Disposals	-	-	-	(170,520)	(4,775)	-	-	-	-	(175,295)
<b>Balance as at 30 June 2013</b>	<b>1,450,000</b>	<b>85,766</b>	<b>588,000</b>	<b>356,196</b>	<b>284,802</b>	<b>38,555</b>	<b>9,760</b>	-	-	<b>2,813,079</b>
Balance as at 1 July 2013	1,450,000	85,766	588,000	356,196	284,802	38,555	9,760	-	-	2,813,079
Additions	-	41,398	-	65,500	64,111	10,141	-	3,214,357	9,541	3,405,048
Disposals	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2014</b>	<b>1,450,000</b>	<b>127,164</b>	<b>588,000</b>	<b>421,696</b>	<b>348,913</b>	<b>48,696</b>	<b>9,760</b>	<b>3,214,357</b>	<b>9,541</b>	<b>6,218,127</b>
<b>Accumulated depreciation</b>										
Balance as at 1 July 2012	87,602	70,672	-	259,983	171,674	30,404	2,441	-	-	622,776
Depreciation	36,250	5,789	-	58,921	36,688	1,462	488	-	-	139,598
Disposals	-	-	-	(170,520)	(2,500)	-	-	-	-	(173,020)
<b>Balance as at 30 June 2013</b>	<b>123,851</b>	<b>76,461</b>	<b>-</b>	<b>148,384</b>	<b>205,862</b>	<b>31,866</b>	<b>2,929</b>	-	-	<b>589,354</b>
Balance as at 1 July 2013	123,851	76,461	-	148,384	205,862	31,866	2,929	-	-	589,353
Depreciation	36,250	5,836	-	83,248	43,609	2,577	488	154,081	1,634	327,723
Disposals	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2014</b>	<b>160,101</b>	<b>82,297</b>	<b>-</b>	<b>231,632</b>	<b>249,471</b>	<b>34,443</b>	<b>3,417</b>	<b>154,081</b>	<b>1,634</b>	<b>917,076</b>
<b>Carrying amount</b>										
30 June 2013	1,326,149	9,305	588,000	207,812	78,940	6,689	6,831	-	-	2,223,726
30 June 2014	1,289,899	44,867	588,000	190,064	99,442	14,253	6,343	3,060,276	7,907	5,301,051

SAMOA HOUSING CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	SAT\$	SAT\$
<b>15. Income</b>		
<i>(i) Loan fees</i>		
Application fees	84,320	78,871
Documentation fees	97,750	91,150
Service fees	168,640	157,742
Arrears fees	276,464	115,437
Maintenance fee	220,738	170,668
	<b>847,912</b>	<b>613,868</b>

	2014	2013
	SAT\$	SAT\$
<i>(ii) Other income</i>		
Interest - term deposit	33,816	5,707
Other income	31,315	78,162
	<b>65,131</b>	<b>83,869</b>

	2014	2013
	SAT\$	SAT\$
<b>16. Personnel Costs</b>		
<i>Details of personnel costs are specified as follows:</i>		
Salaries & wages	1,242,283	1,099,982
NPF contribution 5%	62,115	55,000
ACC contribution 1%	12,422	11,000
	<b>1,316,820</b>	<b>1,165,982</b>
Other staff costs	302,141	168,038
<b>Total personnel costs</b>	<b>1,618,961</b>	<b>1,334,020</b>

The number of staff employed by the Corporation as at year end were 31 (2012: 29).

Other staff costs includes staff benefits payments such as long services leave, retirement benefits, higher duty allowance and reimbursements of staff tuition fees.

	2014	2013
	SAT\$	SAT\$
<b>17. Occupancy Costs</b>		
<i>Details of occupancy costs are specified as follows:</i>		
Electricity	49,164	46,149
Water	8,453	7,734
Rent	8,556	8,556
Telephone	36,622	22,012
<b>Total occupancy costs</b>	<b>102,795</b>	<b>84,451</b>

	2014	2013
	SAT\$	SAT\$
<b>18. Administration Expenses</b>		
<i>Details of administration expenses are specified as follows:</i>		
Advertising & promotion	36,834	33,168
Allowances	29,969	24,339
Office expenses	117,037	225,564
Stationeries	30,712	22,604
Insurance	22,639	18,963
Repairs and maintenance	92,590	49,987
Motor vehicle running expenses	41,443	50,462
Staff training & meetings	92,937	256,969
Loss on disposal of fixed assets	-	2,275
<b>Total administration expenses</b>	<b>464,161</b>	<b>684,331</b>

	2014	2013
	SAT\$	SAT\$
<b>19. Interest on Borrowings</b>		
<i>Details of interest on borrowings are specified as follows:</i>		
Interest on overdraft	21,674	53,480
Interest on CBS loans	284,968	272,196
<b>Total interest on borrowings</b>	<b>306,642</b>	<b>325,676</b>

Interest on overdraft is now included under interest on borrowings to be consistent with the presentation of the Bank Overdraft as borrowing; in nature.

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## 20. Related Party Transactions

### i) Directors compensation

Directors fees of \$126,962 (2013: \$95,593) were paid during the year including directors fees, sitting allowance, catering for board meeting, gift and donation for former directors and other board expenses.

The Cabinet Directive (F.K) specifies directors' fees and sitting allowances as follows:

Chairman	- Annual fee \$8,000 & sitting allowance \$300
Member	- Annual fee \$6,500 & sitting allowance \$250

	2014	2013
	SAT\$	SATS\$
<b>Directors and executive management compensation</b>		
Directors fees	39,971	39,711
Sitting allowances	32,315	20,173
Other board expenses	54,676	35,709
<b>Total directors compensation</b>	<b>126,962</b>	<b>95,593</b>

### ii) Key management personnel costs

*The remuneration of key management personnel during the year were as follows:*

Salaries and short term employment benefits	501,424	486,819
<i>Employers contribution to:</i>		
National provident fund	25,071	24,341
Accident compensation commission	5,014	4,868
<b>Total key management personnel costs</b>	<b>531,509</b>	<b>516,028</b>

### iii) Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

## 21. Financial Instruments

This section outlines the Corporation's exposure to financial risks and describes the methods used by management to control and monitor these risks. The major risks are credit risk, fair values, market risk, liquidity risk and operational risk.

### a) Credit risk

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the Corporation.

The Corporation has adopted a policy of only dealing with creditworthy customers and obtaining sufficient collateral where appropriate, as a means of mitigating the risks of financial loss from defaults. The Corporation exposure and the credit ratings of its customers are continuously monitored and the aggregate value of transactions concluded is spread amongst approved customers. Credit risk is closely monitored by the Lending Division and Legal and Recoveries Division through regular independent reviews designed to test the quality of credit exposures and to ensure compliance with Corporation policies.

### b) Fair values

All financial instruments are carried by fair values.

### c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

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**21. Financial Instruments (cont'd)**

**d) Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Corporation's short, medium and long-term funding and liquidity management requirements.

The Corporation manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and cash flows and matching the maturity profiles of financial assets and liabilities.

**f) Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Corporation's involvement with financial instruments, including processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Corporation's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Corporation's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit.

**22. Capital Commitments**

**a) Operating lease commitments**

	<b>2014</b>	<b>2013</b>
	<b>SAT\$</b>	<b>SAT\$</b>
Not later than one year	8,556	8,556
Due after one year but not later than five years	34,224	34,224
Due after five years	51,336	51,336
<b>Total operating lease commitments</b>	<b>94,116</b>	<b>94,116</b>

The Corporation leases premises from Bluebird Lumber & Hardware under operating lease for its branch at Savaii. The lease run for an initial period of 5 to 10 years, with an option to renew the lease after that date.

**b) Capital commitments**

In line with the Public Bodies (Performance and Accountability) Act 2001 and Government policy of paying dividend at 50% of the net profit, the Corporation is committed to pay dividends every year as indicated in note 13.

**c) Other commitments**

The directors are not aware of any other commitments and not provided for at year end. (2013: SAT\$nil).

**23. Contingent Liabilities**

The directors are not aware of any contingent liabilities at year end. (2013: SAT\$nil).