

# Samoa Ports Authority Annual Report



## Year Ended 30 June 2021



*"your gateway to prosperity"*



Samoa Ports  
Authority

# CONTACT US

## Corporate Office

Matautu-tai  
Apia  
Samoa  
Tel: (685) 64400

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## Website

[www.spasamoa.ws](http://www.spasamoa.ws)

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## Email

[info@spasamoa.ws](mailto:info@spasamoa.ws)

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## Maritime Line

+68564440/ Radio VHF CH 16

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## Social Media

<https://www.facebook.com/spasamoa>



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## STATEMENT OF COMPLIANCE

31 October 2021

Hon. Olo Fiti Afoa VAAI  
Minister of Works, Transport & Infrastructure  
APIA

Dear Honorable Minister

**Re: Samoa Ports Authority Annual Report and Audited Financial Statements for  
Financial Year Ended 30 June 2021.**

In compliance with Section 35(1) a,b & c of the Ports Authority Act 1998, it is with great pleasure that I submit herewith the Samoa Ports Authority's Annual Report with the Audited Financial Statements for the year ended 30 June 2021 for your information and presentation to Parliament.

The Report consists of the following:

1. Chairman's Report
2. General Manager's Review
3. Independent Auditor's Report
4. Certification by Directors
5. Audited Annual Financial Statements

Ma le faa'alo'alo tele lava.



**So'oalo Kuresa SO'OALO**  
**GENERAL MANAGER**

## STATEMENT TO PARLIAMENT

Hon. Speaker of the House  
Parliament of Samoa  
Mulino  
APIA



Dear Mr Speaker

Pursuant to Section 35 (2) of the Ports Authority Act 1998, it is my pleasure to present to the Parliament of Samoa, the Annual Report with Audited Financial Statements of the Samoa Ports Authority for the Financial Year ended 30 June 2021.

I am pleased to announce that the Financial Year from 01 July 2020 to 30 June 2021 was an exceptional financial year for the Authority despite the operational challenges especially the impact of the Covid-19 pandemic.

I wish to extend my sincere thanks and appreciation to the Board of Directors, Management and Staff for the extraordinary results of the year.

Ma le faa'alo'alo tele lava.

Hon. Olo Fiti Afoa VAAI  
MINISTER OF WORKS, TRANSPORT & INFRASTRUCTURE



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# Vision

“TO BE ONE OF THE PACIFIC’S LEADING PORTS IN PROVIDING SAFE, EFFICIENT AND EFFECTIVE PORT SERVICES”



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# Mission Statement

“TO CONTINUE DEVELOPING PORTS INFRASTRUCTURE IN COLLABORATION WITH THE GOVERNMENT’S ECONOMIC AND SOCIAL REQUIREMENTS, PROVIDING QUALITY SERVICES AND COMPLIANCE WITH NATIONAL AND INTERNATIONAL PORT STANDARDS, SYSTEMS, ENVIRONMENT AND SKILLS”



## HIGHLIGHTS

### OPERATION



24%

Revenue tonnage recorded – 1.9 million tons compared to 2.5 million last year; a drop of 24.0%.

21%

Cargo total tonnage – 909,150 tons compared to 751,341 tons in 2020 – a rise of 21%

6.6%

Number of Containers (TEUs) handled – 43,933 compared to 41,200 in 2020; an increase of 6.6%.

61.44%

Transhipped cargo tonnage – 350,489 tons in 2021 vs 217,099 tons last year – an increase of 61.44%

36.7%

Number of Vessels – 403 compared to 637 last year; a decrease of 36.7%

0%

Covid – 19 cases detected at the port - Nil

### FINANCE



19.7% Record Net Profit of WST\$9.1 million tala compared to WST\$7.6 million tala in 2020; a rise of 19.7%



WST\$5.2million Declared and Paid Cash Dividend of WST\$5.2 million tala to Government

### MAJOR DEVELOPMENT PROJECTS



- ADB funded Enhancing Safety, Security and Sustainability of Apia Port Project successful bidding and awarding of contracts
- Completed Feasibility Study for the Vaiusu Port & Asau Channel Project awaiting the availability of the full feasibility study report.
- Successfully Completed Manono Jetty Project.

## CHAIRMAN'S REPORT

It is a particular pleasure, on behalf of the Samoa Ports Authority/SPA, to present this Annual Report for the financial year from 01 July 2020 to 30 June 2021.

The Authority has accomplished an exceptional operational and financial performance for the year despite the serious and prolonged worldwide challenges and the disruptions to trade and services from the impacts of the Covid-19 pandemic and the state of emergency restrictions (SOE) in Samoa.



### Overall Performance

For the year in review SPA achieved a new record profit of \$9.1 million tala. This is a remarkable result, especially given the overall international conditions and the SOE restrictions.

SPA was able to honour its mandatory dividend payout to the Government in the amount of \$5.2 million tala.

### Capital Projects

During this financial year SPA as the Implementing Agency collaborated with the Ministry of Finance (Executing Agency) and Asian Development Bank (Development Partner Agency) to conclude the bidding process and awarding of contracts for the ADB-funded project aimed at enhancing safety, security and sustainability of the Apia Port. This project, which has commenced, is being implemented over the next few years

The Manono Jetty project, for the convenience and safety of travel and communications in the Upolu-Manono strait, and funded by contributions from a number of sources, was completed and implemented during the financial year. This is a project of significant community importance and SPA was pleased to contribute to its funding.

### Acknowledgements

The work-effort and achievements presented in this Annual Report are the end-result of conjoint and sustained endeavours by many, in the course of the year under review, and in pursuit of policies set and the decisions taken for SPA's development into the future.

First, on behalf of the Authority, may I renew our welcome to the Hon Olo Fiti Afoa Vaai, Minister of Works, Transport & Infrastructure, and our appreciation for the leadership role and direction he has already established in support of SPA and its work programme.

The continuing growth and development of SPA necessarily involves enlargement and greater



complexity in the affairs of the Authority, all of which will continue to challenge the Board of Directors in its determinations and policy-making. I express special acknowledgment and warm appreciation to all Directors for their continued commitment and professional engagement in the discharge of their responsibilities.

The following are the serving Board Directors:

- o Tuatagaloa Shane Wulf, Deputy Chairman;
- o Luafau Leia Tuulima;
- o Afoa Raymond Pereira;
- o Pisaina Leilua Lei Sam; and
- o Rev Nuuausala Siaosi.

On behalf of SPA I express our warm appreciation to all Port-users and stakeholders for their patronage and cooperation which have contributed to the results reported herein. The support of the Government, all Port-users and stakeholders are back-bone factors which will continue to be critical in underpinning the continued growth and development of the SPA and in achieving its mission to provide safe, efficient and profitable Port services for the future of Samoa.

In particular, and on behalf of the Authority and the Board of Directors, we reiterate our grateful acknowledgement to the SPA General Manager, Afioga Sooalo Kuresa Sooalo, General Manager/CEO, the Executive Management team and all staff for their work-commitment and performance so effectively demonstrated with the outstanding results and achievements covered in this Annual Report.

Faafetai,



Tuiloma Neroni SLADE  
**Board Chairman**



## GENERAL MANAGER'S REVIEW

It is with much pleasure that I present the 22nd Annual Report of the Samoa Ports Authority for the financial year ended 30 June 2021 noting the achievements and challenges endured during the review year.

The past 5 years have seen SPA turn in optimal financial performance since it's inception in 1999. This Financial Year has seen SPA maintained that same trajectory in a remarkable one financially in light of contraction in Port activities due to the prolonged SOE restrictions; SPA recorded a Net Profit of \$9,093,567 despite booking a provision of loss on impairment of fixed assets valued at \$2,292,067 due to the perceived reduction in value of the underutilized wharves of Satitua and Asau as recommended by external auditors in compliance with Financial Reporting Standards of which was discussed and agreed to by SPA.



### Major Events

The Authority's main focus during the financial year was on the border protection since the Apia Port remained open for essential supplies. SPA front-liners including Pilots, Maritime and Port Operations staff were randomly tested for Covid-19 by the Ministry of Health and all tests carried out were negative .

SPA Management and staff were encouraged to be vaccinated when the vaccination campaign started in March 2021. All Management and staff have been fully vaccinated to date except two female staff due to medical reasons.

### Operational Overview

The number of vessels calls during the year declined by 36.7% from 637 last year to only 403 during the review financial year.

Revenue tonnage (Vessels GRT) declined by 24.0% below the previous year; recorded tonnage of 1.9 million compare to 2.5 million in 2020. The reduction in the number of vessels calls by 36.7% is the main driving factor for the decrease in revenue tonnage.

The number of containers in TEUs rose by 6.6% from 41,200 TEUs last year to 43,933 TEUs this year, likewise total cargo tonnage increased by 21% from 751,341 tons in 2020 to 909,150 tons in 2021. Tran-shipped cargo tonnage significantly rose by 61.44% from 217,944 tons in the previous year to 350,489 tons in the review year.



### Financial Performance

Despite the reduction in the number of vessels due to the State of Emergency restrictions for Covid-19, the Audited Net Profit of \$9,093,567 for this financial year was unexpectedly higher than the previous year result of \$7,598,563 by 19.7% and above annual budget of \$8,346,014 by 8.96%. The rise in the volume of cargo especially transshipments, the effect of the final 5% incremental increase on tariffs plus the increase in revenue from recoveries is the driving factor behind the excellent financial results for the year.

The Authority's Cash position continues to remain steadily strong despite honouring its statutory obligation by paying a Dividend to Government. The ending cash balance of \$7,074,578 is 31.9% lower than the previous year balance of \$10,387,611 due to a re-classification of Cash Investments with UTOS and Term Deposits.

Total Cash Dividend paid during the period was \$5,216,115 tala to cover 35% Dividend for 2020 financial year dividend and the remaining balance of 35% Dividend for 2019 financial year profits.

### Development Projects

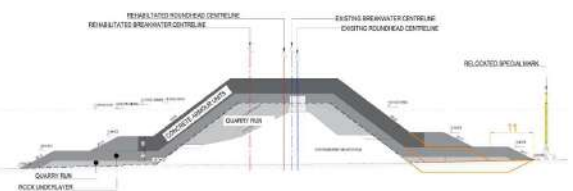
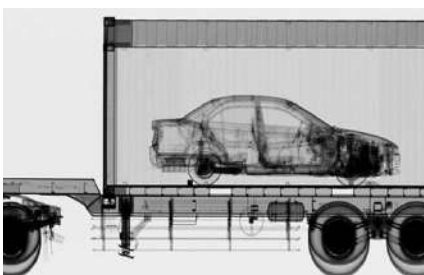
The ADB funded Enhancing Safety, Security and Sustainability of Apia Port (ESSSAP) project was the main focus of the Authority during the financial year after the grant approval in the prior year. The bidding process and the awarding of contracts for the main contractor for the ports civil works and breakwater rehabilitation, the supply of a new tug boat were successfully completed with the X-Ray scanner for the Ministry of Customs and Revenue yet to be finalised.

The main contractor for the Port Civil Works including the rehabilitation of breakwater component was awarded to China Harbour Engineering Company (CHEC) of China at the cost of \$107 million tala with the supply of a new built tug boat won by Cheoy Lee Shipyard of Hong Kong at the contract price of USD\$5,150,000.00.

Haskoning company of Vietnam was the successful bidder for the green-port initiative consultancy with Beca International Consultants of New Zealand as the construction supervision consultancy firm for the port civil works and the breakwater reconstruction component.

The Manono Jetty Project was successfully completed during the last quarter of the financial year which was jointly funded by the Government of Japan and the Samoan Government through a community assistance by the Authority valued at \$200k.

The Asau wharf reconstruction of the western eroded side was also completed during the last quarter of the financial year.



### Outlook

The unprecedented challenges caused by the Covid-19 pandemic throughout the twelve months has definitely shaped the way the Authority carry out its normal functions to a certain extent. The new requirements under the SOE remains a challenge for the Authority especially the frontline staff where they are required to change the way they carry out their duties like the need for Pilots to wear full Personal Protective Equipments during the performance of their duties where they are required to climb the rope ladders for boarding the vessels.

Looking ahead whilst we still operate under SOE orders, it is a vitally important period for the Authority to review it's security and safety procedures. As part of the Green Port Initiative component of the ESSAP project, all Safety and Emergency Response Plans for the Authority will be reviewed.

The Authority will continue to pursue its long term plans to develop new ports and improve existing facilities to be able to become one of the leading Ports in the Pacific in providing safe, efficient and effective port services.

### Acknowledgement

On behalf of SPA I wish to acknowledge with appreciation the support and contribution from our business partners, stakeholders and all port-users.

After another unanticipated strong financial performance despite the pandemic challenges, I would like to thank the Hon Minister of Works, Transport & Infrastructure, Hon. Olo Fiti Afoa Vaai for the advice and unfailing support rendered during the year.

I would also like to especially thank the SPA Board Chairman, Afioga Tuiloma Neroni Slade for his proficiency guidance and leadership. I thank the hard working Deputy Chairman and the Board of Directors and my Senior Management Team for their diligence, contribution and support.

Finally, I would like to acknowledge and thank all staff and their families for their hard work, support and commitment to the Authority's drive for operational safety and financial success.

Malo saili malo, faafetai lagolago, faamanuia le Atua ia te outou ma o outou aiga.

Faia ma le agaga maualalo ma le faaaloalo, faafetai.



So'oalo Kuresa SO'OALO  
**GENERAL MANAGER**



## SPA PROFILE

Samoa Ports Authority (SPA) was established in July 1999 under the Ports Authority Act 1998.

As a State Owned Entity (SOE), the Authority must also comply with the provisions of the following legislations:

- Public Bodies (Performance & Accountability) Act 2001
- Public Finance Management Act 2001
- Shipping Act 1998
- Small Vessel Regulations 1998
- Labour and Employment Relations Act 2013
- Companies Act 2001
- Cabinet Directives



### SPA History

The Samoa Ports Authority was established in 1999 by the Ports Authority Act 1998. The amendment of the Act as per Cabinet Directive FK (14) 21 in 2014, authorised the transfer of the domestic ports of Mulifanua and Salelologa under the management of the Samoa Shipping Corporation.

SPA currently employs a total of 122 employees all based at Matautu-tai and specifically focus on the operations and management of the Apia International Port, Apia Fisheries Port, Asau and the Aleipata Ports.

### Apia Port

Apia International Port is located at Matautu-tai at approximately 3km from the center of the Apia town-ship. Apia Port is the main seaport gateway for Samoa accounting for approximately 97% of international freight movements.



### Aleipata Wharf & Slipway

Aleipata wharf and slipway is situated on the east side of the main island of Upolu. The Slipway was leased to the Samoa Shipping Corporation in 2014 under a pilot project arrangement for a five year term.

### Asau (Savaii) wharf

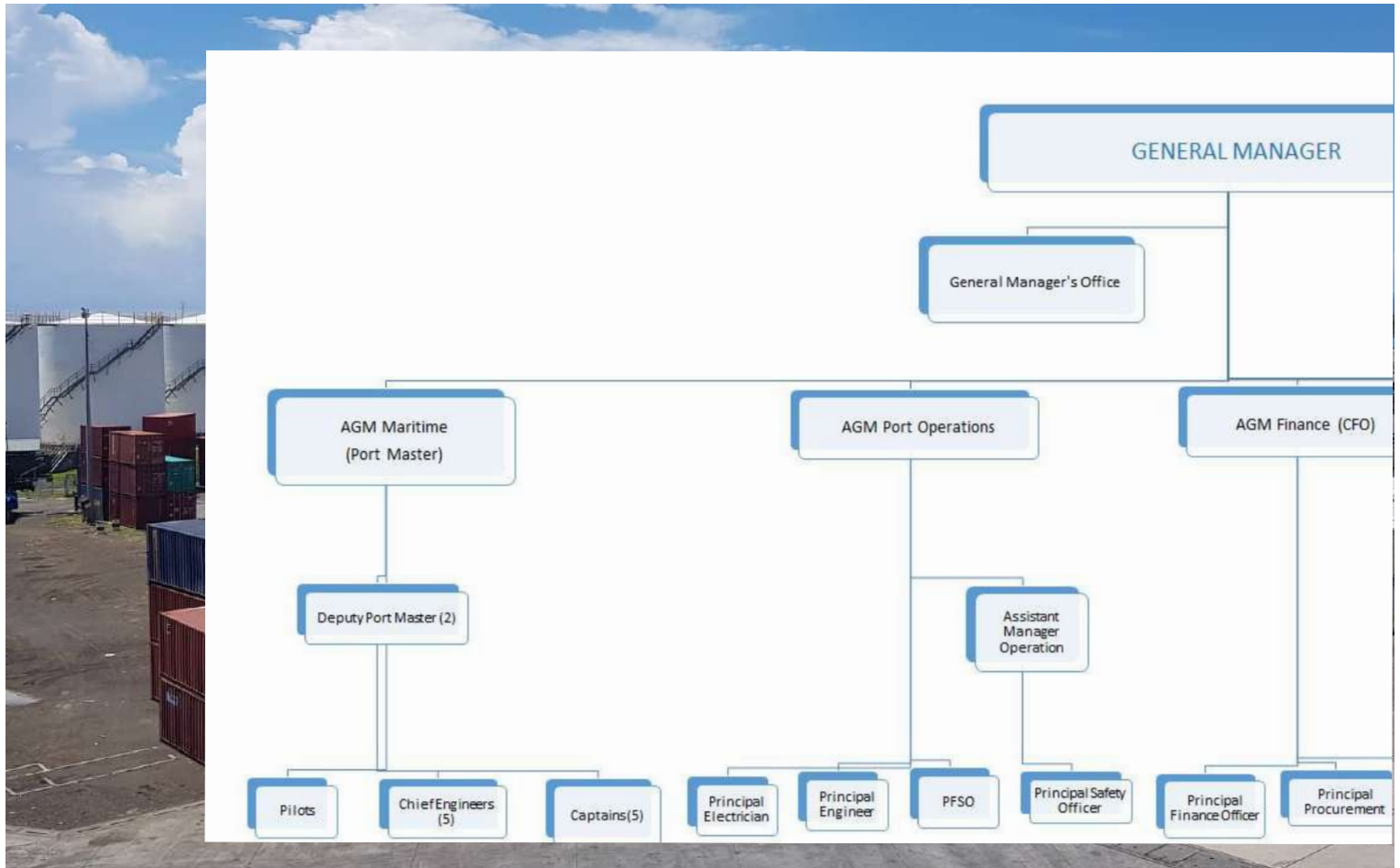
Asau port is situated on the western side of the island of Savaii, with a total quay length of 105 meters. The wharf is still maintained by the Authority and its use is limited to yachts and small fishing vessels, due to its shallow and narrow channel.

### Port Security

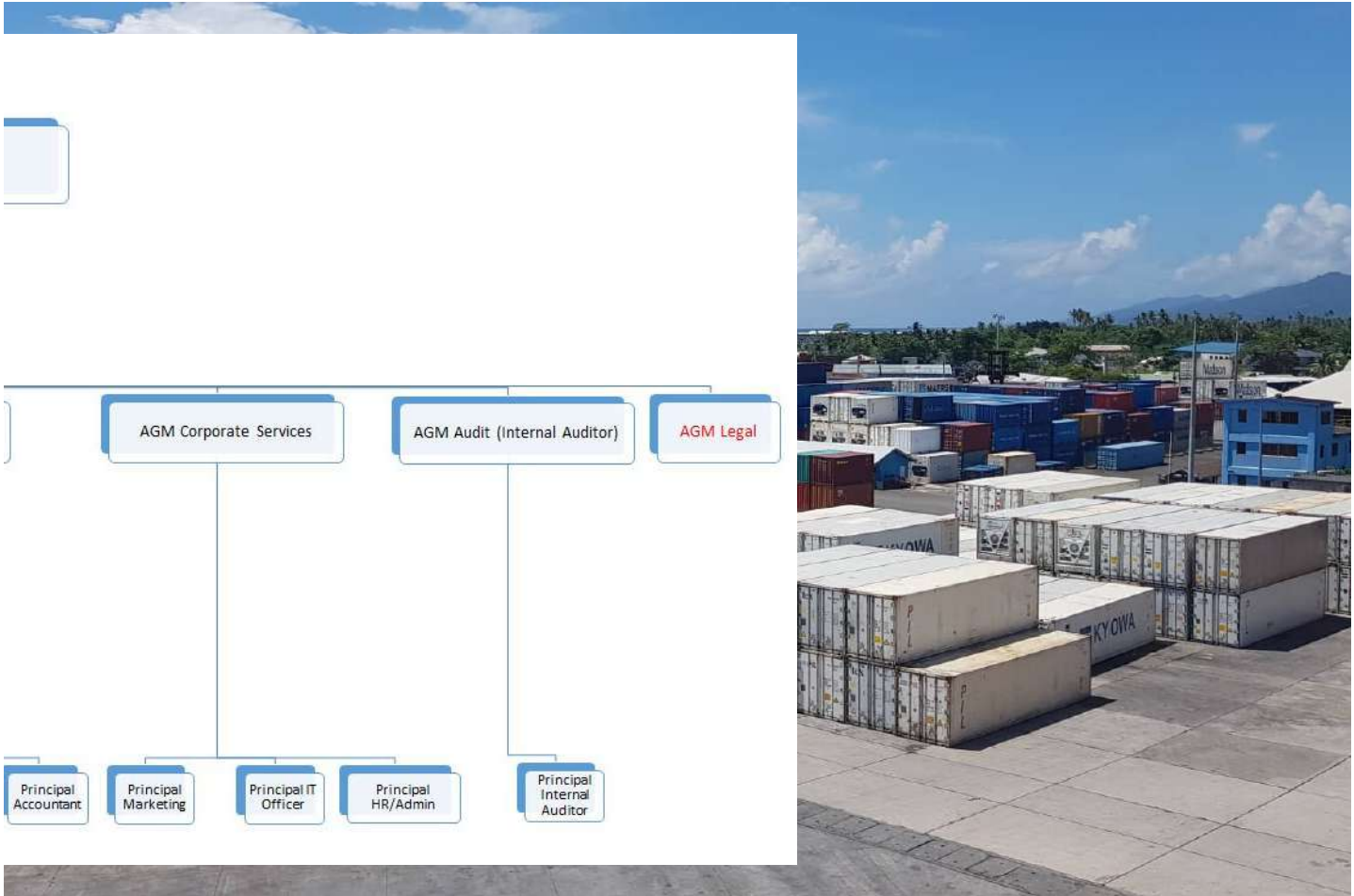
The Apia International Port was included in the IMO audit in May 2018 and continues to comply with ISPS safety requirements to ensure safety of ships, port facilities and international maritime operations. Annual visit by the US Coast Guard is to provide advice and guidance on ISPS Compliance. The Authority has enhanced its Security services by installing CCTV cameras for monitoring of vessel operations and movements of cargo within the wharf compound. New requirements have been implemented where every person must obtain prior approval for issuance of a Pass to enter. As a protective measure for Covid-19, it is now a requirement for all that enter the port to be fully vaccinated.



## ORGANISATIONAL STRUCTURE



# ORGANISATIONAL STRUCTURE



OFFICE OF THE GM	
General Manager	1
Executive Secretary	1
Assistant Secretary	1
Office Assistant	1
Gm's Driver	1
<b>TOTAL STAFF</b>	<b>5</b>

AUDIT DIVISION	
AGM Audit	1
*Principal Internal Auditor	1
Internal Auditor Officer	1
<b>TOTAL STAFF</b>	<b>3</b>

LEGAL DIVISION	
AGM Legal	1
<b>TOTAL STAFF</b>	<b>1</b>

MARITIME DIVISION	
AGM Maritime (Port Master)	1
Assistant Admin Officer	1
Driver	1
Deputy Port Master	2
Senior Pilot	1
Pilot	3
Pilot Trainee	1
Chief Engineers	5
2nd Engineer	2
Senior Welder	1
Radio Technician	1
Captains	5
Chief Mates	2
Bosun	4
Seafarers	10
<b>TOTAL STAFF</b>	<b>41</b>

PORT OPERATION DIVISION	
AGM Port Operation	1
Administrative Assg Officer	1
Driver	1
Assistant Manager operation	1
*Principal Electrician	1
*Principal Engineer	1
PFSSO	1
Senior Electrician	1
*Senior Plumber	1
Senior Safety Officer	1
Senior Manifest Officer	1
Electricians	2
Welder	1
Carpenter	2
Security Supervisor	4
Security Officer	20
Manifest Officer	3
Cargo Officer	6
<b>TOTAL STAFF</b>	<b>49</b>

FINANCE DIVISION	
AGM Finance	1
Principal Finance Officer	1
*Principal Procurement	1
*Principal Accountant	1
Senior Receivable Officer	1
*Senior Revenue Officer	1
Senior Payable	1
*Senior Accountants	1
Senior Recovery Officer	1
Senior Assets Officer	1
Accounts Receivable	1
Accounts Payable	1
*Store Officer	1
Finance Officer	2
Office Assistant	2
Cashier	1
Driver	1
<b>TOTAL STAFF</b>	<b>19</b>

CORPORATE SERVICE DIVISION	
AGM Corp Services	1
Principal HR/Admin Officer	1
Principal IT Officer	1
Principal Marketing	1
Senior Stats/Marketing Officer	1
Senior IT Officer	1
Senior Payroll Officer	1
Senior HR/Admin Officer	1
Payroll Officer	1
HR Officer	1
Administrative Officer	1
Office Assistant	2
Driver	1
Groundsman	5
<b>TOTAL STAFF</b>	<b>19</b>

SUMMARY COUNT	
OFFICE OF THE GM	5
AUDIT	3
LEGAL	1
MARITIME	41
PORT OPERATION	49
FINANCE	19
CORPORATE	19
<b>OVERALL TOTAL</b>	<b>137</b>

## CORPORATE GOVERNANCE

Samoa Ports Authority as a state owned entity was established under the Ports Authority Act 1998 on 1st July 1999.

The Samoa Ports Authority Board of Directors is mandated under section 5 of the Ports Authority Act 1998 which state that Board composition must be seven (7) members. Section 6 of the same Act legislated the term in office for Directors of five (5) years and section 7 define the remuneration of Directors.

Samoa Ports Authority's Board and Management recognise the importance of good corporate governance in the performance of their duties and responsibilities.

### Our Board

Collectively, our Board of Directors hold experience developed during successful careers in Government, International & Regional Organisations, Law, Finance, Insurance, Agriculture, shipping, logistics, transport and management in Samoa and abroad and have extensive experience at both executive and board levels

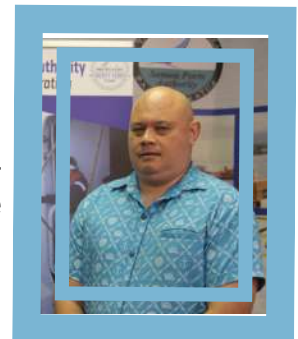


#### **Tuiloma Neroni SLADE – Chairman**

Afioga Tuiloma was appointed Chairman in December 2017 after a successful career as a Judge of the International Criminal Court in The Hague, The Netherlands. More recently he served as Secretary General of the Pacific Islands Forum Secretariat; and previously as Samoa's Ambassador/Permanent Representative to the United Nations based in New York. Prior to that he was Assistant Director in the Legal Division of the Commonwealth Secretariat in London. In his earlier career he held office as Attorney-General of Samoa.

#### **Tuatagaloa Shane WULF – Deputy Chairman**

Tuatagaloa has been serving as a Director for the Authority for over seven years. He is a Lawyer by profession and a member of the Samoa Law Society. He is running his own private practice Wulf Law Firm



#### **Luafau Leia Tuulima AIMAASU**

Luafau is the longest serving Board Director of the Authority. Prior to his appointment as a Directors for SPA, he served on other Government SOEs Boards and has a wealth of experience as a Government SOE Director. A successful commercial farmer, Luafau is the Government Representative (Mayor) looking after the affairs of his village representing Government in any matters concerning his village.







**Tevaga Pisaina LEILUA – LEI SAM**

Tevaga Pisaina is an independent consultant in corporate governance, public economic policy development and practice, strategic planning, financial management and evaluation practices in the Pacific and Samoa with more than 25 years’ experience.

She was the Deputy Financial Secretary when she left the Treasury Department (now Ministry of Finance) in 1999 to join SPREP. She later joined the Pacific Island Forum Secretariat (PIFS) Fiji in 2004. She became the Director of Finance, Savings and Development Banks of the Government of Tokelau in 2007 until 2011.

**Afoa Raymond PEREIRA**

Afoa served in the Government at the Customs Division of the Ministry for Revenue for many years. He held the position of Deputy Chief Executive Officer for the Customs Division when he retired from the service before his appointment as a Director for the Samoa Ports Authority in 2016.



**Rev Nuuausala Siasoi SIUTAIA**

As a graduate of Malua Theological College, Rev Nuuausala is currently serving as the Church Minister for the Protestant Church in Apia after serving on overseas missions for many years. He was a Lecturer at the Malua Theological College for some years and held the position of Treasurer of the Samoa Council of Churches for 10 years now.

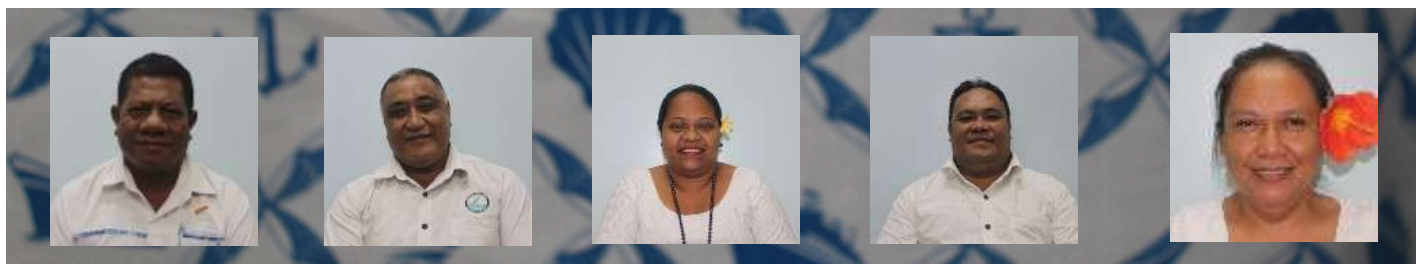
Rev Nuuausala was appointed a Director for the Authority in 2017



### SPA SENIOR MANAGEMENT TEAM



**GENERAL MANAGER / Board Secretary**  
**So'oalo Kuresa SO'OALO**



**ASSISTANT GM - MARITIME (Port Master)**  
**Seinafolava Capt. Lotomau TOMANE**

**ASSISTANT GM - PORT OPERATIONS**  
**Lealaiauloto Capt Tafai TOILOLO**

**ASSISTANT GM - FINANCE (CFO)**  
**Moe LENE**

**ASISTANT GM - CORPORATE SERVICES**  
**Peter Gafa LOKENI**

**ASSISTANT GM - AUDIT (Internal Auditor)**  
**Tuitama Nia VAIFALE**



## REVIEW OF OPERATIONS

### Major Projects & Significant Events

#### Border Protection Measures

The continuation of the State of Emergency orders from the last financial year was the main focus to ensure our national borders were well protected by working closely in collaboration with other Government border agencies especially the Ministry of Health and the National Emergency Operation Center (NEOC). As part of the Ministry of Health precautionary approach for all Government border agencies frontline staff, SPA pilots and Maritime staff were tested for Covid-19 from time to time and all returned negative results.

In October 2020, two SPA Pilots that boarded the container vessel Fesco Askold as a precaution were immediately isolated at a controlled quarantine facility under the close watch of the MOH following the news of three crew members onboard the vessel being tested positive in American Samoa upon arrival from Apia. The two Pilots were released from quarantine after the mandatory quarantine period and took special leave for one week before commencement of duties.

As a priority in March 2021, SPA Management and all Maritime and Port Operations staff including all Port Workers have received their first dose of the vaccine with the second shot in June. All staff have been fully vaccinated to date except two female staff due to medical reasons.

#### Technical Advisors

The Board in January approved the engagement of a Technical Engineering Advisor through tender to carry out a review of the Satitooa Port current condition and to provide recommendations on available possible options for future utilization of this underutilized asset of the Authority.

Board approved the recruitment of a Human Resource Consultant to review the current Personnel Policy Manual including a review of the Corporate Structure and Bonus Policy.

#### General Election



The 2021 General Election and the Political Impasse that follows was one of the events that will be recorded in the country's history. Such event did not have a major impact on the overall operations of the Authority.

## Major Projects & Significant Events

### Senior Appointments



After re-advertisement, two applicants submitted Expression of Interest for the **General Manager** position. After the interview and submission to Cabinet the incumbent So’oalo Kuresa So’oalo was re-appointed as the General Manager to lead the Authority for another three year after a successful first three year term.

The Board in October 2020 approved the re-appointment of Ms Nia Vaifale as the **Manager Internal Audit** plus other senior contract officers; two Deputy Port Masters and the Port Operations Assistant Manager for the next three years.

The Board during their monthly meeting on 25th February 2021 approved the recommendation by the Interview Panel to re-appoint Mr Peter Gafa Lokeni to the position of **Assistant General Manager Corporate Services** for another three year contract.

### Asau Port Improvement Project

The Board visited the Asau wharf and other projects at Savaii in October and approved the proposed improvement works for the Asau wharf as per Management recommendations. The improvements include the reclamation of the eroded western side to protect from further erosion from waves and swell, the construction of an office building and erecting a new fence to replace the existing old fence.



### ADB – Enhancing Safety, Security and Sustainability of Apia Port Project (ESSSAP)



The Bidding process for the major component of Port Civil Works and Breakwater Reconstruction, the new Tug Boat and the X-Ray scanner was finalized during the first quarter of the financial year. The Bids Evaluation Reports were finalized and approved by the ADB before they were presented and endorsed by the Tenders Board and Cabinet.

After the evaluation process, the Port Civil Works including the rehabilitation of breakwater component was awarded to China Harbour Engineering Company (CHEC) of China at the cost of \$107 million tala. The first group of CHEC workers arrived from China on a charter flight in March 2021.

The building and supply of a new Tug boat component was won by Cheoy Lee Shipyard from Hong Kong at the contract price of USD\$5,150,000.00.

The Xray scanner component is under the Ministry of Customs and Revenue with the re-tender evaluation report yet to be approved.

Green Port Initiative component consultancy contract was awarded to Haskoning of Vietnam with the construction supervision consultancy for the Port Civil Works and Breakwater reconstruction component being awarded to Beca International Consultants from NZ.

### Manono Jetty Project (Community Support)

The Manono Jetty Project was completed during the last quarter of the financial year which was jointly funded by the Government of Japan and the Samoan Government through a community assistance by the Authority valued at \$200k.

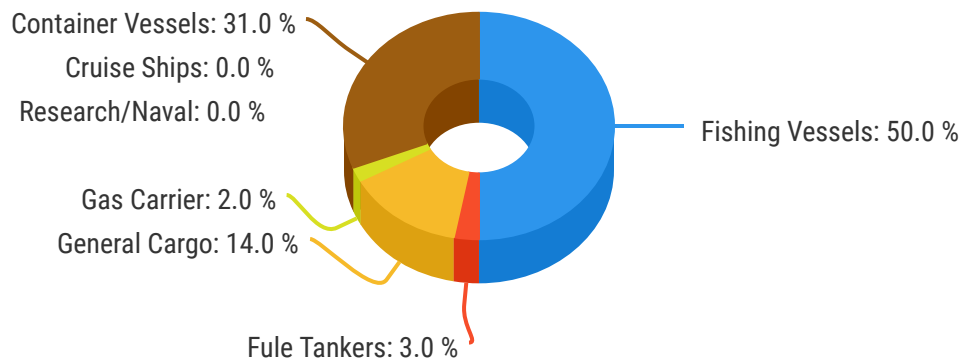


**PORT STATISTICS - FIVE YEAR TREND**

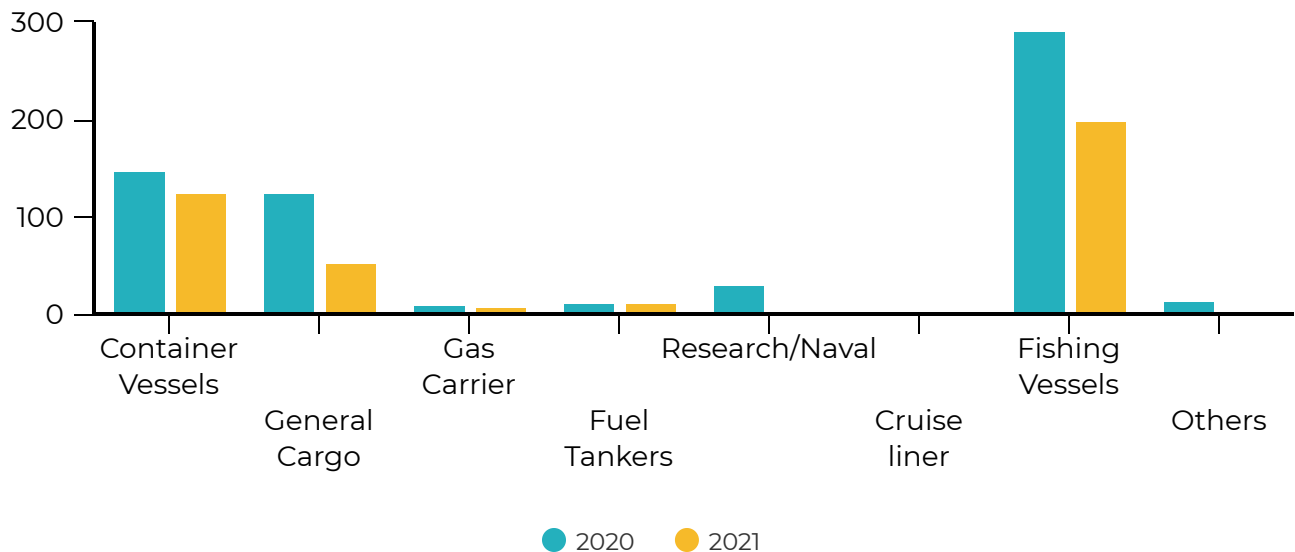
**Number of Vessels**

	2017	2018	2019	2020	2021
Number of Vessels Calls	528	525	621	637	403
Container Vessels	145	154	169	148	125
Cruise Ships	14	5	17	2	-
Fishing Vessels	240	220	240	292	200
Vessels GRT	2,996,664	2,439,148	3,672,558	2,498,536	1,899,338
No of Containers (TEUs)	34,950	37,091	42,102	41,200	43,933

**Vessels Breakdown - 2021**



**Types of Vessels**

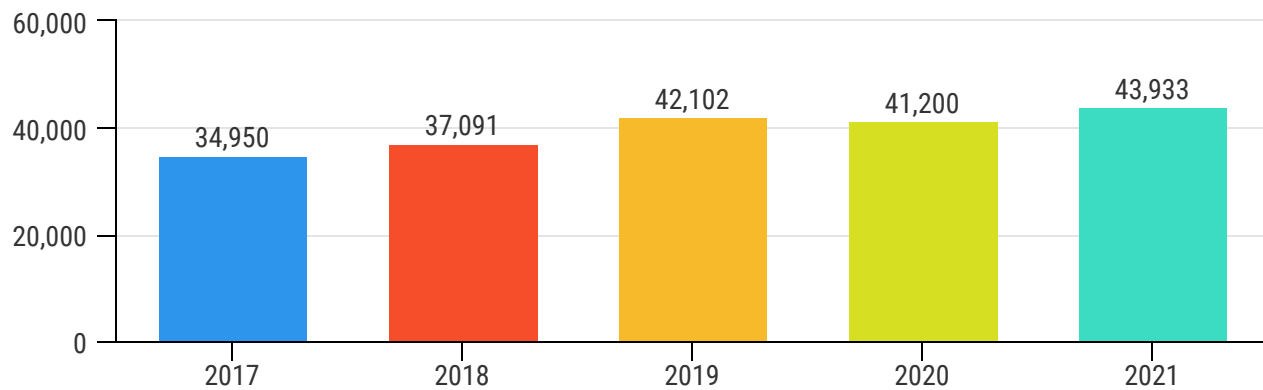


The number of vessels berthed at Apia Port declined by 36.7% from 637 in the previous year to only 403 during the review financial year. The number of container vessels decreased by 15.5% from 148 last year to 125; general cargo vessels also dropped by 56.4% from 126 to only 54 this year. The number of fishing vessels recorded a decline of 31.5% from 292 to 200 in 2021.

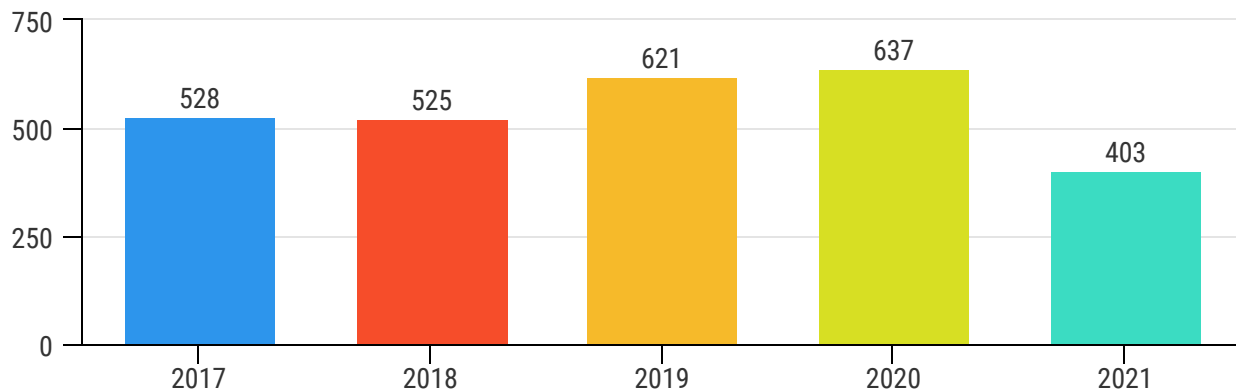
The fishing vessels represented 49.6% of the total number of vessels for the year, container vessels at 31.0%, general cargo at 13.4%, gas and fuel tankers at 5.5%.

The number of vessels berthed at the Apia Port rose steadily over the last four years, specifically rose by 20.6% from 528 in 2017 to 637 in 2020 but declined in 2021 to only 403 obviously due to the SOE restrictions imposed where only cargo and fishing vessels were allowed to enter because of the Covid-19 pandemic.

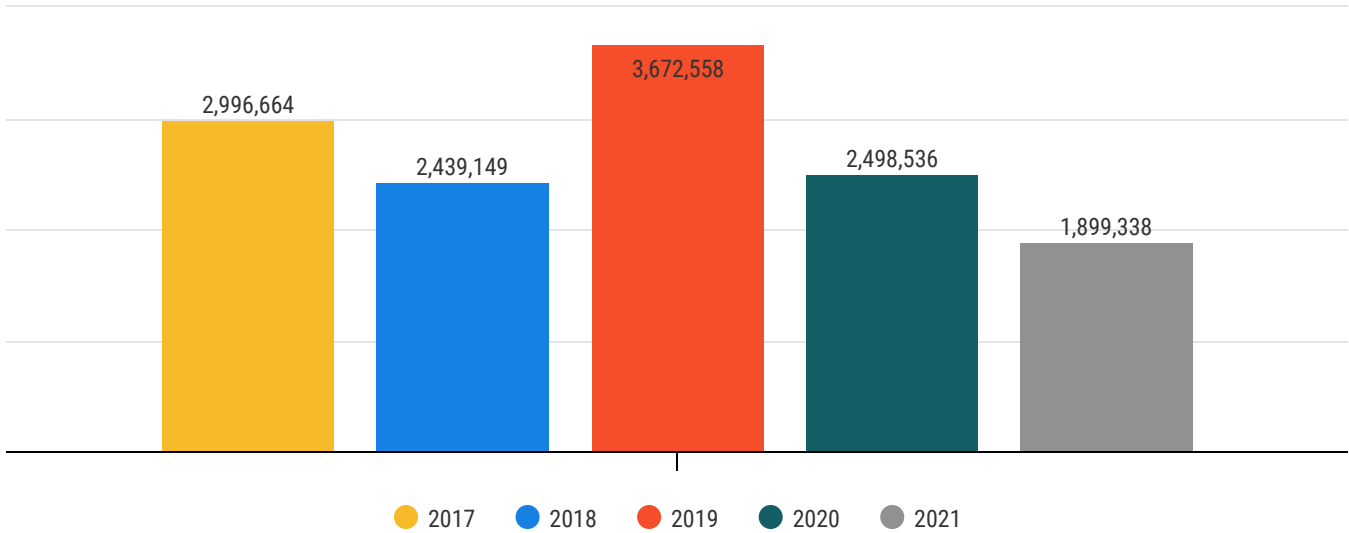
**Number of Containers (TEUs) - Five Years**



**Number of Vessels - Five Years**



### Vessels GRT - Five Years



	2017	2018	2019	2020	2021
Discharged	17,135	18,989	20,638	20,815	22,191
Loaded	17,815	18,102	21,464	20,385	21,742
Total	34,950	37,091	42,102	41,200	43,933



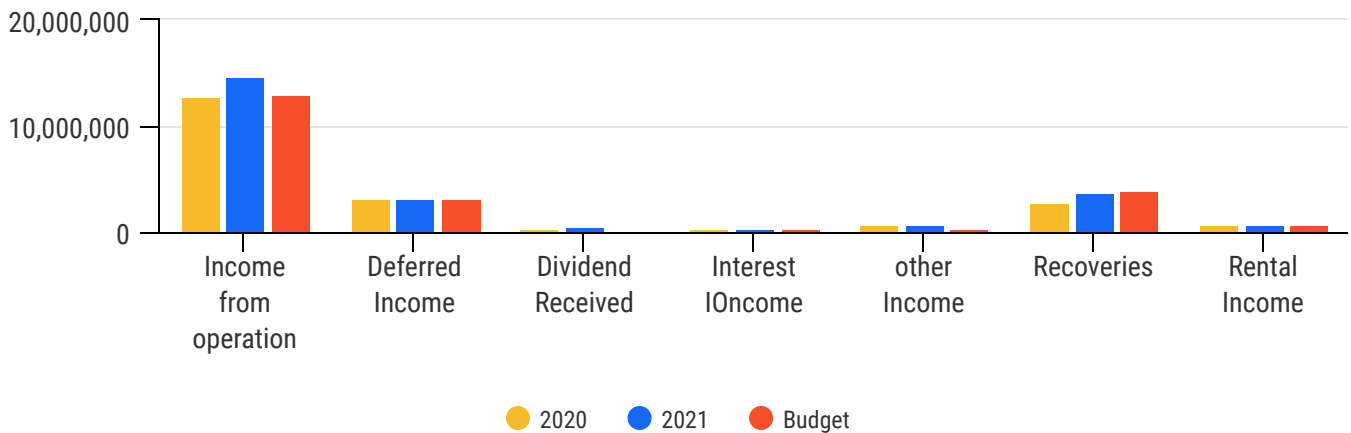


## REVIEW OF FINANCIAL RESULTS

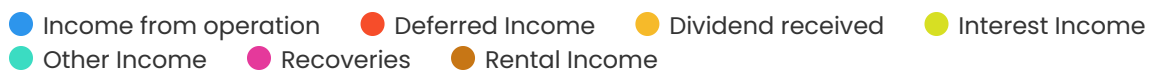
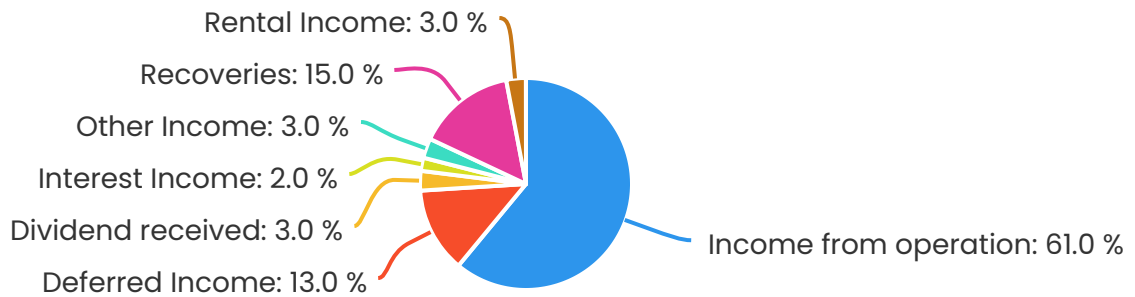
### Revenue

	2020	2021	Budget
Income from operation	12,842,564	14,700,517	13,000,440
Deferred Income	3,174,369	3,195,800	3,218,724
Dividend Received	422,176	636,666	194,004
Interest Income	319,466	383,729	329,748
Other Income	694,860	747,676	429,120
Recoveries	2,846,119	3,713,485	3,967,536
Rental Income	765,722	714,547	703,416
<b>Total revenue</b>	<b>21,092,276</b>	<b>24,092,420</b>	<b>21,842,988</b>

### Total Revenue



### Total Revenue Breakdown 2021



Total Revenue earned rose by 14.4% from \$21.07 million in 2020 to \$24.10 million during the review year, and higher than the annual budget amount of \$21.84 million tala by 10.3%. Income from Operations made up 61% of the total revenue and recorded an increase of 13.47% over the prior year results, likewise better than the annual budget by 13.10%. Revenue from Recoveries made up 15% of the total revenue posted a rise of 30.48% over last year but short of annual budget by 6.40%.

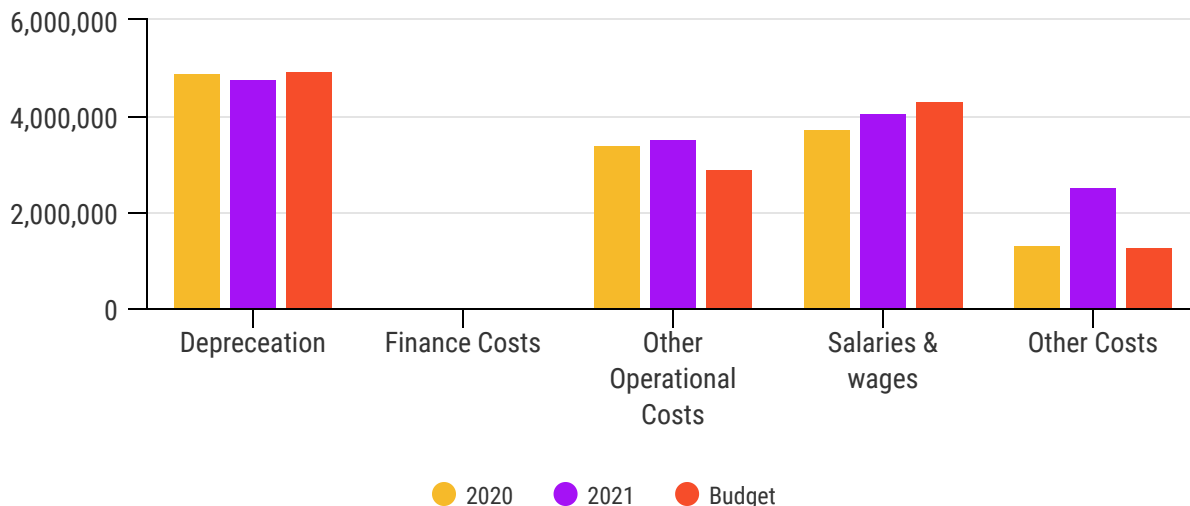
Despite the decline of 36.70% in the number of vessels calls for the year, the better financial results is attributed mainly to the rise in the number of containers and the volume of cargo, an increase in the volume of transshipments, the effect of the last 5% incremental tariff increase and the rise recoveries revenue.

The Covid-19 pandemic has definitely presented new business opportunities for the Authority and has unexpectedly resulted in the Authority recording it's best financial results since it's inception in 1999. The changes in the vessels routes and schedules saw a rise in the volume of incoming cargo and transshipments.

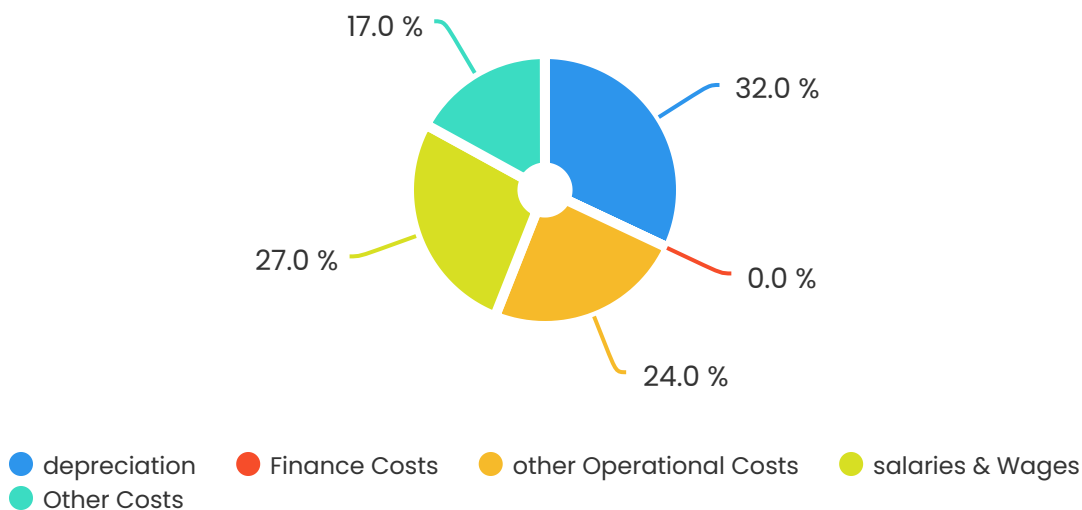
### EXPENDITURE

	2020	2021	Budget
Depreciation	4,930,855	4,793,538	4,940,376
Finance Costs	4,589	4,128	4,500
Other Operational Costs	3,423,524	3,552,665	2,903,820
Salaries & Wages	3,768,769	4,092,137	4,342,842
Other Costs	1,338,976	2,556,385	1,305,436
<b>Total Expenditure</b>	<b>13,466,713</b>	<b>14,998,853</b>	<b>13,496,9745</b>

Actual vs Budget-Expenditure 2021



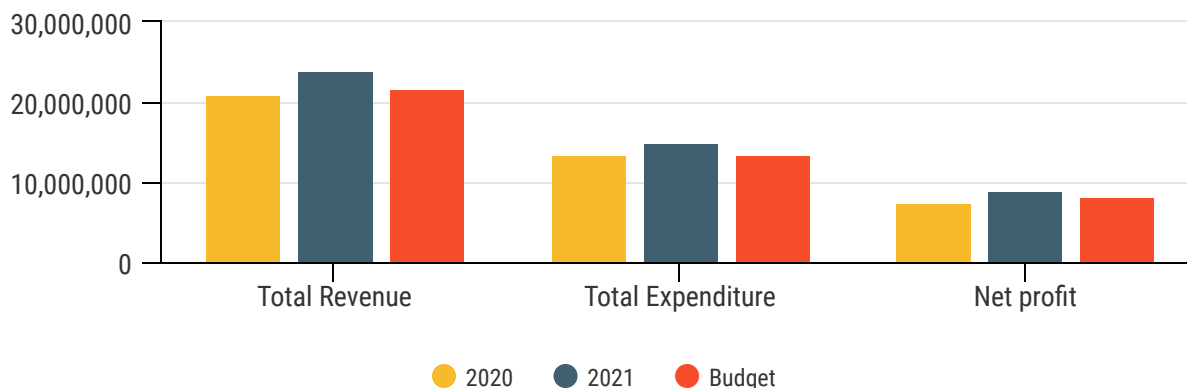
### Expenditure - 2021



Total Expenditure rose by 11.38% compare to the previous financial year and higher than annual budgeted total expenditure by 11.13%. Depreciation dominates the cost structure at 32% (2020: 37%), followed by Salaries & Wages at 27% (2020: 28%), Other Operational Costs at 24% (2020:25%).

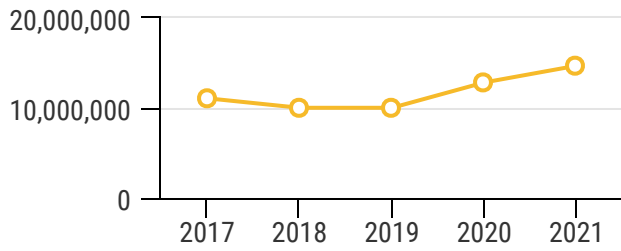
	2020	2021	Budget
Total Revenue	21,065,276	24,092,420	21,842,988
Total Expenditure	13,466,713	14,998,853	13,496,974
<b>Net Profit</b>	<b>7,598,563</b>	<b>9,093,567</b>	<b>8,346,014</b>

### Profit & Loss - Budget vs Actual

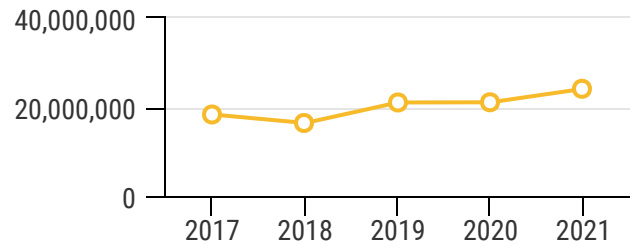


Overall, a Net Profit of \$9,093,567 was recorded for the financial period. This is a record net profit for the Authority since establishment 22 years ago and is remarkably higher than the previous year by 19.67% (2020: \$7,598,563), similarly the unanticipated result is higher than the annual budget of \$8,346,014 by 8.96%..

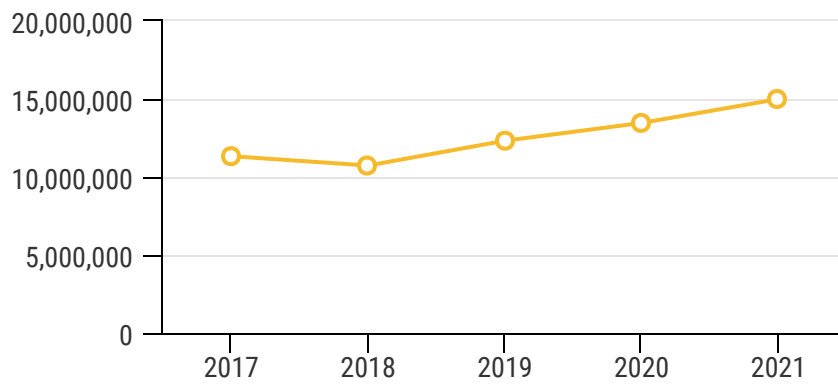
**FINANCIAL PERFORMANCE- FIVE YEAR TREND**



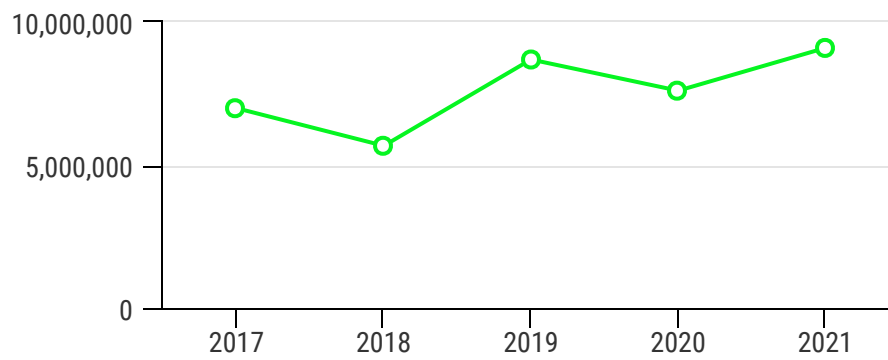
Income from Operations



Total Revenue

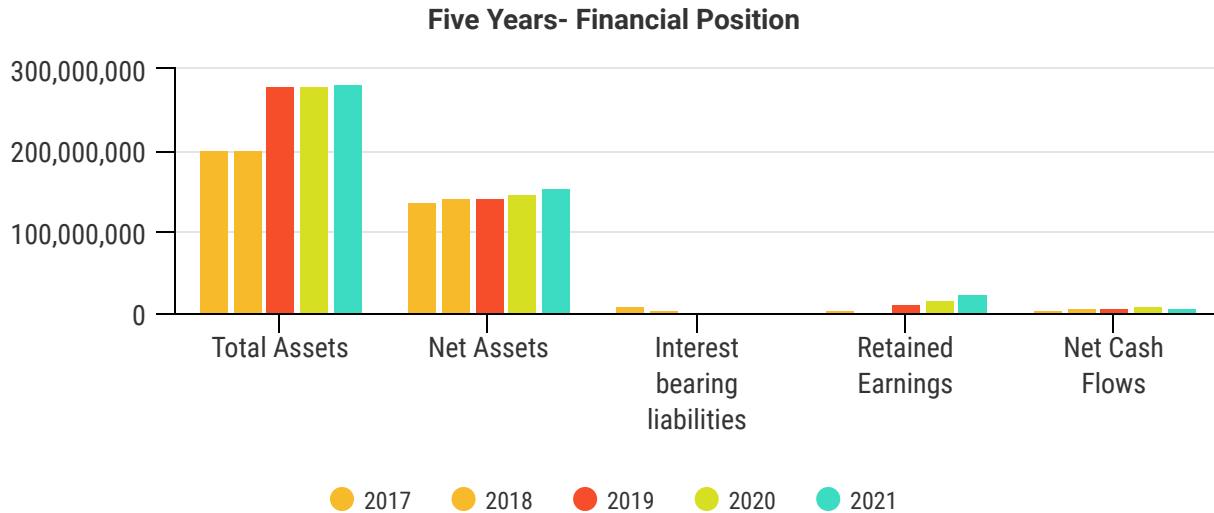


Total Expenditures



Net Profit (Loss)

## FINANCIAL POSITION- FIVE YEAR TREND



The above graph illustrates a positive trend in the last five years. Notably to say that Interest Bearing Liabilities was eliminated in 2019 and the Authority has since maintained its debt –free status to date.

The Cash Flow position of the Authority has steadily improved from \$5.91 million in 2017 to \$10.39 million in 2020 then dropped to \$7.07 million in 2021, an increase of 19.63% over five years. The reduction in 2021 from last year was due to the reclassification of cash investments where cash investments due outside 12 months period have been reclassified as long-term investments.

Retained Earnings rose sharply by 32.51% from last year; from \$18.18 million to \$24.09 million, attributed mainly to the record profit of \$9.1 million for the year. Retained Earnings has improved from a negative (\$4.18 million) in 2017 to \$24.09 million in 2021; a massive improvement by 676% over the last five years,

The Authority consistently achieved positive Return on Equity (ROE) for the last five years: 5% in 2017; 4% in 2018; 6% in 2019; 5% last year and 6% this financial year. The 6% ROE for this year is below the 7% benchmark for State Owned Enterprises, but it is a satisfactory result considering the composition of Total Equity of the Authority where 69% or \$106.80 million represents a Land Revaluation surplus from the revaluation of Properties conducted in 2014.

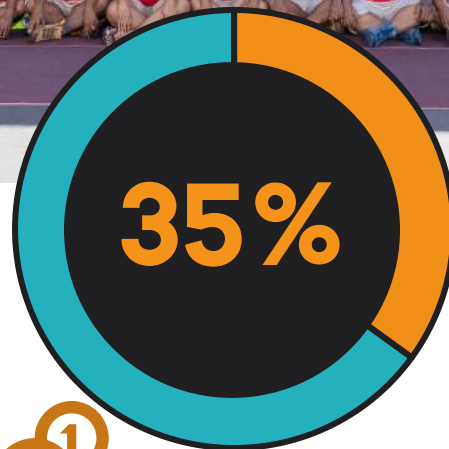


# ANNUAL AUDITED FINANCIAL STATEMENTS

## Operating Results



## Dividends



**Samoa Ports Authority  
CERTIFICATION BY DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2021**

We certify that the attached financial statements for Samoa Ports Authority comprising the statement of financial position, statement of financial performance, statement of changes in equity, statement of cash flows and notes to financial statements for the year ended 30 June 2021;

- 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 Finance Management Act 2001, Public Bodies (Performance and Accountability) Act 2001 and Ports Authority Act 1998.
- d. The statement of financial performance consists for the very first time a Loss on Impairment of Fixed Assets of \$2,292,067 specifically to account for the perceived reduction in the value of the under-utilised Satitooa and Asau Ports. The Directors believe that it is more appropriate and fair to note that this has been raised for the first time and whilst the Directors accept the auditor's explanation, the Directors believe that the appropriate and fair treatment is to book a provision for the amortisation of these losses over several financial periods rather than impacting just one financial year.

**Directors**

The Directors of the Authority at the date of this report are:

- Tuiloma Neroni Slade (Chairman)
- Tuatagalooa Shane Wulf
- Luafau Leia Tuulima Aimaasu
- Afoa Raymond Pereira
- Tevaga Pisaina Leilua-Lei Sam
- Reverend Nuuausala Siaosi

**Operating results**

The net profit for the year 2021 is **\$9,093,567** (2020: **\$7,598,563**).

**Principal activities**

The principal activity of the Authority is the provision and management of port services and cargo handling facilities on the islands of Upolu and Savaii. Its main office is located at Matautu-tai.

**Dividends**

The Directors approved payment of dividend of **WST \$3,182,748** based on the rate of 35% established by Cabinet directive FK (18) 11 upon net profit earned for the financial year ended 30 June 2021.

The Authority has paid **WST \$5,216,115** during the financial year ended 30 June 2021.

**Samoa Ports Authority  
CERTIFICATION BY DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2021**

**Going concern**

The financial statements of the Authority have been prepared on a going concern basis. We consider the application of such basis to be appropriate in the preparation of these financial statements as we believe the Authority has sufficient funds to settle its obligations over the next 12 months from the date of the Certification by Directors report.

**Related party**

All related party transactions are adequately disclosed in the notes to financial statements.

**Events subsequent to balance sheet date**


Directors are not aware of any matters or circumstances that would have a major adjustment or disclosure in the financial statements succeeding 30<sup>th</sup> June 2021.

However, the effect of COVID-19 pandemic does not have a significant financial impact or year-end adjustments in the financial statements of the Authority. The Directors completed an assessment on the consequence of the pandemic on the Authority and has determined it may not significantly influence the Authority for the time being. Given that the Authority is still able to earn profits at year end from collection of revenues.

Apart from the entry mentioned above, it has not in the opinion of the Directors any item or event of a material and unusual nature at year-end results and up to the date of this report, other than those disclosed in the financial statements.

Dated at Apia: 28/10/2021.

Signed in accordance with a resolution of the Directors.

  
CHAIRMAN

  
DIRECTOR



Telephone: 27751  
Fax: 24167  
Email: [info@audit.gov.ws](mailto:info@audit.gov.ws)  
Website: [www.audit.gov.ws](http://www.audit.gov.ws)

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



P.O Box 13  
APIA, SAMOA

**AUDIT OFFICE**

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## REPORT OF THE AUDIT OFFICE

### TO THE GOVERNING BODY IN CHARGE OF GOVERNANCE – SAMOA PORTS AUTHORITY

#### **Audit Opinion**

We have audited the accompanying Financial Statements of the Samoa Ports Authority, which comprise the Statement of Financial Position as at 30 June 2021, the Statements of Financial Performance, Changes in Equity and Cash Flows for the year then ended, a Summary of Significant Accounting Policies and Other Explanatory Notes. The Accounting Firm of BDO, Chartered Accountants, assisted in the audit. The Engagement Partner on the audit resulting in this Independent Auditor's Report is Taimalie Ernest Betham.

In our opinion, the financial statements give a true and fair view of the financial position of the Samoa Ports Authority as at 30 June 2021, and of its financial performance, changes in equity and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRSs).

#### **Basis for Opinion**

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

#### **Responsibilities of Those Charged with Governance for the Financial Statements**

Directors and Management are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and such internal control as directors and management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

Telephone: 27751  
Fax: 24167  
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**AUDIT OFFICE**

P.O Box 13  
APIA, SAMOA

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material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our audit was completed on the 28<sup>th</sup> October 2021 and our opinion is expressed as at that date.

Apia, Samoa  
29 October 2021

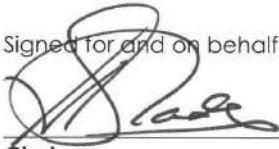
  
**Mua'ausā Marshall Maua**  
**ASSISTANT CONTROLLER AND AUDITOR GENERAL**


**SAMOA PORTS AUTHORITY**  
**Statement of financial position**  
**As at 30 June 2021**

	Notes	2021 \$	2020 \$
<b>REVENUE</b>			
Operating income	3	14,700,517	12,842,564
Recoveries	4	3,713,485	2,846,119
Amortization income	19(a)	3,195,800	3,174,369
Dividend received from UTOS		636,666	422,176
Interest income		383,729	319,466
Other income	5	675,278	410,859
Gain on sales of fixed assets		72,398	284,000
Rental income		714,547	765,722
<b>Total revenue</b>		<b>24,092,420</b>	<b>21,065,276</b>
<b>EXPENDITURES</b>			
Operating costs	6	2,178,940	2,552,311
Administration costs	7	518,731	518,253
Personnel costs	8	4,503,930	4,111,979
Finance costs		4,128	4,589
Depreciation	17	4,793,538	4,930,855
Professional fees		217,000	83,848
Employee benefits	18(b)	99,328	103,011
Loss on disposal of fixed assets		781	442,387
Loss on impairment of fixed assets	22	2,292,067	-
Community support	9	263,537	578,540
Board expenditures	23(a)	126,873	140,941
<b>Total expenditures</b>		<b>14,998,853</b>	<b>13,466,713</b>
<b>NET PROFIT</b>		<b>9,093,567</b>	<b>7,598,563</b>

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

Signed for and on behalf of the Board on 28/10/2021

  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Director

**SAMOA PORTS AUTHORITY**  
**Statement of financial position**  
**For the year ended 30 June 2021**

	Notes	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	1,934,578	2,667,612
Term deposits	11	8,080,566	6,518,787
Trade receivables	13	1,705,508	1,099,059
Other receivables and prepayments	14	334,179	224,904
Dividend receivable from UTOS		636,666	227,206
Accrued revenue on wharfares		46,931	-
<b>Total current assets</b>		<b>12,738,428</b>	<b>10,737,568</b>
<b>Non-current assets</b>			
Investments	12	13,847,484	9,542,672
Property, plant and equipments	17	256,284,426	260,119,796
<b>Total non-current assets</b>		<b>270,131,910</b>	<b>269,662,468</b>
<b>TOTAL ASSETS</b>		<b>282,870,338</b>	<b>280,400,035</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Capital		23,479,487	23,479,487
Land revaluation	15	106,803,002	106,803,002
Reserve – oil spillage		15,750	15,750
Retained earnings		24,088,302	18,177,483
<b>Total equity</b>		<b>154,386,541</b>	<b>148,475,722</b>
<b>Current liabilities</b>			
Trade payables		189,895	6414
Other payables and accruals	16	353,230	399,640
Dividend payable to Government of Samoa		3,182,748	5,216,115
Provision for employee benefits	18(a)	128,943	128,110
Provision for audit fees		57,500	57,000
Other provisions		72,271	-
Deferred revenue – 12 months	19(b)	3,195,800	3,174,369
Retention	20	13,510	-
VAGST payable	21	270,995	1,255,383
<b>Total current liabilities</b>		<b>7,464,892</b>	<b>10,237,031</b>
<b>Non-current liabilities</b>			
Deferred revenue – long term	19(b)	118,726,838	121,687,282
Provision for impairment loss on fixed assets	22	2,292,067	-
<b>Total non-current liabilities</b>		<b>121,018,905</b>	<b>121,687,282</b>
<b>Total liabilities</b>		<b>128,483,797</b>	<b>131,924,313</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>282,870,338</b>	<b>280,400,035</b>

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

**SAMOA PORTS AUTHORITY**  
**Statement of Changes in equity**  
**For the year ended 30 June 2021**

	Share capital \$	Revaluation \$	Reserves \$	Retained earnings \$	TOTAL \$
<b>Balance as at 1 July 2019</b>	<b>23,479,487</b>	<b>106,803,002</b>	<b>15,750</b>	<b>13,238,417</b>	<b>143,536,656</b>
Net profit for the year ended 30 June 2020	-	-	-	7,598,563	7,598,563
Dividend payable 2020	-	-	-	(2,659,497)	(2,659,497)
<b>Balance as at 30 June 2020</b>	<b>23,479,487</b>	<b>106,803,002</b>	<b>15,750</b>	<b>18,177,483</b>	<b>148,475,722</b>
<b>Balance as at 1 July 2020</b>	<b>23,479,487</b>	<b>106,803,002</b>	<b>15,750</b>	<b>18,177,483</b>	<b>148,475,722</b>
Net profit for the year ended 30 June 2021	-	-	-	9,093,567	9,093,567
<b>Balance as at 30 June 2021</b>	<b>23,479,487</b>	<b>106,803,002</b>	<b>15,750</b>	<b>27,271,050</b>	<b>157,569,289</b>

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

**SAMOA PORTS AUTHORITY**  
**Statement of cash flow**  
**For the year ended 30 June 2021**

	2021	2020
	\$	\$
<b>Cash flows from operating activities</b>		
Cash received from customers	17,823,668	22,163,531
Cash paid to employees and suppliers	(10,425,689)	(10,397,555)
Interest received from cash at bank	28,319	40,333
Dividend received from UTOS	227,207	194,970
<b>Net cash inflow from operating activities</b>	<b>7,653,505</b>	<b>12,001,279</b>
<b>Cash flow to investing activities</b>		
Purchase of property, plant and equipment	(682,820)	(208,299)
Proceeds from sales of fixed assets	72,398	34,000
Proceeds from disposal of wharves	-	250,000
Dividend paid to Government of Samoa	(5,216,115)	(1,985,172)
Term deposits (BSP and NBS)	(1,300,000)	(1,300,000)
UTOS investments	(3,840,000)	(6,420,000)
<b>Net cash outflow to investing activities</b>	<b>(10,966,538)</b>	<b>(9,629,471)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,313,033)</b>	<b>2,371,808</b>
Cash and cash equivalents at the beginning of the year	<b>10,387,611</b>	<b>8,015,803</b>
<b>Cash and cash equivalents at year end</b>	<b>7,074,578</b>	<b>10,387,611</b>
<b>Represented by:</b>		
Cash on hand	1,300	1,300
Cash at Bank – ANZ Bank (Samoa) Ltd	461,152	909,248
Cash at Bank – Bank South Pacific	1,471,838	1,756,730
Cash at Bank – National Bank of Samoa	288	333
Term deposits (new) – Bank South Pacific	800,000	500,000
Term deposits (new) – National Bank of Samoa	500,000	800,000
Investments (new) – Unit Trust of Samoa	3,840,000	6,420,000
<b>Total cash on hand and at bank</b>	<b>7,074,578</b>	<b>10,387,611</b>

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

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**1. General information**

The Authority was established on 1st July 1999 under the Samoa Ports Authority Act 1998. The main functions and powers of the Authority are stipulated in section 8 of the Ports Authority Act. Samoa Ports Authority is a Statutory Authority domiciled in Samoa and is involved in the provision and management of port services and cargo handling facilities on the island of Upolu and Savaii. Its main Office is located at Matautu-tai, Upolu.

**2. Statement of significant accounting policies**

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

**(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 preparing its financial statements.

**(b) Basis of preparation**

The financial statements have been prepared on the historical costs basis unless otherwise stated. The principal accounting policies are stated to assist in a general understanding of these financial statements. Reporting financial statements in accordance with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period and future periods.

**(c) Comparative information**

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

**(d) Going concern**

The Authority's going concern is assured by the Directors based on the grounds that the Authority will be able to settle its obligations as and when they fall due.

**(e) Functional and presentation currency**

The financial statements are presented in Samoan Tālā (WST\$), which is the Authority's functional currency and all values presented in Samoan Tālā have been rounded to its nearest tālā.

**(f) Foreign currency**

Transactions in foreign currency are translated to Samoan tālā 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 recognised in the statement of financial performance.

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**(g) Bad and doubtful debts provision**

Collectability of trade receivables is reviewed on an ongoing basis. A provision is raised for any doubtful debt based on a general review of the outstanding amounts at the end of the reporting period. Bad debts are written off against the provision for doubtful debts in the period in which they are identified as unrecoverable.

**(h) Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Authorities' activities. Standard credit terms are a month following invoice with any rebate variable component calculated at the client's financial year end. Revenue is shown, net of GST.

Revenue is recognised as follows:

- *Revenue from port operations and services:* are recognised when the related service is performed. If at reporting date, the service is in progress, then the portion performed, determined using the percentage completion method, is recognised in the current year.
- *Revenue from lease/rent:* from property leased under operating leases is recognised in the income statement on a straight line basis over the term of the lease. Lease incentives provided are recognised as an integral part of the total lease income, over the term of the lease.

**(i) Interest income**

Interest income is recognised as interest accrues from term deposits using the effective interest method. It is also including interest received from cash at banks which is recognised and earned at the end of the month.

**(j) Dividend income**

Dividend income is recognised only when certain declaration received from the investee (Unit Trust of Samoa) for the 'sene' to be distributed upon total units receivable as at the end of the financial year.

**(k) Expense recognition**

Operating expenses according to the statement of financial performance consist of selling and advertising costs, administrative, occupancy and other costs.

**(l) Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise of cash at bank and on hand and term deposits with maturities of less than 365 days.

**(m) Trade and other receivables**

Trade and other receivables are recorded at expected realization value after providing for bad and doubtful debts. At the end of each reporting period, the carrying amounts of trade 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 recognised immediately recoverable. If so, an impairment loss is recognised immediately in the statement of financial performance.



**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**(n) Provisions**

A provision is recognised in the statement of financial position when the Authority 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.

**(o) Trade and other payables**

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

**(p) Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses except for land cost which measured at revaluation method. 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. The following rates are used for the depreciation of property, plant and equipment.

Buildings	10–40 years
Breakwaters	40–50 years
Land	NIL
Machineries	5–20 years
Motor vehicle	4–5 years
Office equipments	7 years
Office furnitures	5–7 years
Wharves	10–60 years
Wharf – furnitures, equipments and others	3–7 years
Workboats	10–20 years

**(q) Value added goods and services tax (VAGST)**

All amounts are shown exclusive of VAGST, except for accounts receivables and payables which are stated inclusive of VAGST (where applicable).

**(r) Income tax**

The Authority is not subject to income tax as it is not registered under Companies Act 2001 (amended 2006).

**(s) Dividend payable**

Dividends are recognised as a liability in the period in which they are due and payable pursuant to the Public Bodies (Performance & Accountability) Regulations 2001.

**(t) Borrowing cost**

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

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**(u) Employee entitlements**

Liabilities for employees' entitlements to salaries and wages, annual leave, long service 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.

Liabilities for other employees' entitlements, which are not expected to be paid or settled within twelve months of reporting date, are accrued in respect of all employees at the present value of future amounts expected to be paid

**(v) Leases**

The Authority is leasing out its properties, including land, office space/units, anchorage area for fishing boats and warehouse, at Mata'utu wharf to several Shipping Agents and Government ministries, it allows lessee's to use the Authority's properties but they do not convey ownership rights of the assets at the end of the lease term.

The Authority's assets held for operating leases are presented in the statement of financial position under Property, plant and equipment's; and the lease income recognised over the lease term on a straight-line basis in accordance with IAS 17.

Minimum lease commitments receivable but not recognized in the financial statements:

	2021	2020
	\$	\$
Between 1 and 5 years	347,735	409,203
Between 5 and 10 years	1,909,899	347,521
Over 10 years	4,994,477	5,186,967
	<u>7,252,111</u>	<u>5,943,691</u>

**(w) Grants, aids in assistance, donations and capitalisation**

The above are treated in the accounts in accordance with their nature and the form in which they are received;

- i. All items which are intended for the support of the Authority's operations and received in cash are taken to income on receipt.
- ii. All items which are received in the form of depreciable assets are taken to income in the year of receipt.

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

<b>3. Operating income</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Bond fees	494,088	497,745
Bunkering fees and berthage	582,439	810,051
Cleaning fees, water and others	92,798	126,794
Devanning and dockage	315,555	268,559
Dues from light, port and cargos	583,437	566,967
Environmental charges	124,105	148,218
Empty containers and gears storage	1,557,322	1,008,876
International securities ports	290,977	357,759
Port service charges	5,627,027	4,197,989
Restow	193,786	143,204
Stevedoring license	72,930	56,190
Transhipments and weighbridge	491,383	388,961
Wharfages	2,919,610	2,715,746
Workboat and pilotage	1,355,060	1,555,505
<b>Total operating income</b>	<b>14,700,517</b>	<b>12,842,564</b>
<b>4. Recoveries</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Utilities recovery	3,201,142	2,265,007
Overtime	502,562	567,541
Other recoveries	9,781	13,570
<b>Total recoveries</b>	<b>3,713,485</b>	<b>2,846,119</b>
<b>5. Other income</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Advice fees	49,419	44,684
20% regulation (overtime)	138,284	153,732
Fair value gain on UTOS investment	464,812	93,808
Miscellaneous income	22,763	118,635
<b>Total other income</b>	<b>675,278</b>	<b>410,859</b>
<b>6. Operating costs</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Allowances	88,108	142,147
Fuel and oil	124,734	174,387
Insurance expenses	189,732	206,451
License and permits	25,546	9,812
Repairs and maintenance	234,961	129,175
Utilities	1,493,563	1,871,290
Waste disposals	22,296	19,048
<b>Total operating costs</b>	<b>2,178,940</b>	<b>2,552,311</b>

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**7. Administration costs**

	2021	2020
	\$	\$
Advertising	26,762	22,089
ADB project (SPA contribution)	11,206	-
Amenities	138,944	96,869
Hirage	19,300	25,871
Ministerial support	12,688	12,001
Office expenses	158,246	127,811
Other expenses	2,262	77,592
Printing and production	12,761	12,891
Promotion	4,860	11,300
Subscription	6,184	15,020
Telephone, fax, mobiles and internet	125,518	116,808
<b>Total administration costs</b>	<b>518,731</b>	<b>518,253</b>

**8. Personnel costs**

	2021	2020
	\$	\$
Accident Compensation Corporation	41,299	37,875
Ministry of Customs and Revenue (PAYE)	590,018	559,572
Samoa National Provident Fund	370,494	305,335
Salary and wages	3,320,304	3,085,021
Staff training and appraisal	181,815	124,175
<b>Total personnel costs</b>	<b>4,503,930</b>	<b>4,111,979</b>

Personnel costs comprises principally net base salary for staff holding permanent positions. In exception to Staff training and appraisal, combined these represents 60% of operational salary for Port Operation and Maritime divisions while 40% of administration salary for EMSSU, Corporate Service and Finance divisions.

**9. Community support**

	2021	2020
	\$	\$
COVID19 stimulus package	-	468,790
Measles support	-	100,000
Other assistance	263,537	9,750
<b>Total community support</b>	<b>263,537</b>	<b>578,540</b>

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**10. Cash and cash equivalent**

Cash and cash equivalent at the end of the financial year shown in the cash flow statement can be reconciled to the related items in the statement of financial position as follows:

	2021	2020
	\$	\$
Petty cash imprest	1,000	1,000
Cashier's float	100	100
Lady Naomi's float	200	200
National Bank of Samoa	288	333
ANZ Bank	461,152	909,248
Bank of South Pacific	1,471,838	1,756,730
<b>Total cash and cash equivalent</b>	<b>1,934,578</b>	<b>2,667,612</b>

**11. Term deposits**

Short-term deposits have an average of 180 days to 365 days; and a weighted average interest rate of 5.25% per annum for brought forward balances then dropped to 3% when rolled over during the financial year. The carrying value of the term deposits equal their fair value.

	2021	2020
	\$	\$
Bank of South Pacific	4,930,977	3,962,115
National Bank of Samoa	3,149,589	2,556,672
<b>Total term deposits</b>	<b>8,080,566</b>	<b>6,518,787</b>

**12. Investments**

Units held at the Unit Trust of Samoa are stated at fair value based on the exit unit price as of 30 June.

	2021	2020
	\$	\$
UTOS self insurance investments	6,375,844	4,667,786
UTOS port repairs and maintenance	1,893,957	921,356
UTOS future capital projects	1,482,953	-
UTOS other investments	4,094,730	3,953,530
<b>Total investments</b>	<b>13,847,484</b>	<b>9,542,672</b>

**13. Trade receivables**

	2021	2020
	\$	\$
Trade receivables	1,954,083	1,349,391
Less: Allowance for expected credit losses	(249,534)	(251,824)
	1,704,549	1,097,567
Other receivables	959	1,492
<b>Total account receivables</b>	<b>1,705,508</b>	<b>1,099,059</b>

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

The ageing of the trade receivables and allowance for expected credit losses for the above are as follow:

	2021	2020
	\$	\$
Current (not overdue)	719,928	422,705
1 to 30 days overdue	752,938	266,453
31 to 60 days overdue	142,586	271,865
61 to 90 days overdue	130,247	68,649
Over 91 days overdue	208,384	319,719
<b>Total gross trade receivables</b>	<b>1,954,083</b>	<b>1,349,391</b>
Allowance for expected credit losses	(249,534)	(251,824)
<b>Total net trade receivables</b>	<b>1,704,549</b>	<b>1,097,567</b>

Movements in the allowance for expected credit losses are as follows:

	2021	2020
	\$	\$
Opening balance	251,824	275,954
Receivable written off during the year	(2,290)	(24,130)
Closing balance	249,534	251,824

**14. Other receivable and prepayments**

	2021	2020
	\$	\$
Interest income receivable	213,250	140,045
Prepaid insurances	16,968	4,746
Withholding tax receivable	103,961	80,113
<b>Total other receivables and prepayments</b>	<b>334,179</b>	<b>224,904</b>

**15. Land revaluation**

	2021	2020
	\$	\$
Matautu	105,328,685	105,328,685
Aleipata	266,317	266,317
Asau	1,208,000	1,208,000
<b>Total land revaluation</b>	<b>106,803,002</b>	<b>106,803,002</b>

Revaluation of lands took place during 2014 and became effective in 2015/2016 financial year ended. The Central Property Valuers, an independent valuer, made critical judgement in determining the remaining useful life of lands by taken into consideration the comparable sale evidence and the current market situations that would accurately reflect the current market value of each particular location of the lands. The total carrying amount of the lands before revalued cost was at \$4,644,993, hence, a recorded revaluation surplus of \$106,803,002.

**SAMOA PORTS AUTHORITY**  
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**For the year ended 30 June 2021**

<b>16. Other payables and accruals</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Accrued payroll	150,681	123,369
Accrued utilities, telephone and internet	17,889	131,196
Accrued others	916	-
Bond fees	9,871	1,871
Lease and stevedoring license payable	168,168	141,191
Other payables	1,347	-
*Withholding tax payable	4,358	2,013
	<hr/>	<hr/>
<b>Total other payables and accruals</b>	<b>353,230</b>	<b>399,640</b>

\*The Authority is to deduct 10% withholding tax from payments made to their suppliers for services provided so as to comply with the section 95 on the Income Tax Act 2012.

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**17. Property, plant and equipments**

	Wharves WSTS	Lands WSTS	Buildings WSTS	Breakwater WSTS	Workboats WSTS	Office Furniture WSTS	Office Equip'ts WSTS	Motor vehicles WSTS	Wharf furniture & equipments WSTS	Machinery WSTS	TOTAL WSTS
<b>COST</b>											
Balance as at 1 July 2019	168,928,261	111,447,995	14,706,543	6,585,012	15,711,954	262,195	1,037,287	847,684	480,140	8,069,667	328,076,738
Additions	42,964	-	22,956	-	-	15,243	79,901	-	5,554	-	166,618
Disposals	(1,725,397)	-	(13,329)	-	-	(2,407)	-	(108,762)	-	-	(1,850,095)
<b>Balance as at 30 June 2020</b>	<b>167,245,828</b>	<b>111,447,995</b>	<b>14,716,170</b>	<b>6,585,012</b>	<b>15,711,954</b>	<b>277,438</b>	<b>1,114,581</b>	<b>738,922</b>	<b>485,694</b>	<b>8,069,667</b>	<b>326,393,261</b>
Balance as at 1 July 2020	167,245,828	111,447,995	14,716,170	6,585,012	15,711,954	277,438	1,114,581	738,922	485,694	8,069,667	326,393,261
Additions	178,613	-	172,880	-	-	16,325	67,238	217,528	257,203	2,677	912,464
Disposals	(64,649)	-	-	-	-	-	(134,588)	(58,326)	-	(369,240)	(626,803)
<b>Balance as at 30 June 2021</b>	<b>167,359,792</b>	<b>111,447,995</b>	<b>14,889,050</b>	<b>6,585,012</b>	<b>15,711,954</b>	<b>293,763</b>	<b>1,047,232</b>	<b>898,124</b>	<b>742,897</b>	<b>7,703,104</b>	<b>326,678,922</b>
<b>ACCUMULATED DEPRECIATION</b>											
Balance as at 1 July 2019	31,085,457	-	6,940,449	2,934,712	13,742,623	241,426	940,662	569,797	392,847	5,943,826	62,791,999
Depreciation	2,989,280	-	428,279	126,774	786,638	10,725	71,171	84,083	57,520	378,385	4,930,855
Disposals	(1,295,237)	-	(9,399)	-	-	-	(579)	(102,492)	-	-	(1,407,707)
<b>Balance as at 30 June 2020</b>	<b>32,779,500</b>	<b>-</b>	<b>7,357,329</b>	<b>3,061,486</b>	<b>14,529,261</b>	<b>252,351</b>	<b>1,011,254</b>	<b>551,388</b>	<b>450,347</b>	<b>6,322,211</b>	<b>66,315,147</b>
Balance as at 1 July 2020	32,779,500	-	7,357,329	3,061,486	14,529,261	252,351	1,011,254	551,388	450,347	6,322,211	66,315,147
Depreciation	2,939,502	-	369,460	135,735	771,246	8,756	61,903	99,459	35,857	371,621	4,793,538
Disposals	(64,649)	-	-	-	-	-	(130,696)	(58,326)	-	(369,240)	(622,911)
<b>Balance as at 30 June 2021</b>	<b>35,654,353</b>	<b>-</b>	<b>7,726,789</b>	<b>3,197,221</b>	<b>15,300,507</b>	<b>261,107</b>	<b>942,461</b>	<b>592,521</b>	<b>486,224</b>	<b>6,324,592</b>	<b>70,485,774</b>
<b>WORK IN PROGRESS</b>											
Balance as at 1 July 2019	-	-	41,681	-	-	-	-	-	-	-	41,681
Additions	-	-	-	-	-	-	-	-	-	-	-
Transfer to Fixed assets	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2020</b>	<b>-</b>	<b>-</b>	<b>41,681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,681</b>
Balance as at 1 July 2021	-	-	41,681	-	-	-	-	-	-	-	41,681
Additions	-	-	148,472	-	-	7,896	18,000	-	-	-	174,368
Transfer to Fixed assets	-	-	(124,771)	-	-	-	-	-	-	-	(124,771)
<b>Balance as at 30 June 2021</b>	<b>-</b>	<b>-</b>	<b>65,382</b>	<b>-</b>	<b>-</b>	<b>7,896</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,278</b>
<b>CARRYING AMOUNT</b>											
30 June 2020	134,464,328	111,447,995	7,400,522	3,523,526	1,182,693	25,087	103,327	187,534	35,327	1,747,456	260,119,796
30 June 2021	131,705,439	111,447,995	7,227,643	3,387,791	411,447	40,552	122,771	305,603	256,673	1,378,512	256,294,426



**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

<b>18. Provision for employee benefits</b>	<b>2021</b>	<b>2020</b>
	\$	\$
(a) <b>Provision for employee benefits</b>		
30% sick leave and long service leave	<u>128,943</u>	<u>128,110</u>
(b) <b>Employee entitlements for the year</b>	<u>99,328</u>	<u>103,011</u>
<b>19. Deferred revenue</b>	<b>2021</b>	<b>2020</b>
	\$	\$
(a) <b>Deferred revenue amortised during the year</b>	3,195,800	3,174,369
(b) <b>Deferred revenue</b>		
Current portion	3,195,800	3,174,369
Non current portion	<u>118,726,838</u>	<u>121,687,282</u>
	<b><u>121,922,638</u></b>	<b><u>124,861,651</u></b>

<u>Donated assets</u>	<u>Costs</u>	<u>Useful life</u>	<u>Yearly amortization</u>
Wharf extension – 2004	\$68,000,000	60 years	\$1,062,922
Tug boat Atafa – 2002	\$13,757,872	20 years	\$687,894
Tug boat Tafola – 2000	\$1,804,400	20 years	\$90,220
Wharf extension – 2018	\$80,000,000	60 years	\$1,333,333
Oil spill equipments – 2021	\$257,188	3 years	\$85,729

**Accounting for Government Grants**

The Authority has adopted IAS 20 in the presentation of donated assets by setting up the grant as deferred revenue and writing it off as income to the statement of financial performance on a rational and systematic basis over the useful life of the donated assets.

<b>20. Retention</b>	<b>2021</b>	<b>2020</b>
	\$	\$
Retention (10%)	<u>13,510</u>	<u>-</u>

For the work contracts, a retention sum will be withheld to ensure compliance by the contractor with its warranty or maintenance obligations for a period of 6 to 12 months after the completion of the contract in an amount of not more than 10% of the total contract price as per Section B14: Guidelines for Government procurement and contracting.

<b>21. VAGST payable</b>	<b>2021</b>	<b>2020</b>
	\$	\$
VAGST on sales/receipts	2,189,285	8,132,795
VAGST on purchases/payments	<u>1,918,290</u>	<u>6,877,412</u>
<b>Total VAGST payable</b>	<b><u>270,995</u></b>	<b><u>1,255,383</u></b>

**SAMOA PORTS AUTHORITY**  
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The Authority's VAGST payable as at 30 June 2021 has been adjusted to be in agreement with tax on goods and services due to Ministry of Customs and Revenue at the end of the audited financial year. The adjustment raised as a result of paid invoices from customers in the prior years had been already settled to the tax office but was still in the Authority's books.

**22. Impairment loss on fixed assets**

For the financial year ended 30<sup>th</sup> June 2021, the Authority recorded a provision on impairment loss of \$2,292,067 on Asau and Aleipata (Satitoo) wharves. The impairment provision charged with respect to the Authority's major fixed assets that is not operating for the time being and may caused a potential loss on its carrying values. The recoverable amount for the wharves are based on its present value using interest rate of 12% on the cash flow from dry docking operation at the Aleipata wharf and leasing estimation of Asau wharf.

	Present value	Carrying amount	Impairment loss
Asau wharf	\$679,139	\$1,344,268	(\$665,129)
Aleipata wharf	\$867,067	\$2,494,005	(\$1,626,938)
<b>TOTAL</b>	<b>\$1,546,206</b>	<b>\$3,838,273</b>	<b>(\$2,292,067)</b>

**23. Related parties transactions**

*(a) Directors compensation*

1. Tuiloma Neroni Slade (Chairman)
2. Tuatagaloa Shane Wulf
3. Luafau Leia Tuulima Aimaasu
4. Afoa Raymond Pereira
5. Tevaga Pisaina Leilua-Lei Sam
6. Reverend Nuuausala Siaoosi

*Directors and executive management compensation:*

	2021	2020
	\$	\$
Directors fees	109,767	125,213
Meeting and supplies expenses	10,102	9,728
Membership and other expenses	1,061	6,000
Travelling allowance	5,943	-
<b>Total directors compensation</b>	<b>126,873</b>	<b>140,941</b>

*(b) Management personnel cost*

	2021	2020
	\$	\$
Salaries and short-term employment benefits	<b>579,474</b>	<b>568,112</b>

*(c) Terms and conditions of transactions with related parties*

Sales to and purchase from related parties are made through arm's length transactions both at normal markets and on normal commercial terms.

**SAMOA PORTS AUTHORITY**  
**Notes to financial statements**  
**For the year ended 30 June 2021**

**24. Events after reporting date**

After the balance date, there are no new events that took place other than the ongoing Coronavirus (COVID-19) pandemic; and the Authority's dividend obligation to the Government of Samoa as disclosed in the Certification by directors report.

The Board and Management of the Authority is continuing to monitor the impact of the global situation through our operations monthly updates on its financial condition, liquidity, operations, suppliers, industry, and workforce. For the time being, it has been determined that it will not significantly influence the Authority; and this is reflected from an increase in the net profit of the current year compare to the prior year.

However, it is uncertain as to the full magnitude that the pandemic will have on the Authority's financial condition, liquidity and future results of operations; and no other matter or circumstances has arisen since 30 June 2021.

**25. Financial risk management**

This section outlines the Authority's exposure to financial risk and describes the methods used by management to control and monitor these risks. The major risks are credit risk and liquidity risk.

*a. Credit risk management*

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

The Authority 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 Authority's 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 finance division through regular independent review designed to test the quality of credit exposure compliance with the Authority policies.

Sales to credit customers are settled in either cash cheque or direct transfers into the Bank. The Authority's net exposure to credit risk is limited to the carrying amounts presented in the statement of financial position. The Authority uses an allowance matrix to measure the ECLs of trade receivables. The Authority uses its historical credit loss experience for trade receivables to estimate the 12 month expected credit losses or the lifetime expected credit losses.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 30 June 2021. The movement in the allowance for impairment in respect to trade receivables during the year is disclosed in Note 13.

	<b>Expected credit loss rate</b>	<b>Carrying Amount</b>	<b>Allowance for expected losses</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>
Current (not overdue)	0.7	719,928	4,784
1 to 30 days overdue	3.1	752,938	23,435
31 to 60 days overdue	4.7	142,586	6,710
61 to 90 days overdue	4.8	130,247	6,221
Over 91 days overdue	100	208,384	208,384
		<b>1,954,083</b>	<b>249,534</b>

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*b. Liquidity risk management*

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 Authority's short, medium and long-term funding and liquidity management requirements.

**26. Capital commitments**

*a. Major capital commitment*

The major commitment of the Authority is the infrastructure development to upgrade breakwater and enhance port services and geared towards meeting stakeholders expectation of the Authority' service delivery. This project will be carried out for 2 – 4 years and commenced 2019. The approved budget is funded by the Asian Development Bank as a grant to the worth of USD\$75 million to be completed in 2023. The total cost incurred for the project as at 30 June 2021 is \$3,378,048.79.

*b. Other capital commitment*

The Directors are not aware of any other capital commitments and not provided for the year ended 30<sup>th</sup> June 2021.

**27. Contingent liabilities**

The Authority terminated the lease to Tanoa Hotel (Samoa) due to potential breach of the lease agreement of the amount of rent it has paid since the lease was finalised.

As the date of signing the financial statements, this claim has not progressed any further. Legal proceedings and both parties are working through other options for early settlement given ongoing travel restrictions as Tanoa representatives are based in New Zealand.

**28. Approval of financial statements**

These financial statements were approved by the Board of Directors and authorised for issue on the 28/07 2021.