

PEPA FAAOPOOPO E:

PUBLIC BODIES PERFORMANCE REPORT

APRIL-JUNE 2018 YTD

MINISTRY FOR PUBLIC ENTERPRISES

OCTOBER 2018

BACKGROUND

There are 28 Public Bodies providing various services for the benefit of the people of Samoa. These include essential services such as finance, infrastructure, water, electricity, health and education.

The performance of Public Bodies has a significant contribution to the public and the economy in general through the provision of goods and services. Public Trading Bodies (PTBs) are mandated to be profitable, achieve at least 7% ROE and pay dividend to Government. For Public Beneficial Bodies, they are mandated to provide quality services to the public while at the same time, manage finances to prevent producing deficits.

The purpose of this report as mandated under the Public Bodies (Performance and Accountability) Act 2001 is to provide an overview of performance of PTBs for the quarter ended 30th June 2018 for information of the public.

PUBLIC TRADING BODIES' PERFORMANCE (YTD³ April-June 2018)

PUBLIC TRADING BODIES		Revenues			Expenses			NPAT ¹		
		Actual	Budget	Var ²	Actual	Budget	Var	Actual	Budget	Var
1	Development Bank of Samoa	9.14	8.60	6%	11.5	11.5	0.0%	-2.03	-2.14	-5%
2	Electric Power Corporation	121.48	134.23	-9%	116.9	129.6	-10%	4.63	4.66	-1%
3	Gambling Control Authority	0.00	0.00	-	-	-	-	0.00	0.00	-
4	Land Transport Authority	37.66	34.66	9%	37.6	34.7	9%	0.04	0.00	-
5	Polynesian Airlines Limited	51.90	52.71	-2%	62.9	62.7	0%	-10.99	-10.02	10%
6	Public Trust Office	1.22	0.92	32%	0.9	1.3	-29%	0.29	-0.37	-179%
7	Samoa Airport Authority	17.98	17.79	1%	17.0	15.4	10%	1.00	2.35	-57%
8	Samoa Housing Corporation	6.89	6.87	0%	4.5	5.6	-20%	2.39	1.24	92%
9	Samoa Land Corporation	9.20	7.28	26%	5.7	4.7	21%	2.57	1.89	36%
10	Samoa Post Limited	2.43	2.32	4%	1.6	1.9	-17%	0.62	0.29	114%
11	Samoa Ports Authority	16.23	14.88	9%	10.9	10.9	-1%	5.35	3.93	36%
12	Samoa Shipping Corporation	24.15	28.33	-15%	22.3	25.7	-13%	1.37	1.96	-30%
13	Samoa Shipping Services	3.22	2.74	17%	1.4	1.5	-2%	0.67	-0.02	-3255%
14	Samoa Trust Estate Corporation	0.00	0.00	0%	-	-	0%	0.00	0.00	0%
15	Samoa Water Authority	26.91	22.53	19%	26.4	24.6	7%	0.48	-2.11	-123%
16	Unit Trust of Samoa (Management) Ltd	1.59	1.19	34%	1.3	1.0	24%	0.32	0.16	97%
	Total	329.99	335.06	-2%	320.8	331.2	-3.1%	6.72	1.82	270%

Key:

¹NPAT – Net Profit after tax

Calculated on Revenue less Expenses less any tax and dividend paid.

²Var = Variance – This represents the percentage change of actual compared to budget.

³YTD – Year to Date.

**SUMMARY OF ANALYSIS OF PUBLIC TRADING BODIES PERFORMANCES FOR
APRIL-JUNE 2018**

1. Electric Power Corporation (EPC)

- The installation and testing of battery systems at Fiaga power station and Faleolo Airport completed in February.
- Installation and testing of Micro Grid Controller has been completed and in operation during the third quarter.
- The Corporation achieved a net profit after tax of \$602,049 compared to the net loss of \$166,413 incurred in the third quarter leading to a YTD NPAT of \$4,625,873.

2. Land Transport Authority (LTA)

- The design by Soonsung Engineering Ltd for Maliolio Bridge has been approved during the quarter. LTA is currently working on evaluating bidders for bridge construction. This project will provide safe and secure transportation to people living in Savaii.
- The Authority received lab equipments from World Bank to assist in soil testing for road construction.

3. Polynesian Airlines (PAL)

- Total revenue collected during the fourth quarter exceeds budget by 4% and has increased by 41% compared to the third quarter reflecting the increase in Sales Agency by 165%.
- The total number of passengers flown as illustrated in the analysis table below has increased by 38% as a direct result of the increased number of customers travelled during the period.

4. Public Trust Office (PTO)

- During the quarter, five (5) new wills were written and registered with the office.
- The Office commissioned eight (8) new estates files during the quarter.
- Liquidity ratio has increased compared to last quarter due to the increase in investment by 3%.

5. Samoa Airport Authority (SAA)

- Approximately 99% of the new Terminal Building has completed with aero-bridges to be installed in the later year.
- The construction work on the Apron Area of the Runway Project has commenced and is anticipated to be completed in December 2018.
- The survey for Tiavea Airport boundaries has been completed. The evaluation of land and crops by the Ministry of Natural Resources and Environment is currently in progress.

6. Samoa Housing Corporation (SHC)

- The Corporation achieved a YTD NPAT of \$2.3m which is 92% higher than its profit projections.
- There were 367 new loans approved for the fourth quarter valued at approximately \$7.8m.

7. Samoa Land Corporation (SLC)

- The Real Estate income generated \$2.8m representing 84% of total income collected in the reviewed quarter.
- Net profit after tax of \$1m is significantly above estimated profit by 175% leading to YTD NPAT of \$2.6m.
- The new developments are now realizing its revenue in this quarter including the Pro-shop and Driving range lease.

8. Samoa Post Limited (SPL)

- The company signed a partnership deal with Times Logistics and Yun Express logistics Companies for delivery of E-commerce items purchased on line from China and Hong Kong to all over the World. These partnerships will provide E-commerce services to the people of Samoa and is expected to generate additional revenue for SPL.
- The company has maintained profitability over the quarters as reflected by its NPAT of \$208,395 for the quarter ending 30th June 2018. YTD NPAT aggregated to \$624,505.

9. Samoa Ports Authority (SPA)

- International trading has improved from 106 vessels in the third quarter to 135 vessels in the current quarter.
- The rehabilitation of two tug boats, main office car park improvements and renovation of main office has been completed.

10. Samoa Shipping Corporation (SSC)

- Cabinet has endorsed plans to merge the two Maritime Institutions at SSC and the National University of Samoa. The focus is to provide an integrated approach for the implementation of key objectives in the Maritime Sub- sector.
- SSC Board has endorsed selling of land 'Lot 451 Plan 2251' valued at \$2.1 million to LTA for the construction of the Vaisigano Bridge. Upgrading works and renovations of Mulifanua port are in progress to enhance safety of travelling public to and from the two islands.

11. Samoa Shipping Services (SSS)

- The total number of seafarers currently employed with International and Domestic Shipping Companies such as MSC, Neptune and Apia Deep Sea Fishing Company Ltd (ADSF) has increased from 320 in the last quarter to 328 as at June 2018.
- The company continues its negotiations with Matson Shipping Company, Neptune, SWIRE Shipping and Apia Deep Sea Fishing Company Ltd for additional work opportunities for Samoan seafarers. The aim is to contribute positively to the overall employment of Samoa.

12. Samoa Water Authority (SWA)

- The following activities were completed during the quarter;
- Newly drilled borehole of 218m for Sataua. Pump test to determine efficiency of pump used and performance of aquifer.

- Installation of two tanks (100m³ at Prison location and 250m³ tank at entrance to Prison) for Tanumalala prison.
- Drilling works and pump tests for Gataivai new borehole supply scheme to improve water supply for Gataivai community.
- Installation of tanks for borehole supplies for Matavai, Faleasiu-Uta and Tanumalala to save costs on electricity used for water pumps leading to reduction in pump's operating hours.

13. Unit Trust Of Samoa (Management) Ltd (UTOS)

- The flexible mobile app has been introduced into the production environment on the 28th May. The purpose is to allow unit holders to check their accounts and make transactions online from anywhere and 12.4% of unit holders now have access to this online service.

ANNEX 1: MUTUAL AND BENEFICIAL BODIES PERFORMANCE (YTD³ April-June 2018)

Mutual and Beneficial Bodies		REVENUES			EXPENSES			NPAT		
		Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
	<u>Mutual Societies</u>									
1	Accident Compensation Corporation	15.29	14.06	9%	5.04	5.10	-1%	10.26	8.96	14%
2	Samoa Life Assurance Corporation	13.05	10.89	19.8%	10.10	8.83	14%	2.94	2.06	43%
3	Samoa National Provident Fund	53.86	50.63	6%	8.62	9.57	-10%	45.24	41.05	10%
	TOTAL	82.20	75.58	9%	23.77	23.51	1%	58.44	52.07	12%
	<u>PUBLIC BENEFICIAL BODIES</u>									
1	National Health Services of Samoa	0.00	0.00	0%	0.00	0.00	0%	0.00	0.00	0%
2	National Kidney Foundation of Samoa	7.26	7.28	0%	7.16	7.11	1%	0.10	0.17	-
3	National University of Samoa	25.80	25.59	1%	25.18	25.57	-2%	0.62	0.01	4359%
4	Samoa Fire and Emergency Service Authority	6.32	6.29	0%	5.51	6.07	-9%	0.81	0.22	270%
5	Samoa International Finance Authority	6.05	3.67	65%	5.60	3.64	54%	0.45	0.03	1574%
6	Samoa Qualifications Authority	4.10	4.24	-3%	3.99	3.79	5%	0.11	0.45	-75%
7	Scientific Research Organisation of Samoa	4.30	4.08	5%	5.43	4.94	10%	-1.13	-0.86	-
8	Samoa Sports Facilities Authority	11.84	11.44	4%	10.13	11.05	-8%	1.71	0.38	344%
	Samoa Tourism Authority	31.67	30.93	2%	9.85	12.02	-18%	21.82	18.91	15%
	TOTAL	97.35	93.52	4%	72.85	74.20	-2%	24.50	19.32	27%

Key:

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³YTD – Year to Date