SAMOA POST LTD
ANNUAL REPORT
FOR
FINANCIAL YEAR
2024/ 2025



Awarding Postal Operation Council seat to Samoa for the first time at the UPU congress Dubai 2025



Opening of New Project in Savaii Salelologa New Post Office June 2025

STATEMENT TO PARLIAMENT

30 June 2025

The Honorable Speaker
Legislative Assembly of Samoa
Mulinuu

Sir,

In pursuant of Part VI, Section 23 of the Public Bodies Act 2001 (Performance and Accountability), I present to the Legislative Assembly for discussion, Samoa Post's Annual Report for the Financial Year ended on the 30th June 2025.

Samoa Post VISION is:

To excel in the provision of affordable, reliable, accessible and profitable Postal, Electronic and Financial Services to domestic and international customers.

Through the Mission Statement of:

To move towards postal digitization, facilitating physical distribution of parcels, express and e- commerce items, and strengthens networks for the provision of Electronic and Financial services for the community supporting Government drive towards a Digital Economy.

Ma le fa'aaloalo,



Hon. Agaseata Tanuvasa Valelio Tanuvasa Peto
MINSITER OF SAMOAPOST

TABLE OF CONTENTS

Statement to Parliament……..Page 1

Chairperson's Report……..….Page 3

Chief Executive Officer's Report…… Page 6

Organization Chart……Page 19

Audited Financial Statements……Page 20



CHAIRPERSON'S REPORT

It is a privilege, on behalf of the Board of Directors of Samoa Post Limited, to present the Annual Report and Audited Financial Statements for the Financial Year 2024–2025. This report is submitted in accordance with the Public Bodies (Performance and Accountability) Act 2001, the Companies Act 2001, and the Postal Services Act 2010, which collectively govern the establishment, administration, and operations of Samoa Post Limited as a State-Owned Enterprise. The Board is guided by these Acts, alongside directives from the Ministry for Public Enterprises and policies endorsed by Cabinet, ensuring that the Company's affairs are conducted with transparency, accountability, and in alignment with national priorities.

Performance Overview

Samoa Post continues to release its national mandate under the Postal Services Act 2010, ensuring the availability and accessibility of postal, financial, and related e-commerce services to all citizens of Samoa.

The year under review presented multiple challenges. Declines in inbound and outbound mail volumes and weights reflected both global shifts in communication behaviour and stricter international compliance requirements imposed by foreign postal administrations.

Despite these obstacles, Samoa Post maintained a firm commitment to service continuity, national coverage, and operational integrity. A significant milestone during the reporting period was the completion and official opening of the new Samoa Post Office in Salelologa in June 2025**,** marking a major achievement in the Company's infrastructure development and service expansion for the people of Savai'i. The Board acknowledges the resilience and dedication of Management and staff in navigating these challenges and commends their efforts to modernise operations, diversify revenue streams, and strengthen digital service capabilities in alignment with the Government's Digital Transformation Strategy and national development goals.

Financial Performance, Capital & Dividend

Samoa Post's financial position remained strong, with total assets valued at $5.3 million, marking a 3 percent growth from the previous year's $5.1 million. This growth reflects prudent financial management and disciplined expenditure control, consistent with the accountability principles mandated under the Public Bodies (Performance and Accountability) Act 2001.

Retained earnings increased by 5 percent compared with the prior period. Although this is slightly below the Ministry for Public Enterprises' minimum threshold of 7 percent, it surpasses the Corporate Plan forecast by 10 percent—demonstrating sound recovery and fiscal stability following recent economic disruptions.

No borrowings were undertaken during the period, as operational cash flows adequately funded all commitments. Surplus funds were strategically invested to generate interest income, supporting operational sustainability amidst declining postal revenues.

The Board is pleased to report a 110 percent increase in dividend payments compared to the preceding year. An interim dividend of $13,823.25 was paid to the Ministry for Public Enterprises, with the final dividend to be declared upon the completion of the external audit. Additionally, the Company received $163,836 in dividend income from its investment with the Unit Trust of Samoa (UTOS), part of which was approved for withdrawal to strengthen liquidity and support project implementation.

Governance and Board Activities

Throughout the financial year, the Board convened twelve (12) meetings, primarily held on the last Friday of each month. These meetings facilitated the Board's oversight of the Company's strategic and operational performance in line with the governance provisions of the Companies Act 2001 and directives of the Ministry for Public Enterprises.

I also acknowledge the ongoing support of the **Samoa Institute of Directors** for the formal training programmes undertaken during the period. The Board remains dedicated in its commitment to continuous professional development and the enhancement of sound corporate governance practices.

Category	Amount (WST)	Remarks
Salaries	$55,568.00	Remuneration for Directors
Miscellaneous	$5,942.00	Meals and related expenses
Institute of Directors Subscriptions	$4,200.00	Annual membership fees
Total	$65,710.00	—

Community Service Obligations (CSO)

Although Samoa Post does not receive direct Government subsidies or operate under a formal Community Service Obligation (CSO) arrangement, the Company remains committed to national development and inclusivity.

Through the operation of five (5) District Post Offices in Savai‘i, Samoa Post continues to provide vital postal and financial services to rural communities - many of which are not commercially viable. This practice, while challenging from a profitability standpoint, reflects the Company’s enduring dedication to its Universal Service Obligation (USO) under the Universal Postal Union (UPU) Convention. That is, Samoa Post is mandated under the Universal Postal Union (UPU) Convention, to ensure that every citizen of Samoa has equitable access to essential postal services at all times, regardless of geographic location or economic circumstance.”

The Board continues to monitor these operations to maintain a balance between social responsibility and commercial viability, ensuring that profitability and dividend obligations to Government are not compromised.

Acknowledgements and Conclusion

I extend sincere gratitude to Almighty God for His unfailing guidance, protection and provision throughout the year.

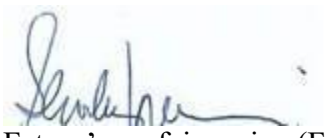
I acknowledge with appreciation the visionary leadership and commitment of my fellow Directors, the endurance and professionalism of the Management and staff, and the unwavering cooperation of the Ministry for Public Enterprises in fulfilling Samoa Post’s statutory responsibilities.

The Board also expresses its gratitude to our international partners, business associates, and customers for their continued confidence, commitment and collaboration.

As we move forward, Samoa Post remains firmly guided by the principles preserved in the governing Acts of Parliament relevant to Samoa Post Limited, ensuring that the Company continues to serve the people of Samoa with integrity, diligence, and national pride.

May our Almighty God continue to bless the Government of Samoa, our respected stakeholders, and protect our beloved nation and people.

Ma le faaaloalo tele e tatau ai,



Fatusa’agaofaivaosina (Fatu) Shorley Mariner
Chairperson - Board of Directors
Samoa Post Limited



CHIEF EXECUTIVE OFFICER'S REPORT

The financial year 2024–2025 has been a transformative period for Samoa Post. While we continued to face challenges such as declining traditional mail volumes, evolving customer expectations, and changes in international operational requirements—including heightened mail security considerations—this year has also been one of notable progress and resilience. Compared to the previous year, Samoa Post has demonstrated a marked improvement in financial performance and operational efficiency, reflecting the dedication of our team and the trust of our customers.

During this period, we have taken deliberate steps to diversify our revenue streams, exploring new services and innovative solutions that complement our traditional postal offerings. These initiatives have strengthened our ability to serve both local and international communities reliably and efficiently.

Despite the complexities of the postal landscape, Samoa Post remains committed to providing services in a trustworthy and professional manner, while continuously adapting to meet the changing needs of our customers. With the theme ***"Samoa Mo Oe, Samoa Mo Au"***

This year stands as a testament to the perseverance, commitment, and collaborative spirit of our staff and management, and we remain focused on building a sustainable, customer-centered future for Samoa Post.

Highlights for the Year 30th June 2025:

Performance:

At the start of the financial year 2024–2025, Samoa Post faced a dynamic and competitive environment, with several alternative service providers contributing to a continued decline in outbound mail volumes, as many parcels and gifts are now being sent through other channels. Despite these challenges, the organization has recorded encouraging improvements in overall financial performance compared to the prior year.

Samoa Post has actively pursued diversification of services and strengthened revenue streams. Key initiatives during the year include securing new grants under the UPU terms and conditions, revitalizing marketing and service strategies, and expanding offerings such as passport photo services, customs brokerage services, and tailored support for small business vendors. These efforts have improved operational efficiency and enhanced profitability, even as traditional mail volumes faced continued pressures.

It is particularly positive that Samoa Post has maintained the ability to generate profit, ensuring the continued fulfillment of dividend obligations. The year reflects a combination of resilience, strategic adaptation, and renewed focus on meeting the evolving needs of the Samoan community and international customers.

Overview of Financial Performance and Financial results for the year ended 30th June 2025.

The financial year 2024/2025 has demonstrated a notable shift in mail volumes and operational dynamics for Samoa Post Limited. Inbound mail volumes recorded a positive increase of 26% compared to the previous year, driven largely by the growing trend of online shopping, e-commerce activities, and seasonal workers sending parcels home using our cost-effective air freight services. This recovery in inbound volumes has positively influenced overall revenue performance for the year.

Conversely, outbound mail volumes experienced a decline of 28% compared to the prior year. This reduction is primarily attributed to increased competition from private courier companies, which has drawn customers away from traditional postal services. Additionally, outbound mail services were temporarily impacted by delays in mail transit through New Zealand, resulting from the implementation of Air New Zealand's new air freight system. These transit delays affected deliveries to destinations in Europe, Asia, and America but have since been resolved, restoring normal service timelines.

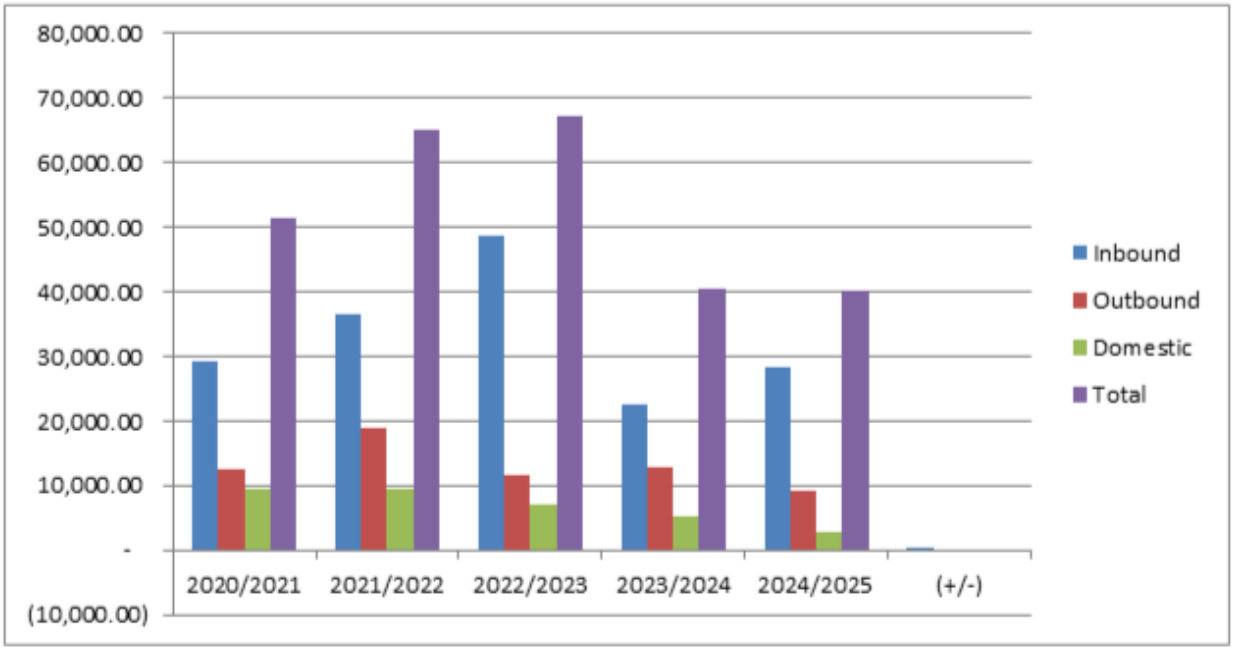
Domestic mail volumes remained relatively consistent with the prior year, showing a continued gradual decline in line with long-term trends.

Overall, while challenges in outbound and domestic mail persist, the positive growth in inbound mail volumes reflects the resilience and adaptability of Samoa Post Limited in responding to evolving customer needs and market dynamics.

Table 1

Mail Statistics for FY 2020/2021 - 2024/2025						
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	(+/-)
Inbound	29,255.00	36,567.00	48,803.00	22,565.00	28,412.00	26%
Outbound	12,611.00	19,036.00	11,454.00	12,819.00	9,147.00	-28%
Domestic	9,485.00	9,358.00	7,077.00	5,147.00	2,688.00	-47%
Total	**51,351.00**	**64,961.00**	**67,334.00**	**40,531.00**	**40,247.00**	**-1%**

Graph 1



This updated financial report for Year 2024-2025 is not just an overview; it's a resounding declaration of Samoa Post's exceptional performance and strategic triumph.

We have not merely met expectations; in many critical areas, we have shattered them, demonstrating unparalleled resilience and a forward-thinking approach that sets us apart.

Revenue:

In the financial year ended 30th June 2025, our Total Income has surged by an incredible 15%, reaching a robust $1,688,982.00. This is not a minor uptick; it's a powerful testament to our strategic initiatives and the unwavering dedication of our teams.

This stellar performance stands in stark contrast to previous narratives and highlights a year of significant financial advancement.

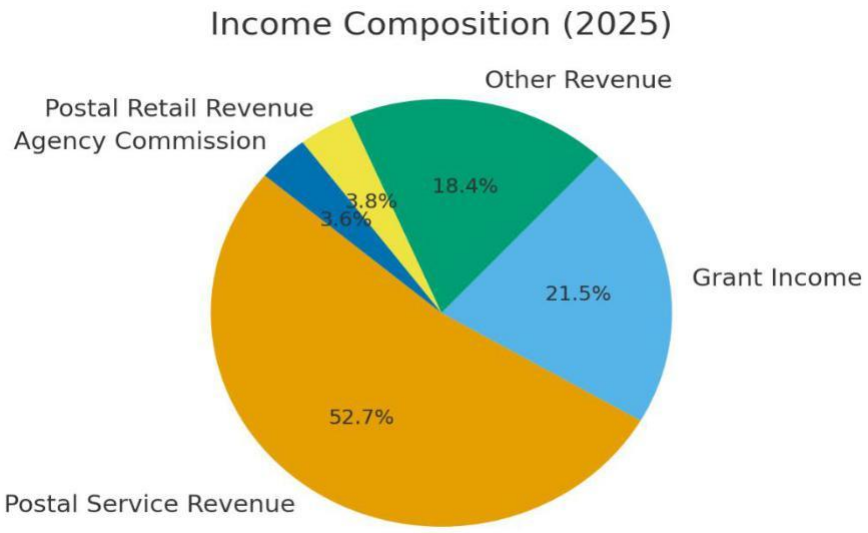
The Grant Income has experienced an absolutely phenomenal, almost unbelievable, increase of 408%, skyrocketing to $363,467.00 from the prior year's $71,593.60. This astonishing growth is a direct result of our proactive engagement and the superior quality of our proposals, showcasing our ability to secure vital funding and expand our operational reach and compliance to Terms and Condition of grants.

The significant positive momentum in other crucial areas. Postal retail revenue has demonstrated impressive resilience, increasing by 5% to $63,539.00. Furthermore, our Other

Revenue stream has also seen a healthy 16% increase, reaching $310,908.00, reflecting diversified income generation and financial management.

We acknowledge the realities of the fiscal landscape. Certain revenue streams, such as traditional postal services and agency commission, have faced declines. Postal service revenue saw a 9% drop to $890,981.00, and Agency commission decreased by 34% to $60,087.00. These figures, while below previous projections, are managed with strategic foresight, and our overall growth demonstrates our capacity to overcome such headwinds.

Pie Graph 1



Our performance against the Budget Forecasts reveals a mixed but ultimately positive picture. While Total Income was 17% under the Budget forecast, this was largely due to the exceptional performance of Grant Income, which was an astounding 304% above budget. Similarly, Other Revenue outperformed by 9%.

For the Corporate Plan Forecast, our Total Income was 11% under, yet again, the extraordinary Grant Income was 222% above this projection. Crucially, Postal retail revenue not only recovered but surged 16% above the CP Forecast, and Other Revenue also exceeded expectations by 5%.

In summation, Year 2025 has been a period of outstanding financial achievement. We have navigated challenges with grace and strategic brilliance, delivering substantial growth in total income and unprecedented success in grant acquisition.

The positive trajectory in postal retail and other revenues further underscores our adaptability and market responsiveness. This report is a testament to SPL's robust financial health and our unwavering commitment to excellence. We have not just weathered the storm; we have emerged stronger, more capable, and poised for even greater successes in the future.

Table 2

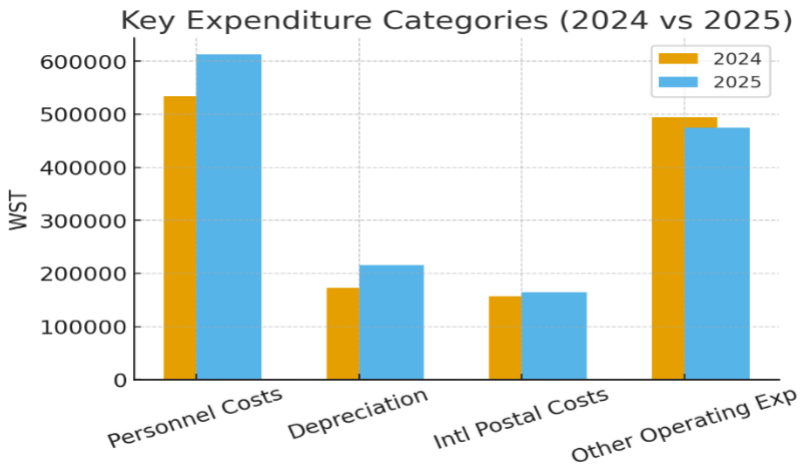
Performance Comparisons to Last Financial Year, Budget and Corporate Plan Forecast							
Revenues	**Year 2025**	**Year 2024**	**(+/-)**	**Budget**	**(+/-)**	**CP Forecast**	**(+/-)**
Postal service revenue	890,981.00	976,116.66	-9%	1,487,500.00	-40%	1,314,230.00	-32%
Postal retail revenue	63,539.00	60,324.28	5%	72,000.00	-12%	54,750.00	16%
Agency commission	60,087.00	90,856.04	-34%	102,480.00	-41%	122,090.00	-51%
Other revenue	310,908.00	267,484.47	16%	285,300.00	9%	297,450.00	5%
Grant income	363,467.00	71,593.60	408%	90,000.00	304%	112,710.00	222%
Total Income	**1,688,982.00**	**1,466,375.05**	**15%**	**2,037,280.00**	**-17%**	**1,901,230.00**	**-11%**

Expenditure Analysis:

Total expenditures for the year 2025, representing a 6% increase from the previous year. Notable increases were observed in personnel costs, which rose by 15% due to stabilization of staffing levels after previous vacancies, and depreciation, which increased by 25% reflecting investments in assets during the year. Board expenses also increased slightly by 7%, consistent with scheduled meetings and related governance activities.

Conversely, cost of goods sold decreased by 25%, largely due to lower operational purchases and reduced outbound mail activity, while other operating expenditures decreased by 4% as the company continued to monitor and optimize spending in line with declining revenues.

International postal costs saw a modest increase of 5%, reflecting ongoing operational adjustments despite reduced mail traffic. Trade receivables has been accessed for impairment in accordance with IFRS 9. Based on this assessment, no provision for doubtful debts has been recognised during the current reporting period, as all receivables will be fully collected and recoverable which shows improving overall expense management.***Bar Graph 1***



When compared to budget figures, total expenditures were 20% below the planned budget, demonstrating prudent financial management and disciplined control across all cost categories. Personnel and other operating costs were notably below budget, offsetting increases in depreciation and postal costs.

Against the Corporate Plan (CP) forecast, total expenditures were 13% lower than anticipated, reflecting favorable cost containment in Cost of Goods Sold and Board expenses. However, some areas such as depreciation and personnel were slightly higher than forecast due to inflationary pressures and post-pandemic operational adjustments.

Overall, Samoa Post Limited managed a careful balance between controlling expenses and sustaining operational capacity during a year of continued financial and operational challenges.

Table 3

Expenditures	Year 2025	Year 2024	(+/-)	Budget	(+/-)	CP Forecast	(+/-)
Cost of goods sold	6,196.00	8,261.69	-25%	33,000.00	-81%	40,000.00	-85%
Audit fees	25,713.00	25,054.92	3%	25,055.00	3%	26,000.00	-1%
Doubtful Debts	-	26,831.14	-100%	-	0%		0%
Personnel	613,347.00	534,910.50	15%	743,811.00	-18%	644,520.00	-5%
Board Expenses	65,710.00	61,161.07	7%	64,500.00	2%	66,000.00	0%
Depreciation	215,251.00	172,797.02	25%	190,000.00	13%	243,000.00	-11%
International postal cost	164,754.00	156,750.70	5%	180,000.00	-8%	180,000.00	-8%
Other operating expenditure	474,877.00	494,730.72	-4%	709,399.98	-33%	598,220.00	-21%
Total Expenditures	**1,565,848.00**	**1,480,497.76**	**6%**	**1,945,765.98**	**-20%**	**1,797,740.00**	**-13%**

Financial Review for the Year Ended 30 June 2025

This section provides a comprehensive overview of Samoa Post's financial performance, cash flow management, capital structure, and equity position for the financial year 2024-2025.

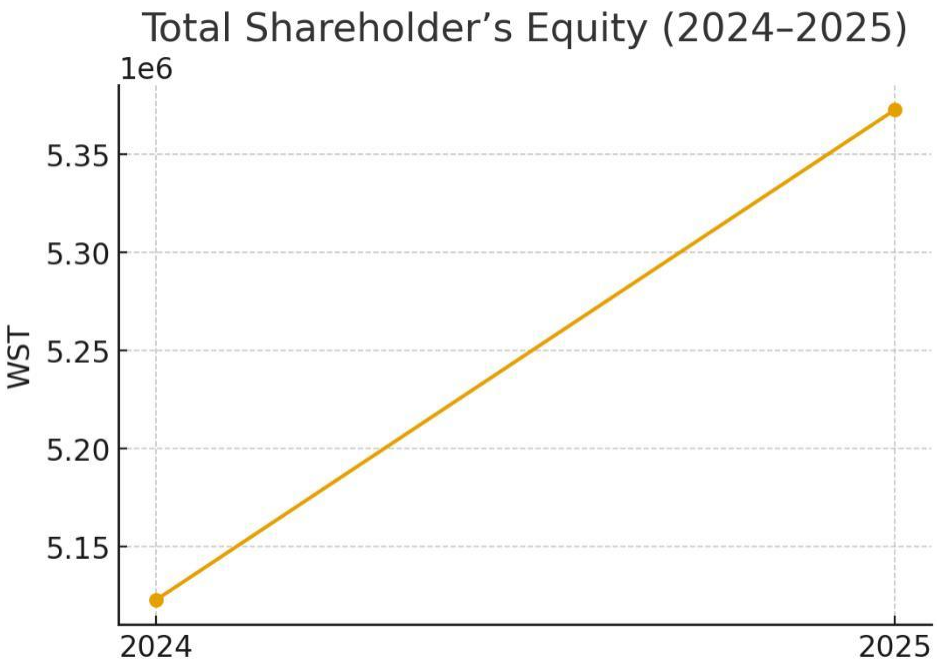
Profitability and Key Ratios:

The financial year under review marks a significant milestone for Samoa Post Limited, with the organization successfully returning to profitability after the previous year's deficit. Profit Before Tax reached $123,134, representing a substantial turnaround from the loss of $14,124 reported in 2024. After accounting for income tax expenses of $33,246, the company recorded a Net Profit After Tax of $89,888.

This positive outcome underscores the company's strengthened financial management, effective cost control measures, and disciplined approach to resource allocation. The improvement in profitability demonstrates management's commitment to operational efficiency and sustainable financial performance.

As a result, key financial indicators showed notable progress — the Net Profit Margin improved to 5.3%, reflecting stronger revenue retention, while the Return on Assets (ROA) increased to approximately 1.7%, signifying enhanced utilization of the company's asset base to generate earnings.

Growth in total shareholder's equity from FY2024 to FY2025. Line Graph 1 (Refer Equity Note)



Progress with the Corporate Plan

The financial results for Year 2024-2025 vividly illustrate the limitations of a Corporate Plan developed three years prior. While the overall Total Income fell short of the CP forecast, this was largely driven by significant, unforeseen declines in traditional revenue streams like postal services and agency commissions. Crucially, Samoa Post demonstrated remarkable agility and strategic foresight by capitalizing on new opportunities, particularly the phenomenal growth in grant income and strong performance in postal retail and other revenues, which were clearly not estimated in the corporate plan.

Furthermore, the company effectively managed its expenditures, with overall spending significantly below the CP forecast, reflecting a responsive approach to cost control in light of the actual operating environment. This adaptive management of both revenue generation and expenditure demonstrates the organisation's resilience and ability to navigate a complex and unpredictable landscape, even when operating against a strategic blueprint that could not have foreseen the specific challenges and opportunities that ultimately defined the financial year

Consequently, a direct, line-by-line articulation of performance against these Corporate Plan forecasts may not fully capture the nuances of our operational environment. Despite these inherent limitations in the original forecast, our performance in the current year demonstrates both areas of significant outperformance and strategic adjustments.

Cash Flow Management:

Samoa Post maintains a robust and meticulously managed cash flow system. Our Operating Cash Flows are comprehensively inclusive of all funds collected on behalf of our esteemed business partners, which include prominent entities such as Vodafone, Samoa Water Authority, Electric Power Corporation, small business vendors and Western Union for their cash-out services.

These funds, critical to the seamless operation of our partnerships, are diligently transferred to our business partners' accounts on a daily and weekly basis, strictly in accordance with our established business agreements. This rigorous process ensures transparency, accountability, and the timely fulfillment of our financial obligations to our partners.

Regarding Cash from Investing Activities, the financial year 2024-2025 saw a continuation of prudent financial stewardship. Following the subsequent withdrawal of UTOs units to settle international creditors, the current year has focused on optimising existing investments and ensuring liquidity.

The payment received from the Universal Postal Union (UPU) during the year for new project initiatives — including the upgrade of delivery vehicles and other operational equipment — was provided under specific terms and conditions as outlined in the funding agreement. This strategic support has contributed to strengthening Samoa Post's operational capacity and overall financial performance.

We remain committed to the regular monitoring of our financial obligations, ensuring that all commitments are well within our financial capabilities and are met promptly when due, thereby safeguarding the company's financial integrity.

Capital Structure:

The continued emphasis on prudent financial management and disciplined expenditure control has yielded a solid improvement in Samoa Post's capital position. As at 30 June 2025, the company recorded a total capital structure of 5.37 million, representing a 5% increase from the previous year's 5.12 million and exceeding the Corporate Plan projection by 6.5%**.**

This growth reflects not only the company's improved profitability but also the strategic contribution from interest income generated through investments with the Unit Trust of Samoa (UTOS)**.** The UTOS investment providing consistent returns through annual interest and dividends, which are recognized under Other Revenues in the Profit and Loss and Other Comprehensive Income Statement. These earnings continue to enhance Samoa Post's financial resilience and strengthen its equity base.

It is important to note that a portion of the UTOS investment represents creditors' funds, temporarily invested to generate additional income until settlement obligations are due. The

remaining component comprises retained earnings, purposefully reserved to fund future capital development projects, including infrastructure upgrades, technology enhancements, and network expansion initiatives. These investments are aligned with Samoa Post's strategic objective of ensuring sustainable growth and long-term financial stability.

Equity:

Total Equity recorded a 5% increase during the financial year 2024–2025, reflecting Samoa Post Limited's continued focus on strengthening its financial base and optimising the use of shareholder funds.

During the year, Samoa Post received dividend income of $163,836 from its investment in the Unit Trust of Samoa (UTOS). This highlighting the consistency and reliability of this investment as a key contributor to the company's financial performance. Management continues to closely monitor all operational and financial challenges to ensure that shareholder funds are efficiently utilized and strategically directed toward sustainable growth initiatives.

Samoa Post Ltd maintained a debt-free position, with no borrowings recorded during the year. This strong equity position underscores Samoa Post's prudent fiscal management and disciplined adherence to budgetary controls. By exercising tight expenditure oversight and maintaining financial discipline, the company successfully preserved its investment portfolio and achieved sufficient financial capacity to declare a dividend to shareholders at the close of the financial year end.

Samoa Post remains firmly committed to enhancing shareholder value through sound investment decisions, operational efficiency, and sustained profitability — ensuring long-term financial stability and continued growth for the organisation.

Capital Expenditure and Projects

The financial year 2024–2025 was marked by meaningful progress in Samoa Post Limited's capital investment program, with several important infrastructure and operational projects successfully advanced to support service delivery improvements and business modernization.

A key highlight of the year was the construction of the new Salelologa Post Office (Phase 1) — a significant step in upgrading postal infrastructure on the big island. This initial phase was primarily financed through dividends received from the Unit Trust of Samoa (UTOS), amounting to $170,000, demonstrating effective reinvestment of locally generated funds into long-term assets. Phase 2 of this project, planned for the upcoming year, will introduce further enhancements to expand capacity, improve customer accessibility, and strengthen postal operations in Savai'i such as physical mail boxes.

In line with national preparations for the Commonwealth Heads of Government Meeting (CHOGM), the company also undertook renovations and maintenance upgrades at the

Matafele Headquarters**.** These works were focused on improving the functionality, presentation, and safety of Samoa Post's primary office facility.

Additionally, the company acquired new delivery vehicles to strengthen its logistics capacity and improve reliability of postal and courier deliveries across the country. These vehicles were funded through a grant provided by the Universal Postal Union (UPU) in collaboration with United States Post partners**,** reflecting the continuing international support extended toward Samoa Post's development initiatives.

All capital expenditures undertaken during the year were fully funded through internal resources and external grants, with no borrowings recorded, underscoring Samoa Post's prudent financial management and its commitment to reinvesting in the sustainability of its core operations.

Outlook for the Next Financial Year

For the 2025–2026 financial year, Samoa Post will continue advancing its modernization agenda and pursuing new business growth opportunities and potential events. Priority projects include:

- **Passport Photo** - Reinstating the passport photo service to broaden customer offerings;
- **Enhancing the e-commerce** and digital service platform to support online transactions and integrate with the Government's Digital Economy Strategy, ensuring nationwide inclusivity in digital access; and
- **Continuing the** Phase 2 development of the Salelologa Post Office and regional branch upgrades to strengthen service accessibility and infrastructure reliability.
- **Addresses** - To enhance our strategic capabilities and service offerings, the implementation of a robust and systematic national addressing system is a critical priority**.** This foundational initiative will necessitate close collaboration with the Ministry of Works, Transport and Infrastructure (MWTI) and the Ministry of Communications and Information Technology (MCIT). By establishing this essential infrastructure, we will significantly enhance our e-commerce capabilities and digital service platforms**,** thereby enabling the efficient and widespread provision of door-to-door delivery services directly to the community.
- **Custom broker services** – to support the increases of inbound mails recorded in the financial year 2024-2025. And also a new revenue avenue to accommodate decline of outbound mails and our domestic mails.
- **Post Banking Services** - Samoa Post is committed to expanding financial inclusion by offering post banking services tailored to the needs of our communities, especially in remote areas. This will support savings initiatives for diverse groups like women in business, agricultural and fisheries groups, and youth, while also facilitating government savings collections and pension disbursements.

Commemorating 150 Years of Samoa's First Printed Stamp

Samoa Post is proud to recognize a historic milestone in 2027 — the 150th anniversary of the first printed stamp in Samoa, originally issued in 1877. This landmark celebration reflects Samoa Post's enduring legacy and its pivotal role in connecting communities locally and internationally over a century and a half.

As part of the commemoration, Samoa Post plans to produce an archival video documenting the origins and evolution of postal services in Samoa, tracing the journey from the issuance of the first stamp in 1877 to modern postal innovations today.

This initiative aims to preserve Samoa's postal heritage, educate the public on the nation's rich history, and honor the contributions of postal services to Samoa's social and economic development.

The 150-year celebration will also provide an opportunity to showcase Samoa Post's ongoing modernization projects, highlight key achievements, and reinforce its commitment to sustainable growth, innovation, and community service for the next century.

Samoa 1877-1899 and the Express Reprint/Forgeries



1895 Scott 14b 2 1/2p rose "King Malietoa Laupepa"



Developments and Ongoing Initiatives

Renovations for the Tuasivi, Salailua, and Asau Post Offices remain in progress, with completion anticipated in the next financial year. These works aim to deliver improved facilities that support efficient postal operations and community engagement in regional areas.

Upgrades to the Information Technology systems and hardware are also ongoing, supported through funding assistance from the Universal Postal Union and Postal Partners**.** These improvements are designed to enhance Samoa Post's operational systems, connectivity, and international service standards.Samoa Post has further embarked on a marketing and public awareness campaign, promoting the modernization of postal services and the adoption of the Government's national address and postal code system, reinforcing Samoa Post's commitment to accessibility and community inclusion.

Future Risks and Uncertainties

Operational Risks:

The postal industry continues to face structural challenges from the global shift toward digital communication, leading to reduced mail volumes and increased competition from private courier operators offering faster, technology-driven services.

Furthermore, evolving international postal regulations and compliance requirements have increased operational complexity and costs, occasionally resulting in delivery delays or item seizures abroad.

While Samoa Post continues to benefit from technical and financial assistance from international postal partners, there is recognition that a reduction or withdrawal of such external support in the future could increase operational costs and impact the company's financial sustainability.

Infrastructure Risks:

Samoa Post Office Headquarters at Matafele continues to pose significant infrastructure challenges due to the deteriorating state of the building. While Samoa Post has carried out essential maintenance and safety works to preserve functionality and protect both staff and customer assets, the facility remains in need of major renovation and structural refurbishment to fully meet operational and safety standards.

Samoa Post humbly appeals to the Government of Samoa for consideration to bring the Matafele Building under the full management of Samoa Post Limited, enabling the company to undertake necessary renovations and restoration works.

The building's foundation remains structurally strong and stable, providing a solid base for redevelopment. With appropriate refurbishment, the facility could serve not only as Samoa Post's operational headquarters but also as a multi-use commercial property.

This initiative would allow Samoa Post to lease portions of the building to business partners, the public, and other Government entities, thereby generating a new and sustainable revenue stream. Such an arrangement would contribute to the long-term financial sustainability of Samoa Post, support postal modernization, and facilitate the introduction of new business ideas and diversified services aligned with the company's development strategy.

Risk Management:

Samoa Post continues to carefully manage key financial risks, including credit, liquidity, interest rate, and foreign exchange risks. The fact that there was no doubtful debts provision in 2024-2025 reflects strong credit control and effective debt management.

Operational risks, such as the growing influence of digital communication and increased competition, are being managed through strategic planning and ongoing service improvements. With strong governance and a proactive approach, Samoa Post remains well-prepared to handle potential challenges and ensure stability in the years ahead.

Community Service Obligation (CSO)

No formal Community Service Obligation (CSO) programs were implemented during the 2024–2025 financial year.

Nonetheless, Samoa Post remained steadfast in its commitment to providing essential postal and agency services across Samoa and internationally, ensuring continued access and service reliability for communities nationwide.

Acknowledgement:

The Board and Management express sincere gratitude to all stakeholders, partners, and the Government of Samoa for their ongoing trust and collaboration. Through sound leadership, prudent management, and enduring faith, Samoa Post continues to navigate challenges and deliver value to the people and economy of Samoa.

Thanks and praise to our Lord for His unfailing guidance and protection over Samoa Post throughout uncertain times. By His grace, we have continued our journey without major difficulties, steering safely through every challenge.

Our guiding theme, ***"Samoa Mo Oe, Samoa Mo Au,"*** reflects our deep love and devotion to serve the people of Samoa with humility, compassion, and sincerity. Like a canoe guided by the steady hand of the Lord, Samoa Post rides forward in faith, trusting in His wisdom to lead us toward calm waters and a hopeful future.

Recommendation to Cabinet:

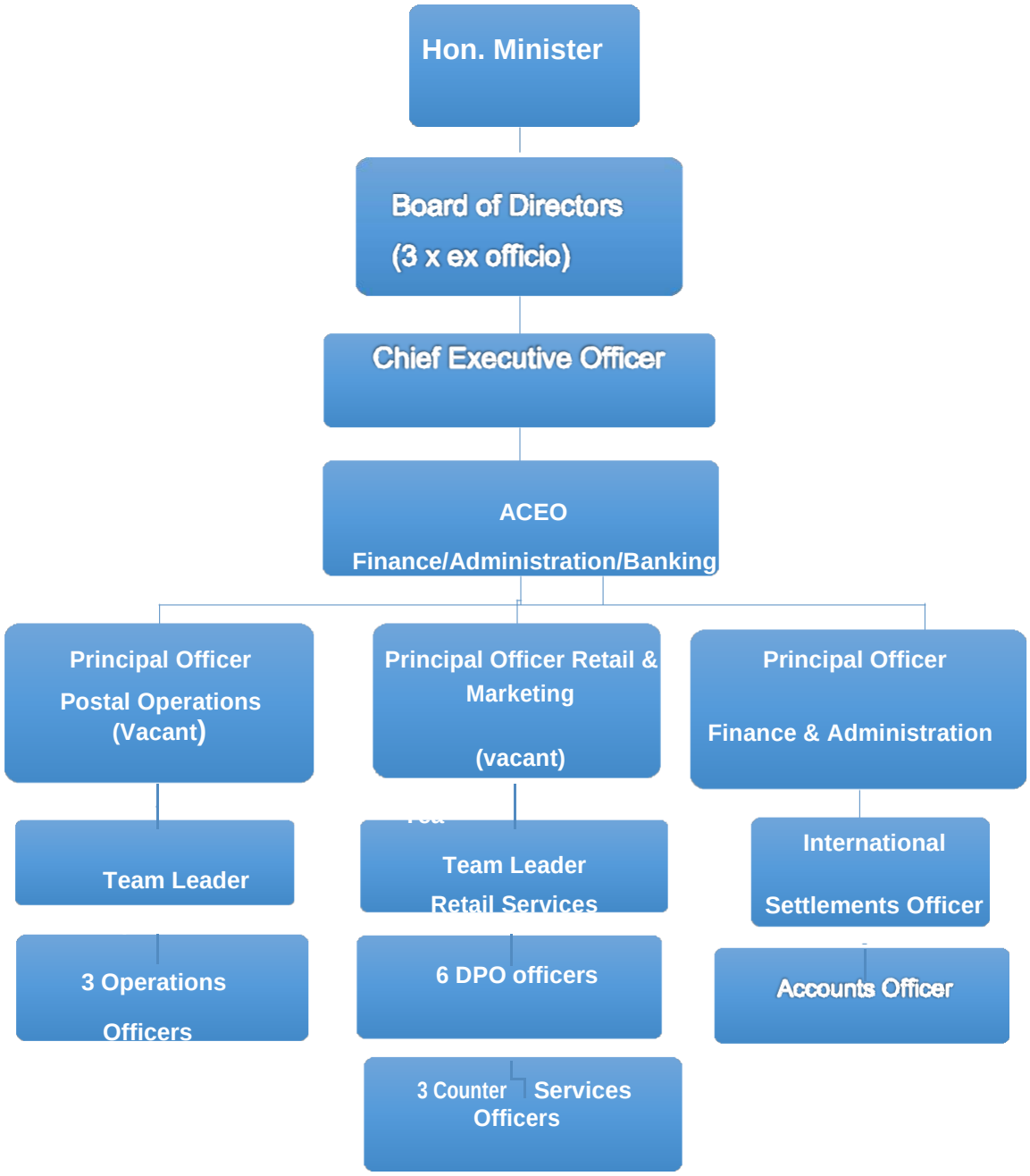
The Board of Directors respectfully requests Cabinet to approve Samoa Post's Annual Report for the financial year ended on 30 June 2025.

Male Fa'aaloalo tele lava e tatau ai,



Tavu'i Tautaiolevasamanaia Mike Lemisio
CHIEF EXECUTIVE OFFICER

SAMOA POST ORGANISATION STRUCTURE FOR FINANCIAL YEAR 2024/2025



Note : There were 19 employees in the Financial Year 2024/2025

And 1 x caretaker at Asau DPO

SAMOA POST'S AUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2024/2025

SAMOA POST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

SAMOA POST LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

CONTENTS:	**Page(s)**
Report and Certification by Directors	2
Auditor's Report	3 - 4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6 - 7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to and forming part of the Financial Statements	10 – 25

SAMOA POST LIMITED
REPORT AND CERTIFICATION BY DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2025

The directors present their report together with the financial statements of the company for the year ended 30 June 2025 and the auditors' report thereon.

Directors
The following were directors of Samoa Post Limited during the year and up to the date of this report:

- Fatusa'agafaivaosina Shorley Mariner (Chairperson appointed 19 January 2024)
- Afoa Stefan Szegedi (appointed 28 April 2023)
- Tuala Foumalo Pativaine Leiataua Ngau Chun (appointed 19 July 2023)
- Tavu'i Tautaiolevasamanaia Mike Lemisio (ex officio director commenced 29 July 2024)

State of Affairs
There were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

Principal Activities
The principal activities of the company during the financial year were provision of postal and courier services both locally and internationally.

There were no significant changes in the nature of the activities of the company during the financial year.

Results
Operations during the financial period resulted in a profit after income tax of $89,888 (2024: $43,247).

Retained earnings carried forward to the next year amounts to $4,872,723 (2024: $4,622,542)

Dividend
The company declared total dividend for the year of $31,461 (2024: $15,136) which remained payable at year end.

Events subsequent to balance date
In the opinion of the directors, there are no matters or circumstances that have arisen since the end of the financial period that have significantly affected the operations, results or state of affairs of the company in future financial years.

The financial statements were authorized for issue on ..... 2025 on behalf of the directors of Samoa Post Limited.

Fatusa'agafaivaosina Shorley Mariner
CHAIRPERSON

Apia, Samoa

30/10/ 2025

Afoa Stefan Szegedi
DIRECTOR

Apia, Samoa

30 - 10 2025

Telephone: 27751
Fax: 24167
Email: info@audit.gov.ws
Website: www.audit.gov.ws

Please address all correspondences to the Controller and Auditor General

P.O Box 13
APIA, SAMOA

AUDIT OFFICE

REPORT OF THE AUDIT OFFICE

TO THE GOVERNING BODY IN CHARGE OF GOVERNANCE – SAMOA POST LIMITED

Audit Opinion

We have audited the accompanying Financial Statements of the Samoa Post Limited, which comprises the Statement of Financial Position, the Statement of Profit or Loss and Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year ended 30 June 2025, and notes to the financial statements, including a summary of significant accounting policies. The Accounting Firm of XSAO Consult Ltd assisted in the audit. The Delegate on the audit resulting in this Independent Auditor's Report is Grace Mulitalo-Mitchell.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Samoa Post Limited as at 30 June 2025, its statements of profit or loss and comprehensive income, and its cash flows for the year ended 20 June 2025 in accordance with International Financial Reporting Standards (IFRS).

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 Samoa Post Limited 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.

Emphasis of Matter

Without modifying our opinion, we draw attention to the fact that the Samoa Post Limited, upon the completion date of the projects valued SAT$380,904, recognised fully as income the grant within the financial year ending 30 June 2025. Under IAS 20, the grant is recognized as income over the assets' useful life to match its related expenses, being depreciation for the assets. The project value is recognized as a deferred income and amortised to income on a systematic basis over the useful life of the assets when the related expenditures are incurred. The reported income is overstated as a consequence, and liability for deferred income is understated.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming an opinion thereon, and we do not provide a separate opinion on these matters and for the purpose of this report.

In addition, we conducted a cold quality assurance review of the SPL financial statements to assess their compliance with the presentation requirements of relevant Samoan legislation, as well as the International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISAs). The review identified areas needing improvement to enhance compliance. Management has been made aware to undertake the review and implement changes to be reflected in the upcoming financial statement for the year ending 30 June 2026.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, Public Finance Management Act 2001, Public Bodies (Performance and Accountability) Act 2001, and Samoa Companies Act 2001 and amendments and for such internal control as 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, management is responsible for assessing the Office'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 management either intends to liquidate the Office or to cease operations, or has no realistic alternative but to do so.

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

Telephone: 27751
Fax: 24167
Email: info@audit.gov.ws
Website: www.audit.gov.ws

Please address all correspondences to the Controller and Auditor General

P.O Box 13
APIA, SAMOA

AUDIT OFFICE

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 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 Office's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors and management.
- Conclude on the appropriateness of the 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 Office'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 Office to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

i. Public Bodies (Performances and Accountability) Act 2001, and the
ii. Public Finance Management Act 2001 (and amendments).

We also confirm that:

- We have been given all information, explanations, and assistance necessary for the conduct of the audit; and
- The Office has kept financial records sufficient to enable the financial statements to be prepared and audited.

Apia, Samoa
30 October 2025

Fa'amatuainu Dennis Margraff
ASSISTANT CONTROLLER AND AUDITOR GENERAL

SAMOA POST LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		$	$
Income			
Postal service revenue	17a	890,981	976,117
Postal retail revenue	17b	63,539	60,324
Agency commission	17c	60,087	90,856
Other revenue	17d	310,908	267,484
Grant Income	2r(b)	363,467	71,594
		1,688,982	**1,466,375**
Expenses			
Cost of sales		6,196	8,262
Audit fees		25,713	25,055
Doubtful debts	18	-	26,831
Personnel	14	613,347	534,911
Board expenses	15	65,710	61,161
Depreciation	11 & 12	215,251	172,797
International postal cost		164,754	156,751
Other operating expenditure	16	474,877	494,731
		1,565,848	**1,480,499**
Profit/(loss) before tax		123,134	(14,124)
Income tax (expense)/credit	10a	(33,246)	57,371
Total Profit for the period after tax		**89,888**	**43,247**
Other comprehensive income	5c		
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain on investment at UTOs		191,754	122,587
Total other comprehensive income		191,754	122,587
Total comprehensive income		**191,754**	**122,587**

The relevant accompanying notes form an integral part of the above statement of Profit and Loss and other Comprehensive Income

SAMOA POST LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 $	2024 $
CURRENT ASSETS			
Cash on hand and at bank	5a	516,466	672,661
Investment	5c	3,993,503	4,296,749
Trade & other receivables	6	660,694	553,012
Inventories	7	82,405	71,025
Work in Progress		26,710	-
Income tax receivable	10b	367,053	402,522
Total current assets		5,646,831	5,995,969
NON CURRENT ASSETS			
Property, plant and equipment	11	688,622	348,712
Right-of-use-assets	12a	181,287	226,609
Deferred tax asset	10c	33,386	33,386
Total non-current assets		903,295	608,707
TOTAL ASSETS		**6,550,126**	**6,604,676**
CURRENT LIABILITIES			
Trade & other payables	8	678,637	983,484
Employee entitlements		11,394	10,872
Dividend payable	9(ii)	18,080	15,136
Leased liabilities	12b	45,915	45,974
Deferred income	13b	70,892	71,593
Total current liabilities		824,918	1,127,059
NON CURRENT LIABILITIES			
Deferred income	13b	30,621	57,355
Leased liabilities	12b	321,865	297,720
Total non-current liabilities		352,486	355,075
TOTAL LIABILITIES		**1,177,404**	**1,482,134**
NET ASSETS		**5,372,723**	**5,122,542**

SAMOA POST LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025
continued

SHAREHOLDER'S EQUITY			
Paid up capital	4	500,000	500,000
Retained earnings		4,872,723	4,622,542
TOTAL SHAREHOLDER'S EQUITY		**5,372,723**	**5,122,542**

The relevant accompanying notes form an integral part of the above Statement of Financial Position

On behalf of the Board :

Fatusa'agaofaivaosina Shorley Mariner
Chairperson

Afoa Stefan Szegedi
Director

SAMOA POST LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Capital	Retained Earnings	Total
		$	$	$
2024				
Opening balance		500,000	4,471,844	4,971,844
Profit for the year			43,247	43,247
Other comprehensive income			122,587	122,587
Less: Dividend declared	9 (i)		(15,136)	(15,136)
Balance as at 30 June 2024		**500,000**	**4,622,542**	**5,122,542**
2025				
Opening balance		500,000	4,622,542	5,122,542
Profit for the year			89,888	89,888
Other comprehensive income			191,754	191,754
Less: Dividend declared	9 (i)		(31,461)	(31,461)
Balance as at 30 June 2025		**500,000**	**4,872,723**	**5,372,723**

The relevant accompanying notes form an integral part of the above Statement of Changes in Equity.

SAMOA POST LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		$	$
Cash flows from operating activities			
Receipts from customers		5,113,717	7,011,287
Payments to suppliers and employees		(5,708,803)	(7,443,208)
Income tax paid		-	(24,230)
Net cash flows from operating activities		**(595,086)**	**(456,151)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(514,150)	
Cash received from UTOS for FY23/24 dividend		176,096	
Cash received from UTOS for 300K units withdrawn		570,000	
Cash from matured term deposit		-	522,708
Cash received from UPU for Projects		235,904	61,752
Net cash flows used in investing activities		**467,850**	**584,460**
Cash flows from financing activities			
Dividend paid to Government of Samoa	9(ii)	(28,959)	(18,651)
Net cash flows used in financing activities		**(28,959)**	**(18,651)**
Net cash flows		**(156,195)**	**109,658**
Cash at beginning of the year		672,661	563,003
Cash at the end of the year		**516,466**	**672,661**
Represented by:			
Cash and bank balances	5a	**516,466**	**672,661**

The relevant accompanying notes form an integral part of the above Statement of Cash Flows

1. GENERAL INFORMATION

Samoa Post is a public body incorporated in Samoa under the *Companies Act 2001* and the *Postal Services Act 2010*. The entity's primary operations are the provision of postal services which includes the sending, receiving, sorting and delivery of mails. Samoa Post's main office is located at Matafele, with five agencies located in Savaii plus fifteen Sub Post Offices around the islands.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

b) Basis of Preparation

The financial statements are prepared on the basis of historical costs.

The financial statements are also prepared on the going concern basis, on the presumption that Samoa Post will continue its operation in the foreseeable future.

c) Leases

The company determines if a contract contains a lease at inception of contract. As a lessee, the company recognizes a right-of-use asset and subsequent leased liabilities as per IFRS 16. For low value leases and short term leases, the payments are recognized in the statement of profit or loss and other comprehensive income.

d) Comparative Figures

Where necessary, figures have been adjusted to conform to changes in the presentation in the current financial year.

e) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Organization operates (the ''functional currency'') which is the Samoan Tala (WST). The Organization operates in Samoa and therefore the financial statements are presented in Samoan Tala which is the organization's functional and presentation currency. Amounts presented are rounded to the nearest tala, unless otherwise indicated.

f) Foreign Currency

Foreign currency transactions are transferred into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transactions at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss. Monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transactions.

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

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

g) Cash and cash equivalents

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

h) Revenue recognition

Revenue from postal services is recognized in the statement of profit or loss and other comprehensive income when the service is performed. Revenue from the sale of goods is recognized in the statement of profit or loss and other comprehensive income when significant risks and rewards of ownership have been transferred to the customer. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer. Recognition is at the point of sale in the case of postage items and provision of agency services, point of lodgment in the case of bulk mail and when control of goods has passed to the buyer in the case of retail products.

Allowance is made for the assessed amount of revenue from postage sales as at balance date in respect of which service had not yet been provided. No revenue is recognized if there are significant uncertainties regarding collection of the revenue due or on the possibility of goods being returned.

i) 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 amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, impairment loss is recognized immediately in the statement of profit or loss and other comprehensive income.
An assessment was made on the Trade receivables and company assessed that Trade receivables past due greater than 90 days are not impaired.

j) Inventories

Inventories are valued at the lower of costs and net realizable value, with additional allowances for obsolescence where necessary. Costs have been assigned to inventory quantities on hand at balance sheet date using the weighted average basis. Inventory comprise of finished goods purchased for retail including direct variable costs incurred in bringing the inventory to its present location and condition. Consumables are not included in stocks. The stocks of stamps are for definitive and commemorative issues are excluded on the basis that they are destroyed every five years with only a nominal quantity retained for archive purposes.

k) Property, plant &equipment

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

Computers and Software	25%
Office Equipment	25%
Furniture and Fittings	20%
Motor Vehicles	25%
Leasehold Improvements	5%

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

l) Trade and other payables

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

m) Provisions

A provision is recognized in the balance sheet when the company has a present legal and 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 and can be reliably measured.

n) Income Tax

Income tax has been brought to account using the liability method of tax effect accounting. Income tax on profit comprises of current and deferred tax and is recognized in the statement of profit or loss and other comprehensive income.

Current tax is the expected tax payable on the income for the 12 months, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax provides for temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

o) 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).

p) Dividends

Dividends are recognized as a liability in the period in which they are due and payable pursuant to the Public Bodies (Performance & Accountability) Regulations 2002. Dividend is calculated at 35% of the company's Net Profit After Tax

q) Employee benefits

i) Salaries and wages, annual leave and long service leave

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

ii) Superannuation contributions

The organization contributes towards the National Provident Fund, a defined contribution plan in accordance with local legislation and to which it has no commitment beyond the payment of contribution. Obligations for contributions to the defined contribution plan are recognized immediately in the statement of profit or loss and other comprehensive income.

r) Government grants

(a) Government grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

r) (a) Government grants (cont'd)

expense item, it is recognized as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. They are not credited directly to shareholder's equity. When the grant relates to an asset, the fair value is credited to a deferred income account and amortized to statement of profit or loss and other comprehensive income in the same amount as the related depreciation expense on the asset. That is, amortized over the expected useful life of the relevant asset by equal annual installments.

(b) During the year, Samoa Post Ltd received grant from UPU for operational support. The project was completed within 11 months and all conditions were met, the grant was recognized as income upon satisfaction of conditions and presented as "Grant Income" in the statement of Profit or Loss. It was a one-off contribution for asset acquisition not subject to ongoing conditional performance or obligations hence the full recognition of income within the project timeframe.

3. INFORMATION ABOUT KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

3.1 Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumption that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Provisions - doubtful debts and employee benefits

Provisions are measured at the value management best estimates an expenditure to be incurred at, to settle a present obligation at balance date. Market situations are often used to estimate provisions. Changes in market situations will create a difference between provisions with the recorded figures. Whilst the fact remains that uncertain issues such as bad debts exist, management as a benchmark makes adequate provisions based on past record and the foreseeable future. The provisions are aligned once the final outcome is known at balance date.

(b) Depreciation

On acquiring an asset, management determines the most reasonable length of time it expects the company to maintain that asset with reference to characteristics of similar assets or classes of assets held by the company presently or in the past. Where there is no reference available to assets or classes of assets held at present or in the past, reference is made to industry benchmarks. Each year management assesses the carrying value of assets to determine whether they are impaired. Appropriate revisions to policies are made, if necessary, or any significant impairment losses are accounted for in the financial statements as corrective measures. Appropriate disclosures would normally follow.

3.2 Critical judgments in applying the entity's accounting policy

In applying its accounting policies, the company is not aware of any significant risk of material adjustment to the carrying amount of assets and liabilities that may change within the next financial year.

4. PAID UP CAPITAL

	2025	2024
	$	$
Authorized Capital	500,000	500,000
Paid up capital - Government of Samoa	**$500,000**	**$500,000**

Paid up capital represented 500,000 ordinary shares at $1 per share. The shares were fully paid up.

5. CASH AND CASH EQUIVALENTS

	2025	2024
	$	$
a) Cash and bank balances		
Petty cash	2,000	2,000
Cash floats	67,672	67,672
Cash at banks	446,794	602,989
Total cash and bank balances for the purpose of cash flow statement	**516,466**	**672,661**

b) There were no short term in this Financial Year

c) UTOS Investment		
Investment (UTOS units)	4,296,749	4,174162
Withdrawn in the year for company obligations	(495,000)	
Fair value movement on investment	191,753	122,587
Total UTOS Investment	**3,993,502**	**4,296,749**

The total number of units at end of June with UTOS was 2,047,950 (2024: 2,347,950). The amount disclosed represents the fair value of investment at withdrawal price per unit of $1.95 at end of balance date. The total units withdrawn in the period 300K @ 1.90 but these units were purchased @ 1.65 where the 75K is recognized as Gain from Investment Income.

6. TRADE & OTHER RECEIVABLES

	2025	2024
	$	$
Trade receivables	323,131	375,163
Less allowance for doubtful debts	(84,435)	(84,435)
Net Trade Receivables	**238,696**	**290,728**
Movement in impairment provision		
Opening balance	(82,935)	(56,104)
Decrease/(increase) in provision	-	(26,831)
Closing balance	**(82,935)**	**(82,935)**
i) Analysis of ageing of Trade Receivables is as follows:		
Current (not overdue)	272,030	251,795
Past due but not impaired	51,101	114,220
Past due and impaired		9,148
Total Gross	**323,131**	**375,163**
Provision for impairment	(84,435)	(84,435)
Total Net	**238,696**	**290,728**
Other receivables include:		
Dividend receivable (UTOS)	163,836	176,096
Prepayments	36,228	35,257
GST receivable	55,927	39,476
Other receivable	174,285	19,733
Less allowance for other receivables	(8,278)	(8,278)
	421,998	**262,284**
Total Trade and other receivables	**660,694**	**553,012**

7. INVENTORIES

	2025	2024
	$	$
Stamps	59,022	50,159
Postcards	3,726	1,510
Stationeries	4,765	5,239
E-charge	1,664	923
Philatelic	942	921
Sundries	12,286	12,273
Total	**82,405**	**71,025**

8. TRADE & OTHER PAYABLES

		2025	2024
		$	$
Trade payables	8(i)	11,947	3,397
Rechargeable payables	8(ii)	404,625	684,035
Other payables	8(iii)	262,066	296,052
Total Trade Payables		678,638	983,484
Total		**678,638**	**983,484**

i) Ageing of Trade Payables is as follows:

Up to 3 months – current Trade payables – local suppliers	10,092	1,382
3 to 6 months	-	-
6 to 12 months – local suppliers issued awaiting invoices	1,855	2,015
1 to 2 years	-	-
	11,947	3,397

9. DIVIDEND PAYABLE

	2025	2024
	$	$
(i) Current year dividend		
Net profit after tax (NPAT)	89,888	43,247
Current financial year dividend at 35% of NPAT	**31,461**	**15,136**
(ii) Dividend payable		
Balance as at beginning of financial year	15,136	18,651
Less: dividend payment made in current financial year	(28,960)	(18,651)
Add: current financial year dividend calculation	31,904	15,136
Dividend payable to Government of Samoa	**18,080**	**15,136**

10. INCOME TAX

	2025	2024
	$	$
(a) Income Tax Expense		
Profit before tax	123,134	(14,124)
Prima facie 27% tax	33,246	(3,813)
Tax effect of		
Permanent difference	(44,276)	47,546
Income tax expense/(credit)	**(10,709)**	**(57,371)**
Temporary difference		
Current tax (credit)/expense	(10,709)	(57,371)
(b) Current tax (receivable)/liability		
Balance at start of year	(402,521)	(324,220)
Income tax expense	33,246	(57,371)
Temporary differences		3,300
Income tax paid		(24,230)
Withholding tax earned and paid	-	-
Current tax (receivable)/liability	**(369,275)**	**(402,521)**
(c) Deferred Tax Asset/(Liability)		
Balance at 1 July 2024	33,385	30,085
Deferred tax liability comprise the estimated future liability/benefit at		3,300
current income tax rate on the following items;		
- Provisions for doubtful debts, obsolete stocks and other provisions		
Balance as at 30 June 2025	**33,385**	**33,385**

The General Ledger reflects a closing balance of $367,053 resulting in a variance of $2222 may be attributable to adjustments or prior period journal entries or manual postings not captured in current tax computation. This will be considered in the next reporting cycle to ensure alignment in both balances

11. PROPERTY, PLANT AND EQUIPMENT

COST	Computer & Software	Office Equipment	Furnitures and Fittings	Motor Vehicles	Leasehold Improvements	Building	TOTAL
Balance at 30 June 2024	165,733	111,081	148,888	465,920	147,323	-	1,038,945
Additions	31,917	18,658	3,269	306,483	43,015	106,500	509,842
Disposal	-	-	-	-	-	-	-
Balance at June 30 2025	**197,650**	**129,739**	**152,157**	**772,403**	**190,338**	**106,500**	**1,548,787**
Accumulated Depreciation							
Balance at 30 June 2024	144,774	91,670	107,564	316,813	29,415		690,236
Depreciation	20,932	8,501	14,867	118,339	7,290		169,929
Disposal	-	-	-	-	-	-	-
Balance at 30 June 2025	**165,706**	**100,171**	**122,431**	**435,152**	**36,705**		**860,165**
Carrying amount							
Balance as at June 30.2024	20,959	19,411	41,324	149,108	117,909		348,711
Balance as at June 30.2025	31,944	29,568	29,726	337,251	153,633	106,500	688,622

12. LEASES

The company has one significant lease obligation; which is its office building at Matafele. The remaining terms of the lease is 7 years with the option of extension; however this is not exercised at this point in time.

(a) Right-of-use-assets

	Building
Cost	**$**
Balance as at 30 June 2024	453,218
Additions	-
Disposal	-
Balance as at 30 June 2025	**453,218**
Accumulated amortization	
Balance as at 30 June 2024	226,608
Amortization	45,322
Disposal	-
Balance as at 30 June 2025	**271,930**
Carrying amount	
Balance as at 30 June 2024	226,608
Balance as at 30 June 2025	**181,288**

12. LEASES (cont'd)

(b) Leased liabilities are analyzed as follows:

	2025	2024
	$	$
Current	45,915	45,974
Non-current	321,865	297,720
Total leased liabilities	**367,780**	**343,694**

The borrowing rate of 8.00% for the right of use asset remains the same for the rest of the years. The right-of-use asset is assessed every year in parallel to the borrowing rate at the end of every financial year until the asset has been realized.

13. DEFERRED LIABILITY

a. Schedule of Donated Assets

Cost	Computers & Software $	Furniture & Fittings $	Motor Vehicles $	Total $
Balance as at 30 June 2024	92,509	10,304	306,791	409,604
Additions		4,885	44,642	49,527
Disposal				
Balance as at 30 June 2025	**92,509**	**15,189**	**306,791**	**459,131**
Accumulated amortization				
Balance as at 30 June 2024	74,612	8,783	197,334	280,729
Amortization	11,947	1,578	63,364	76,889
Disposal				
Balance as at 30 June 2025	**86,559**	**10,361**	**260,698**	**357,618**
Unamortized amount				
Balance as at 30 June 2024	17,897	1,521	109,457	128,875
Balance as at 30 June 2025	**5,950**	**4,828**	**90,735**	**101,587**

b. Current & Non-current Classification

30 June 2024				
Current liability	11,341	514	59,739	71,594
Non-current liability	6,556	1,007	49,792	57,355
	17,897	**1,521**	**109,457**	**128,948**
30 June 2025				
Current liability	5,950	1,578	63,364	70,892
Non-current liability		3,250	27,371	30,621
	5,950	**4,828**	**90,735**	**101,513**

Deferred liability represents funded Assets by Universal Postal Union (UPU) projects

14. PERSONNEL COSTS

	2025	2024
Salary & wages, overtime, allowances and casual	528,939	474,947
NPF contribution	55,886	46,648
ACC levy	5,225	4,437
Staff training	7,498	845
Health & safety,	8,781	1,600
Employee benefits (annual leave,)	7,018	6,433
	613,347	**534,910**
Total		

15. BOARD EXPENSES

	2025	2024
	$	$
Board of Directors Salaries	55,568	54,972
Board Meetings Catering / other expenses	5,942	4,810
Board of Directors Subs/Fees to Institute Of Directors	4,200	1,380
Total	**65,710**	**61,162**

16. OTHER OPERATING EXPENDITURE

	2025	2024
	$	$
Travel and accommodation	39,464	101,408
Advertising & promotions	16,856	6,098
Bank Charges	2,575	1,717
Business license/membership/licenses fees	31,877	36,219
Utilities	99,113	91,099
IT expenses - UPU systems for International Mails	12,623	11,802
Commission Paid	352	-
Interest on lease liabilities	24,085	27,799
Leases	18,995	18,523
Insurance – Cover for all Samoa Post Vehicles and assets	14,850	2,128
Mail air freight expense	31,878	17,913
Other office expenses – cleaning, security,and other expenses	91,953	86,448
Ministerial Expenses	13,811	21,895
Printing and stationeries	22,871	24,857
Repairs and maintenance	590	2,669
Vehicle expenses	52,984	44,156
Total	**474,877**	**494,731**

Travel and accommodation is viewed as strategic operational investment as these travels are mandatory component of UPU workshops meetings and trainings for all Postal Operators. It is essential for Capacity Building and complies with International Postal Standard. If not participate we will not be able to get technical support and missed out on regulatory meetings and will have an impact on our reputation within the Universal Postal Union community.

17.a. POSTAL REVENUE

Revenue Streams	Geographic Region	Rationale	2025	2024
Mail Boxes	Domestic - local	Rent by local customers	127,245	127,129
International Mail Services	Global - International	Cross Border mail deliveries	714,519	837,215
Domestic Mail Services	Domestic – local	Mail sent/received within the country	9,651	11,773
Handling Fees (new revenue)	Domestic – local	Charges for service within the country	39,566	
TOTAL			**890,981**	**976,117**

17.b. POSTAL RETAIL REVENUE	2025	2024
Total	**63,539**	**60,324**

Postal retail revenue exclusively from local customers within the domestic region. Products sold include envelopes, tapes, postcards,echarge/digicel/locks/keys and other stationery items. Given the uniform geographical source of this revenue, management has determined that further disaggregation by region is not necessary.

17.c. AGENCY COMMISSION	2025	2024
Total	**60,088**	**90,856**

Agency commission revenue from services provided on behalf of Western Union, Electric Power Corporation (EPC), Samoa Water Authority, Vodafone Samoa., LTA . All commissions are generated through agents operating within Samoa. As such, management considers further disaggregation by geographic region unnecessary.

17.d. OTHER REVENUE	2025	2024
Interest income - Bank interest	797	7,870
UTOS dividend declared	163,836	176,096
Business Center	24,360	18,720
Foreign exchange gain	5,621	(970)
Gain on UTOs Investment (withdrawing of 300K UTOS units @ 1.90)	68,478	-
Retail income	47,442	44,900
Other income	-	20,868
Parking fee – Asau	374	
Total	**310,908**	**267,484**

UTOS dividend is declared annually based on the financial performance for the year ending **30th June**.

18. DOUBTFUL DEBTS

Trade receivables has been accessed for impairment in accordance with IFRS 9. Based on this assessment, no provision for doubtful debts has been recognized during the current reporting period, as all receivables will be fully collected and recoverable.
No change in doubtful debts, The Methodology used is the ECL model.

19. CAPITAL COMMITMENTS

The Directors are not aware of any capital commitments as at 30 June 2025. (2024: Nil)

20. CONTINGENT LIABILITIES

A contingent liability of $8,278 exists at 30 June 2024 and is included in the provision for doubtful debts. As of the reporting date It is in the Directors opinion that this will not have a material impact on the operations, cash flows of the company. There is a possibility of reimbursement as the case is still on-going. (2024: $8,278)

21. RELATED PARTY TRANSACTIONS

The following disclosures are made with respect to the related party transactions of the Company during the reporting period in accordance with International Accounting Standard 24 Related Party Disclosures:

(i) Directors Compensation

The Directors of the corporation during the financial period were:

- Fatusa'agaofaivaosina Shorley Mariner (Chairperson appointed 19 January 2024)
- Afoa Stefan Szegedi (appointed 28 April 2023)
- Tuala Foumalo Pativaine Leiataua Ngau Chun (appointed 19 July 2023)
- Tavu'i Tautaiolevasamanaia Mike Lemisio(ex – officio appointed July 29, 2024)

Transactions with the following related parties occurred during the year:

(i) Fees and salaries paid for directors and meeting expenses during the period – see also Note 15

30 JUNE 2025	30 JUNE 2024
65,711	**61,162**

21. RELATED PARTY TRANSACTIONS (cont'd)

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the organization during the financial period.

(ii) The remuneration of key management salaries for the period were as followed:

30 JUNE 2025	30 JUNE 2024
214,054	**184,847**

22. RISK MANAGEMENT DISCLOSURES

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

22.1 Credit Risk

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the company. The company's primary exposure to credit risk arises from its sale activities.

Expected credit loss assessment for trade receivables as at 30 June 2025

The company uses an allowance matrix to measure the ECLs of trade receivables. The company uses its historical credit loss experience for trade receivables to estimate the 12 months 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 2025.

JUNE 30,2025	Matrix Rate	Gross Carrying amount $	Loss Allowance $	NetCarrying Amount $
Current not overdue	.01 %	272,030	2,720	269,310
31-60 days overdue	.01%	51,101	511.01	50,590
61-180 days overdue	.02 %	-	-	-
181-365 days overdue	.02%		-	-
Over 365 days overdue	0.03%			
		323,131	**3,231**	**319,900**
Debts individually assessed		**92,713**	**89,482**	**3,231**
		230,418	**92,713**	**323,131**

Loss rates are based on actual credit loss experience over the past 12 months. These rates are multiplied by inflation to account for economic conditions over the expected lives of the receivables.

There were no significant changes in credit risk during the year and no additional provision of loss allowance as noted in Note 6. However, Trade Receivables Balances are from International Postal Operators under the Universal Postal Union framework. These receivables are governed by UPU policies and regulations which standardize settlement procedures and payment terms all across its Member Countries.

22. RISK MANAGEMENT DISCLOSURES (cont'd)

Cash

The company held cash and cash equivalents of $516,466 (2024: $672,661) at 30 June 2025. The cash and cash equivalents are held with banks. Impairment on cash has been measured on the 12 months expected loss basis. The company considers that its cash and cash equivalents have low credit risk based on the external high credit risk ratings of the counter parties. On initial application of IFRS 9, the amount recognized as impairment allowance for cash and cash equivalents at 1 July 2024 was $nil. The amount of the allowance did not change during the period.

In addition:

1. There is a link between Debtors and Creditors, and offsetting is also a tool of International Settlements under UPU Regulations, but only applied when accounts are finally settled with Debtors and Creditors;

2. Universal Postal Union Regulations on international settlements process takes 18 to 24 months applies to all Designated Postal Operators.

3. Creditors funds are invested by the company with UTOS, until settlements are accepted and finalized;
   Creditors International Settlement $404,625

22.2 Liquidity Risk

The risk arises in the general funding of the company's activities. It includes both the risk of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

22.3 Interest Rate Risk

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

22.4 Foreign Exchange Risk

Foreign exchange risk is the risk to earnings and value caused by a change in foreign exchange rates. Foreign exchange mismatches can arise from the day to day purchase and sale of foreign currency.

23. FINANCIAL INSTRUMENT POLICIES

The company uses only non-derivative financial instruments as part of its normal operations. These financial instruments include bank accounts, term deposits, accounts receivables and accounts payables. All financial instruments are recognized in the statement of financial position at their fair values.

24. SUBSEQUENT EVENTS AFTER REPORTI

The directors of the company are not aware of any other events or circumstances not otherwise dealt with in the financial statements that have significantly or may significantly affect the operations of the company.

25. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the board of directors and authorized for issue on the date the accounts were signed.