



Government of Samoa

**OFFICE OF THE MINISTER OF WORKS, TRANSPORT
AND INFRASTRUCTURE**

(MINISTRY OF WORKS, TRANSPORT AND INFRASTRUCTURE; ELECTRIC POWER CORPORATION;
SAMOA WATER AUTHORITY; SAMOA AIRPORT AUTHORITY; SAMOA PORTS AUTHORITY;
SAMOA SHIPPING CORPORATION; LAND TRANSPORT AUTHORITY; HOUSING COMMITTEE)

3 December 2018

The Honourable Speaker of the House
Afioga Le'aupepe Toleafoa Faafisi
Legislative Assembly

MULINUU

In accordance to Section 25 of the Land Transport Act 2007, I respectfully submit to you on behalf of the Board of Directors for transmission to the Legislative Assembly of Samoa, the Annual Report for the Financial Year Ended 30th June 2018.

Ma le fa'aaloalo,

A handwritten signature in black ink, appearing to read 'Papali'itele Unasa Niko Lee Hang'.

Papali'itele Unasa Niko Lee Hang

MINISTER OF WORKS, TRANSPORT AND INFRASTRUCTURE

Land Transport Authority Executive at the end of FY07/08

Board of Directors:

Moananu Ioane Filemu	CHAIRPMAN
Amituanai Winston Tufuga	Director
Lilo Peter Punivalu	Director
Muliagatele Makerita Matafeo	Director/CEO ACC
Fuivavilili Egon Keil	Director/CEO MOP
Su'a Afamasaga Pou Onesemo	Director/CEO MWTI
Galumalemana Ta'atialeoititi T. Schwalger	Director/CEO LTA

Management:

Galumalemana Ta'atialeoititi T. Schwalger
Chief Executive Officer

Tau'ililili S. T. V. Leo Bartley
Manager Road Use Management
Division

Muagutufia Mark Tominiko
Manager Traffic Division

Angela Aiolupotea-Enosa
Manager Finance Division

Tevaga Viane Tagiilima
Manager Corporate Services Division

Seve Esekia Solofa
Acting Manager Legal Division

Namulau'ulu Lameko Viali
Manager Road Operation Division

Tausala'atoa Kolose
Manager Information Technology Division

To'aigaoaloalii Matthew S. Wendt
Manager Procurement and Programming
Division

Maverick Wetzell
Manager Project Management Division

Tofa Tolutasi Faiga
Acting Manager Savaii Operations Division

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1. CHAIRMAN'S REPORT

On behalf of the Land Transport Authority's Board of Directors, I present herewith the Annual Report of the Authority for the financial year ending 30th June 2018.

1.1. FINANCIAL YEAR ENDED JUNE 2018.

The financial year ending 30th June 2018 was yet another challenging year for the Authority financially. As reflected in the Authority's Audited Accounts, there is a significant increase in its working capital deficit by 119% if compared to the previous financial year, due to these contributing factors:

1.1.1 Cyclone Gita.

A total of \$1.24 million tala was expended unexpectedly by the Authority on recovery and re-construction works as a result of heavy flooding caused by overflowing rivers and drainages, landslides and fallen trees, caused by Cyclone Gita, in February 2018. This significant amount has been classified as road costs, rather than an anticipated receivable from the Government, due to no clear guidance at this stage from the Ministry of Finance (MoF) on these Cyclone Gita's recovery funds.

1.1.2 VAGST Receivable.

Despite on-going negotiations between the Authority and the Ministry of Revenue (MfR), there is no real progress on this outstanding matter as far as the Authority is concerned. For the financial year being reported, \$2.5 million tala from previous years' VAGST Receivables has been re-classified as operating expenditure, under doubtful debts item. This has reduced the net excess of the Authority's financial position significantly.

1.1.3 General Operations.

There is a notable increase in operational expenditures of the Authority, particularly its personnel and other administrative expenditures. These two items are closely correlated, hence the corresponding effect of administrative expenditures to the increase in number of staff members from 119 to 127 at the end of the FY2017/2018. Payouts for staffs who had retired and resigned,

including the maiden Chief Executive Officer of the Authority, contributed to the increase as well.

1.2. ON-GOING OBLIGATIONS.

1.2.1 Financial.

Cyclone Gita has strengthen the Authority's position of having a financial reserves to assist with immediate emergency responses after natural disasters. Contractors need to be paid for responding to these emergency operations immediately, at the completion of their services.

The Authority will continue to pursue the VAGST receivables issue with MfR.

1.2.2 Governance.

The two (2) outstanding WTO accession commitments that were assigned to the Authority are still work-in-progress.

1. Establishing a nationwide vehicle safety inspection system for vehicles over twelve (12) years old.
2. Repealing current import ban on vehicles older than twelve (12) years' and replace it with a non-automatic import license.

The relevant divisions of the Authority will ensure the fulfillment of these outstanding commitments within the next financial year.

1.2.3 Projects.

The Project to upgrade the existing RTAS/TONS System (for Vehicle Registrations/Ownerships and Traffic Offense) commenced in April 2018, and it's expected to be completed in December 2018.

Eight (8) parking meters have been procured, with installation and commissioning scheduled within the first quarter of the new financial year. Hopefully with this new initiative, parking spaces will be available to the general public during operational hours and assist with the traffic flow around the designated areas.

1.3. FUTURE PROJECTS.

1.3.1 Future Projects.

Roads been prioritized under the Transport Sector Priorities as identified in last year's financial report, still remain relevant.

Preliminary works have commenced with upgrading of the west coast road (Malua to Faleolo), as well as upgrading works for the Cross Island Road. Other priorities will follow suit.

1.4. CONCLUSION.

The Authority will remain committed to its vision of sustaining the provision of a safe national road network for Samoa, with the intention of eventually contributing to "accelerate sustainable development and broadening opportunities for all", as per our Government's SDS 2016/17 - 2018/20 theme.

On behalf of the Authority's Board of Directors, I wish to say Fa'afetai Tele Lava, to all our development partners and stakeholders, for their endless support and contributions to the enhancements of our national road network.

I would like to acknowledge the service, leadership and commitment of the former Chief Executive Officer, Leasi Vainalepa Galuvao, to the Authority since its inception in July 2009. Ua fa'amalo le tautua ia Samoa.

I also acknowledge the newly appointed Chief Executive Officer, Galumalemana Ta'atialeoititi Tutuvanu Schwalger, Management and Staff of the Authority for their dedication during the past financial year.

Ma le fa'afaloalo lava,



Moananu Ioane Filemu

CHAIRMAN BOARD OF DIRECTORS.

2. CHIEF EXECUTIVE OFFICER'S REPORT

It is my pleasure to present my first annual report for the Land Transport Authority, as required under the provision of the Public Bodies (Performance and Accountability) Act 2001.

2.1 HIGHLIGHTS OF THE YEAR.

2.1.1 Official re-opening of the Leonē Bridge

The FY2017/2018 kick-started with the official re-opening of the Leonē Bridge on Saturday, 1st July 2017. The successful completion of the Leonē Bridge project was made possible by funds through the close partnership between the Government of Samoa and its developing partners, namely the World Bank and the Government of Australia.

The construction of Leone Bridge which was carried out by China Railway First Group for the contract amount of \$10.9 million Tala. Opus International Consultants in association with Origin Engineering undertook the design and supervision services for the contract amount of 1.2 million Tala. Isikuki Punivalu and Associates was the project management unit.

The re-opening of the Leonē bridge has lessened the traffic congestions on the east side of the Apia Township.

2.1.2 Handover of Bailey Bridges

The official hand-over ceremony of five (5) modular panel bridges from the Government of Australia to the Government of Samoa was held on 16th January 2018. The Honorable Prime Minister, Tuilaepa Dr. Sailele Malielegaoi accepted the bailey bridges on behalf of the Government of Samoa. The contract to supply the modular bridges was awarded to Mabey Bridges Ltd from the United Kingdom at the contract price of \$2.6m tala. The bailey bridges will be installed at crossings that are a

priority for rehabilitation or reconstruction. Some will be on stand-by for use during emergencies when a crossing is damaged or washed away.

2.1.3 Emergency Works - Post Cyclone Gita Operation

Tropical cyclone Gita struck Samoa on the 10th and 11th February 2018. The Authority immediately deployed contractors in both Upolu and Savai'i to clear fallen trees, landslides and reinstate crossings, in order to restore access of all roads. The main goal was to clear and connect the main road network for emergency services to reach their destination.

In addition, the National Emergency Operation Centre (NEOC) as well as other utilities, requested for the Authority's assistance, for contractors to clear fallen trees or landslides which are blocking access to their key sites.

More than **\$1.2 million** tala was expended by the Authority on all these recovery works that have been completed and have been paid out to all contractors involved.

2.1.4 Ground Breaking of the Vaisigano Bridge

The ground-breaking ceremony to officially mark the commencement of construction works of the new Vaisigano bridge was held on Monday, 9th April 2018. JICA on behalf of the Government of Japan has granted an amount of \$44 million tala, for the design, construction and supervision of the bridge as well as the construction of a new roundabout at the Matautu three corners.

The Vaisigano bridge is a vital part of the road network here in Upolu, connecting Apia township to Samoa's only commercial port at Mataututai.

2.1.5 Road Openings

The FY2017/2018 was wrapped-up with official openings of ten (10) new reconstructed roads in both Upolu and Savai'i by the Government in June 2018. These were all financed locally by the Authority's annual budget. Listed herewith are villages where these roads are located: Malololelei, Satitua, Samatau, Lepea, Palauli (Vaito'omuli), Satupaitea (Satufia), Auala, Asaga, Saipipi and Salelologa (Sapulu).

2.2 OVERVIEW OF OPERATING PERFORMANCE AND RESULTS.

2.2.1 Road Operations/Savaii/Procurement and Programming

2.2.1.1 Capital Works.

The following capital works were procured by the Procurement & Programming Division within FY2017/2018 and supervised by designated technical divisions within the Authority. Some of the works covered under the capital works program included overseas donor funded projects such as the Adaptation Fund Project (AFP) administered by the United Nation Development Program where the Authority is an ongoing key implementing agency.

However, the majority of works in this program were funded under the Authority's annual Budget.

UPOLU CAPITAL WORKS 2017-2018				Funded By:
	Contract Name	Contractor	Contract Amount	
1	Construction of Access Roads At Malololelei	Ott Constructors Co. Ltd	\$ 2,430,019.46 (completed)	
	Construction of Access Roads At Malololelei - VARIATION	Ott Constructors Co. Ltd	\$ 558,714.44 (completed)	
2	Reconstruction of Bank Street, Vaoala	Bluebird Construction Co. Ltd	\$ 549,939.78 (completed)	
	Reconstruction of Bank Street, Vaoala- VARIATION	Bluebird Construction Co. Ltd	\$ 100,429.50 (completed)	

3	Construction of Samatau Access Road	Samoa Works & Engineering Ltd (SWEL)	\$ 394,867.22 (completed)	GoS Budget Support FY 2017/2018
	Construction of Samatau Access Road - VARIATION	Samoa Works & Engineering Ltd (SWEL)	\$ 145,290.94 (completed)	
4	Construction of Satitoo Primary School Road	Lucky Construction Co. Ltd	\$ 578,193.55 (completed)	
5	Construction of Lepea Access Rd	Lucky Construction Co. Ltd	\$ 374,125.33 (completed)	
	Construction of Lepea Access Rd - VARIATION	Lucky Construction Co. Ltd	\$ 14,849.38 (completed)	
6	Lalovaea (Apaula Heights) - Retaining Wall	Ulia Construction Co. Ltd	\$ 429,258.78 (on-going)	

UPOLU – The Five (5) completed capital works for Upolu were all financed by budget funds.

SAVAI'I CAPITAL WORKS 2017- 2018				
	SAVAI'I - Contract Name:	Contractor	Ceiling Ceiling	
1	Construction of Sapulu Road, Salelologa	Sakalafai Construction Ltd.	\$ 406,716.48	GoS Budget Support FY 2017/2018
2	Construction of Saipipi East Road	TM Transport Ltd.	\$ 406,128.25	
3	Construction of Satufia Access Road	TM Transport Ltd.	\$ 307, 331.75	
4	Re-Construction of Auala Access Road	Big Island Construction Ltd.	\$ 495,562.75	
5	Construction of Asaga Access Road	Apia Lua Construction Ltd.	\$ 433,275.53	
6	Construction of Taumalae Road, Vaito'omuli	Sakalafai Construction Ltd.	\$ 420,814.90	

SAVAI'I - There were six (6) Capital Works completed in the FY2017/18 as shown in the table above.

2.2.1.2 Minor Works.

These works included:

- works carried out by the Authority in response to requests from the community such as construction of small roads, driveway, speed hump

etc.

- emergency works thus requiring a shorter procurement process i.e. Request for Quotations compared to Open Tendering;
- rehabilitation works in Upolu that couldn't be carried out under Upolu Road Routine Maintenance contracts

Throughout the financial year, seventeen (17) road projects categorized as minor works were implemented and supervised by either PPD and/or ROD. Eleven (11) in Upolu and six (6) in Savai'i. These minor works included newly constructed roads (minor), reconstruction works, line marking, resealing, overlaying works, ford upgrading and others.

The followings are the minor works that were procured and supervised within FY2017/2018 in Upolu.

No.	Contract Name	Contractor	Contract Amount
1	LTA-MWQ01-09.17 Road Furniture (Signs) Routine Maintenance 2017-2018	Signs Studio Co. Ltd	\$ 196,568.35
2	LTA-MWQ02-10.17 Retrofitting of the Vaimoso 4-Corner Intersection	Signs Studio Co. Ltd	\$ 81,250.95
3	Drainage Upgrade at Vaea Rd, Lalovaea	Silva Transport Ltd	\$ 67,966.34
4	Reconstruction of Sections of West Coast Rd, Fasitoo Tai	Ulia Construction Co. Ltd	\$ 47,212.33
5	West Coast Road Puipaa to Faleula - Pkg 1	Lucky Construction Co. Ltd	\$ 92,339.25
6	West Coast Road Puipaa to Faleula - Pkg 2	Lucky Construction Co. Ltd	\$ 130,235.20
7	West Coast Road Puipaa to Faleula - Pkg 3	Lucky Construction Co. Ltd	\$ 42,510.90
8	Savalalo Bus Terminal Rebah Works	Lucky Construction Co. Ltd	\$ 161,164.66
9	LTA-MWQ14-05.18 Construction of ACC Apia Carpark (Beach Rd)	Lee Transport Co. Ltd	\$ 49,338.16
10	LTA-MWQ17-06.18 Aana WCR - Falelatai to Manono - Pkg 1	Ulia Construction Co. Ltd	\$ 158,081.99

11	LTA-MWQ18-06.18 Aana WCR - Falelatai to Manono - Pkg 2	Lee Transport Co. Ltd	\$ 169,927.45
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The followings are the minor works that were procured and supervised within FY2017/2018 in Savai'i.

No.	Contract Name	Contractor	Contract Amount
1	Soakage pit/footpath & lintel - BSP/Frankie Area	Sakalafai Contractor	\$ 126,322.90
2	Soakage pit/footpath & lintel - Petrol Station Area	Big Island Construction	\$ 150,685.22
3	Soakage pit/footpath & box culvert drain with iro lids - BSL/MATEO Building	ON & Sons Construction	\$ 189,137.74
4	Soakage pit/footpath & box culvert drain with iron lids - VARIATION	Apia Lua Ltd	\$ 168,099.93
5	Reseal Asphalt Main Rd at Wharf- Salelologa	Apia Lua Ltd	\$ 197,001.49
	Reseal Asphalt Main Rd at Wharf- Salelologa	Apia Lua Ltd	\$ 46,144.45
6	Reseal Asphalt Main Rd to Traffic Lights Salelologa	Apia Lua Ltd	\$ 195,000.00

2.2.1.3 Drainage Routine Maintenance (DRM).

The routine maintenance of drainages within the vicinity of the Apia CBD is divided into seven (7) zones. The supervision of these 7 drainage routine maintenance contracts is under the Procurement & Programming Division. All 7 Zones of the DRM program for FY2017/2018 were funded by the European Union through the Joint Water and Sanitation Sector, and were awarded to different contractors who routinely maintained the drainage network, carried out drainage rehabilitation works and responded to emergency works when necessary.

Zone	Zone Boundaries	Funded by	Contractor	Ceiling price
1	Routine Maintenance of Open & Closed Drainages from Malie – Vailoa	Water Sector	Aleisa Green Works	\$ 200,267.21
2	Routine Maintenance of Open & Closed Drainages from Tuanaimato – Lepea		MIB Construction Ltd	\$ 155,688.61

3	Routine Maintenance of Closed Drains along Vaitele Street from Vailoa–Lalovaea& the CBD from Matafele – Sogi	Budget Support FY2016/17	Archatz Construction Ltd	\$ 245,551.68
4	Routine Maintenance of Closed Drains along Vaitele Street from Lalovaea–Malifa& the CBD from Matafele – Matautu		Tama o le Mau	\$ 218,450.32
5	Routine Maintenance of Open & Closed Drainages from Se'ese'e - Palisi including open drains within the CBD		Silva Transport	\$ 162,016.77
6	Routine Maintenance of Open & Closed Drainages from Malifa–Toomatagi&Malifa - Afiamalu		A&J Lawn - mawing	\$ 149,358.55
7	Routine Maintenance of Open & Closed Drainages from Vaivase - Lauili		Lelata Enterprises Ltd	\$ 169,414.49

2.2.1.4 Road Routine Maintenance (RRM).

The Road Routine Maintenance Program has a duration of twenty-three (23) months, starting from August 2017 and ending in June 2019. There are thirteen (13) road routine maintenance zones in Upolu and ten (10) in Savaii. The contractors that were successfully registered with the LTA's Road Routine Maintenance registry were invited to tender for the Road Routine Maintenance contracts and funded by the LTA's (GoS) Budget for the FY2017/2018 and FY2018/2019.

ROUTINE MAINTENANCE FY 2017-2019 (UPOLU)				
Zone	Zone Boundaries	Contractor	Contract Ceiling	Remarks
1	N0031 (Vaimoso) - N0082 (Sinamoga) - N0348 (Afiamalu) - N1013 (Moataa)	Silva Transport	\$ 1,492,058.18	
2	N0031 (Vaimoso) - N5243 (Saina) - N0082 (Sinamoga) - N0027 (Saleufi) - N5016 (Tanumapua) - N5020 (Aleisa)	Achatz Construction Limited	\$ 1,213,429.12	

3	N0209(Vaitele) - N0438(Faleula) - N0395(Siusega) - N0431 (Tafaigata) - N0423(Vaitele)	KLSS Landscaping Services	\$ 1,114,795.60	Contract Period of 23 Months to be completed by 30th June 2019.
4	N0438(Faleula) - N0457 (Malua) - N0386(Faleasiuta) - N5020(Aleisa)	Ulia Construction	\$ 1,083,784.02	
5	N0457 (Malua) - N0464 (Leulumoega) N0386(Faleasiuta) - N0386(Tanumalala)	PPG Engineering & Conmstruction LTD	\$ 1,161,079.95	
6	N0464 (Leulumoega) - N0382(Savaia) - N0569(Safa'atoa Intersection West Cross Is Road)	Aga's Got an Attitude	\$ 899,644.87	
7	N0385 (Tanumalala) - N0524(Matautu) - N0360 (ManinoaSiumu)	R&R Company Limited	\$ 1,162,829.70	
8	N0348 (Tiavi) - N0360 (ManinoaSiumu) - N0550 (Salani)	Bluebird Construction	\$ 1,180,007.37	
9	N0550 (Salani) - N0544 (Sopoaga) - N0541 (Lalomanu)	Lee Transport Limited	\$ 981,099.34	
10	N0544 (Sopoaga) - N0537 (Lemafa Pass) - N0541 (Lalomanu)	Lucky Construction Limited	\$ 1,301,691.61	
11	N0537 (Lemafa Pass) - L101 (Luatuanuu Bridge)	Webster Works & Infrastructure	\$ 1,371,625.57	
12	L101 (Luatuanuu Bridge) - N1013 (Moataa) - N0287 (Lelata)	Samoa Works & Engineering Ltd	\$ 1,276,501.57	
13	N0533 (Falefa - N0534 (SaleteleFagaloa) - N0538(Falevao) - N0585(UafatoFagaloa)	King Construction	\$ 972,685.68	

There are ten (10) Routine Maintenance (RM) Contracts at Savaii. These contracts are inclusive of Road, Lawn-mowing and Drainage Maintenance and are also on 23 months contracts started on August 2017.

ROUTINE MAINTENANCE FY 2017-2019 (SAVAI'I)				
Zone	Zone Boundaries	Contractor	Contract Ceiling	Remarks
1	N2002 (Tafua) - N2062(Lalomalava)	Apia Lua Ltd	\$ 850,400.74	Contract Period of 23 Months to be completed by 30th June 2019.
2	N2062(Lalomalava) - N2045 (Vaiaata to Patamea)	Handyman General Contractors	\$ 729,998.95	
3	N2055(Fusi) - N2045 (Samalaeulu)	Savaii Transport	\$ 801,977.58	
4	N2045 (Samalaeulu) - N2037 (Paia)	Fico Construction	\$ 804,201.86	
5	N2037(Paia) - L269 (Aopo)	ON&Sons Construction	\$ 868,529.13	
6	L265(Aopo) - N2022 (Papa Sataua)	Taua'e General Contractors	\$ 647,212.74	
7	N2022(Papa Sataua) - N5184(Fagafau)	Tama o le Mau	\$788,103.78	
8	N5184(Fagafau) – L322(Taga)	Salafai Construction	\$ 783,105.66	
9	L322(Taga) - N2011(Satufia)	Yu Hoi Construction	\$ 807,929.50	
10	N2011(Satufia) - N2002 (Tafua)	Big Island Construction	\$ 745,029.57	

2.2.1.5 Traffic Signals Maintenance (TSM)

The TSM continues to cover the routine maintenance and rehabilitation works for all traffic signals within Apia and Salelologa. A total of twenty one (21) traffic signal sites and ten (10) pedestrian crossing lights are under this maintenance scheme and is funded by the LTA's (GoS) Budget for FY2017/2018.

Zone	Contract Name	Contractor	Ceiling Price
1	Traffic Signals & Pedestrian Crossing in Apia & Salelologa	Vagana Electrical & Electronics Solution	\$ 850,016.75

2.2.1.6 Lawn Mowing Routine Maintenance (LMRM)

LMRM includes mowing of lawn from the edge of road seal until the existing hedges or fences on both sides of the road. This maintenance program is also funded under the LTA's (GOS)

Budget for FY2017/2018. The Lawn-mowing Routine Maintenance is implemented in Upolu only.

Zone	Zone Boundaries	Contractor	Contract Ceiling
1	N0031 (Vaimoso) - N1013 (Moataa), N0082 (Palisi) - N0074 (Tanugamanono)	Lelata Enterprises	82,535.89
2	N0274 (Tanugamanono) - N0348 (Afiamalu)	L & V Shop	74,113.08
3	N0031 (Vaimoso) - N0170 (Vailoa), N0126 (Seesee) - N0082 (Palisi)	Simalua Apisaloma	69,517.82
4	N0170 (Vailoa) - N0209 (Vaitele) - N0423 (Siusega) - N0128 (Seesee)	Samoa Works & Engineering Limited	66,865.92
5	N0393 (Tanumapua) - N0385 (Tanumapua) - N0427 (Aleisa)	PPG Engineering Construction Co. Ltd	57,803.07
6	N0209 (Vaitele tai) - N0443 (Faleula) - N0423 (Vaiteleuta)	Samoa Markers & Transport Ltd	71,642.64
7	N1560 (Vaitele) - N0955 (Vaitele) - N0433 (Nuu) - N0435 (Vaiteleuta)	R & R Construction Company Ltd	63,757.13
8	N0439 (Faleula) - N0048 (Tuanai), N0388 (Aleisa) - N0431 (Tafaigata)	KLSS Landscaping Services	61,664.15
9	N0448 (Tuanai) - N0458 (Faleasiu), N0904 (Aleisa)	Aleisa Green Works	60,081.81
10	N0458 (Faleasiu) - N0459 (Nofoaalii), N0385 (Tanumalala)	A & J Lawnmowing & Drainage Services	70,164.44
11	N0459 (Nofoaalii) - N0476 (Faleolo), N0385 (Tanumalala)	Five F Contractors	75,194.71
12	N0476 (Faleolo) - N0906 (PataFalelatai)	Taua'e General Contractors	74,316.08
13	N0906 (PataFalelatai) - N0385 (Tanumalala) - N0374 (Matautu)	TSP Tusi's Services Provider	75,701.83
14	N0569 (Safaato'a) - N0988 (Vaiee)	DK Lawns & Services	77,232.46
15	N0988 (Vaiee) - N0350 (Siumu) - N0348 (Afiamalu)	Taeaomanino Lawn Mowing	84,227.92
16	N0350 (Siumu) - N0554 (Sapunaoa)	Tama o le Mau	80,529.04
17	N0554 (Sapunaoa) - N0567 (Lepa) - N0544 (Sopoaga)	Saint Lawn Works	87,857.57
18	N0567 (Lepa) - N0540 (Lalomanu)	SCAP	80,130.85
19	N0540 (Lalomanu) - N0586 (Tiavea)	Road Runners Lawn Mowing	91,247.67

20	N0586 (Tiavea) - N0537 (Lemafa Pass) - N0543 (Sapoe)	Captain Mark	74,789.60
21	N0537 (Lemafa Pass) - N0535 (Lalomauga)	Kalefi's Lawn Mowing	82,337.47
22	N0535 (Lalomauga) - N0531 (Saoluafata) - N0534 (Fagaloa)	East Coast Contracting	65,466.12
23	N0531 (Saoluafata) - N1013 (Moataa)	Ralda's Contractors	77,190.21
24	N0514 (Letogo) - N0311 (Fagalii Tai) - N0298 (Vaivase)	Feagaimaleata Lei Sam	77,684.79

2.2.2 PROJECT MANAGEMENT DIVISION (PMD)

2.2.2.1 World Bank/Government of Australia Funded Projects.

During the FY2017/2018, PMD continued implementing two grant projects namely the Enhanced Road Access Project (ERAP) and the Enhanced Climate Resilience of West Coast Road Project (CRWCR). ERAP is funded by the World Bank and the Government of Australia through the Department of Foreign Affairs and Trade (DFAT) while the CRWCR is funded by the World Bank through the Pilot Program for Climate Resilience (PPCR).

Key achievements within FY2017/2018 was the successful completion of the design for the above project by Soosung Engineering Co Ltd and the awarding of Supervision Contract to Tinai Gordon & Associates, respectively. The World Bank gave their official 'No objection' to award the works contract.

The Authority is currently in the process of signing the works contract with Ah Liki Construction. Project works is set to commence in Mid-September 2018 and will continue for a 12-month period.

On the 28th March 2018, a contract was signed between LTA and Tan Tagiilima for consultancy services that included the designing and preparation of bidding documents for the rehabilitation of three crossings: Moamoā, Nu'usuatia, and Aia. This contract is ongoing and progressing into FY 2018/2019.

The upgrade of the existing lab facilities was completed with the delivery of the new test equipment.

The FY2017/2018 ended with a successful completion of the design for Package 1 by consultants Roughton International Ltd. Another key achievement was receiving the official Cabinet Conveyance to award construction contract to Ott Constructors. The Authority is currently in the process of signing the aforementioned contract and is set to commence works in October 2018.

The continuation of civil works for Lot 2 (Afega-Saina) has been divided into three (3) work contracts and will be re-tendered late August with the goal to commence construction in early 2019.

2.2.2.2 JICA Funded Projects.

The Grant Agreement between the Government of Japan and the Government of Samoa was signed in July 2017 as a legal binding document stipulating the responsibilities of both the donor (Japan) and the recipient (Samoa). The ground-breaking ceremony marking the commencement of the construction phase for the Vaisigano bridge project was held on 9th April 2018. The contractor, Konoike Construction Ltd and the consultant, Central Consultants Inc were selected under JICA's tendering process which was carried out in Japan. Representatives from both offices are currently on island for the implementation of the project works which commenced on 18th May 2018.

Monthly meetings are being held at the end of each month between LTA, Konoike and Central Consultants to keep all parties updated on the status of ongoing project activities. The project is progressing

well and is expected to be completed by August 2020 plus a 12-month Defects Liability Period.

2.2.2.3 Green Climate Fund Projects.

The GCF funded project was implemented July 2017. With regards to this project, the Land Transport Authority is responsible for, but not limited to, the implementation of:

Output 2.3 - Replacement of Lelata Bridge

Output 2.4 - Extension of floodwalls at Leone and Lelata Bridges

Output 3.0 - Drainage in downstream areas upgraded from
increase regulation of water flows.

During the FY2017/2018, the PMD and GCF Project Management Unit have undergone procurement of the Design and Supervision consultant for the Replacement of Lelata Bridge. Also, to boost the capacity of the Authority, a Project Officer has been stationed within LTA to take lead in the implementation of GCF outputs 2.3, 2.4 and 3.0.

In future works, a feasibility study for a bridge located in Loto Samasoni will commence in the next financial year (FY2018/2019).

2.2.3 ROAD USE MANAGEMENT DIVISION

The main core function of Road Use Management Division is to promote road safety by ensuring effective and efficient system for managing registration and licensing of road users in both drivers and vehicles, as well as ongoing road safety awareness campaign in variety of school and communities.

Below are the Vehicle and License data at the end FY2017/2018.

VEHICLE REGISTRATIONS

Type	New		Renew		Total
	Upolu	Savaii	Upolu	Savaii	
Private	2,013	79	16,863	2,438	21,393
Taxi	233	11	1,401	142	1,787
Buses	27	3	242	51	323
Others	54	0	65	39	158
					23, 661

DRIVERS' LICENSE

Type of Drivers' License	New		Renew		Total
	Upolu	Savaii	Upolu	Savaii	
Private (5 years)	2,894	712	3,433	351	7,390
Commercial (1 year)	362	66	2,080	267	2,775
Learner Permit (3 months)	31	-	-	-	31
Temporary D/License (1 Month +)	20,303	1,467			21,770
Total	23,590	2,245	5,513	618	31,966

NEW DRIVERS' LICENSE COURSE

Months	Courses	Participants
July 2017	20	286
August 2017	16	223
September 2017	14	246
October 2017	17	291
November 2017	13	255
December 2017	13	281
January 2018	16	388
February 2018	15	211
March 2018	15	188
April 2018	15	280
May 2018	15	278
June 2018	15	227
TOTAL	184	3,154

DEFENSIVE DRIVING COURSE

Months	Courses	Participants
July 2017	7	50
August 2017	9	52
September 2017	7	47
October 2017	6	30
November 2017	9	34
December 2017	4	29
January 2018	9	42
February 2018	7	36
March 2018	8	39
April 2018	6	21
May 2018	4	15
June 2018	10	97
TOTAL	86	492

ROAD SAFETY AWARENESS PROGRAMS

	DATE	SCHOOLS/ORGANISATION
1	01.08.2017	Fagalii Primary School
2	03.08.2017	Falefitu Primary School
3	08.08.2017	Vaivase Primary School
4	10.08.2017	Magiagi Primary School
5	15.08.2017	Tanugamanono Primary School
6	17.08.2017	Malifa Primary School
7	22.08.2017	Vaimea Primary School
8	23.08.2017	Forum Drivers
9	24.08.2017	Vaimoso Primary School
10	06.09.2017	Vaiusu Primary School
11	07.09.2017	Vaigaga Primary School
12	23.05.2018	Lotofaga-Safata Primary School
13	27.06.2018	Vailu'utai Primary School

There are on-going road safety awareness programs on radios and televisions

by the Authority on a fortnightly basis, in addition to these programs been carried out in schools and for other interested parties.

2.2.4 TRAFFIC SERVICES

2.2.4.1 Traffic Offence Notice (TONS)

Upolu

JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
318	257	300	286	342	201	338	298	241	267	274	289	3,411

Savai'i

JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
188	214	199	168	115	184	128	189	111	146	142	149	1,933

2.2.4.2 Sport Checks and Road Blocks (Upolu only)

Spot checks and road blocks are conducted within and outside the two mile radius of Town as a follow up measure to ensure compliance.

MONTH	NUMBER OF DAYS	NUMBER OF SPOT CHECKS
July	10	18
August	6	10
September	12	22
October	15	21
November	14	19
December	9	10
January	13	25
February	11	23
March	15	23
April	11	21
May	8	10
June	11	26
TOTAL	135	228

2.2.4.3 Posts & Patrols

Spot posts and patrols were conducted at these designated areas during FY2017/2018.

TOWN AREA (Foot Patrol)	Town clock, STA, Convent 1, Convent 2, Matautu, Vaea St., Fugalei ,Savalalo, Saleufi ,Malifa.
BEYOND TOWN AREA (Vehicles, Motor bikes)	Aleisa, Tanumalala, Utualii, Letogo, Faleasiu, Laulii, Fasitoo, Puipaa, Faleolo, Pesega, Vailoa, Malololelei, Matautu, Moataa, Malua, Vaisigano, Faleula, Siusega, Siumu, Falealili, Tuanaimato, Vaoola, Tanumalala.
MORNING DUTY (Pedestrian and Intersections)	Vaitele Rd (Malifa to Vaitele tai) Tuanai'mato, Lotopa, Moamoa, Seesee, Vaiteleuta.

2.2.4.4 Summary of offenses per TONs

Upolu

TYPE OF OFFENCE	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Tot
Unlicensed driver	99	62	102	95	130	67	124	123	48	76	74	102	1,102
Fail to carry driver license	14	12	10	11	26	9	10	16	13	15	14	16	166
Unlicensed vehicles	74	55	68	50	86	48	85	40	51	35	71	60	723
Overloading passengers	8	6	4	7	1	0	8	7	11	8	6	5	71
Mobile ph.	41	47	50	32	26	26	27	37	29	26	28	40	409
Speed limit	10	6	4	48	16	12	9	14	37	13	14	6	189
Registration plates	2	1	0	2	0	0	0	1	0	1	0	1	8
Traffic lights	13	13	14	12	11	9	21	20	12	14	19	15	173
Obstruction of road	6	6	4	3	8	6	7	5	5	4	10	1	65
Seat belt	9	7	2	8	6	3	12	3	7	4	12	8	81
Stopping & Parking	27	30	24	9	22	15	31	5	17	13	11	15	219
Installation of prohibited devices	7	3	2	6	9	1	8	24	1	4	2	5	72
Others	29	26	31	26	30	19	25	36	19	23	32	32	328
TOTAL	339	274	315	309	371	215	367	331	250	236	293	306	3,606

Savai'i

TYPE OF OFFENCE	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Tot
Unlicensed Vehicle(S7)	87	76	42	52	33	56	46	49	25	52	44	53	615
Unlicensed Driver(S27)	50	80	96	68	57	75	60	100	65	69	57	69	846
Dangerous Overcrowding of vehicle	0	1	0	0	0	0	0	0	0	0	0	0	1
Driver & Pedestrian Compliance (S50)	0	0	0	0	0	0	0	0	0	0	0	0	0
Emission of Smoke(R32)	1	0	0	1	1	0	0	0	1	1	0	2	7
Securing of Load(R45)	0	0	0	0	0	0	0	0	0	0	0	1	1
Obstruction of Road	0	1	0	0	1	0	0	0	0	0	0	0	2
Fixing of Plates	0	0	1	0	0	0	0	0	0	0	0	0	1
Dangerous & Inconsiderate Driving(R54)	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Passengers(R55)	3	16	3	13	2	15	1	10	2	5	9	5	84
Fail To Comply with Road Service License(R58)	7	0	1	0	3	2	0	6	0	0	0	0	19
Use of Mobile Phones(MP3)	5	9	7	12	1	9	1	5	6	6	6	7	74
Traffic Lights(C16)	19	13	16	7	10	9	12	4	6	2	11	0	109
Seat Belts(C20)	12	12	27	10	4	14	7	8	5	7	9	7	122
Carriage of Children (C21)	1	2	3	2	2	2	1	3	1	3	5	5	30
Motor Cycle Helmet(C22)	2	0	1	0	0	0	0	0	0	0	0	0	3
Fail to Comply with Road Traffic Orders(RTO)	1	4	2	3	1	2	0	4	0	1	1	0	19
TOTAL:	188	214	199	168	115	184	128	189	111	146	142	149	1933

2.2.4.5 Impound/Towed Vehicles

Vehicles driven by unlicensed drivers together with the ones found parking illegally or unsafe are impounded or towed to the LTA compound for safety. These vehicles are released to registered owners once remedial actions are fulfilled.

Number of Vehicle Impounded (Upolu Only).

JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
10	13	21	13	31	16	46	32	18	12	10	15	237

Number of Towed Vehicles.

JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2	3	5	1	1	1	5	3	3	2	3	2	31

2.2.5 LEGAL DIVISION

The Legal Division continues to provide advice and recommendations on any relevant changes to the relevant laws of the Authority to further strengthen the effectiveness and efficiency of the Authority.

In addition, Legal Division also continues to provide legal opinions on any matters instructed and required by the Board of Directors as well the Management of the Authority.

In line with relevant Agreements, all capital works, minor works and routine maintenance as well as donor funded Contracts entered into by the Land Transport Authority have been documented in the form of a contract between the Authority and the contractor engaged, and all contracts are filed with the Legal Division accordingly.

For FY2017/2018, the Legal Division noted the increase in numbers of cases filed to Court for prosecution as they remained unpaid. Currently, Legal Division in collaborations with other relevant Divisions is developing a system to ensure the collection of TON payments within a practical timeframe instead of resorting to prosecuting these TONs in Court which can be time consuming and costly.

Furthermore, Legal Division is also assisting RUM Division in developing a

nationwide system in order to fulfill the Authority's obligations under the World Trade Organization.

2.2.6 INFORMATION TECHNOLOGY DIVISION

The Information Technology Division continues to deliver ICT services for the Authority. In the Financial Year ended June 2018, LTA procured and started implementing one of its core projects - the upgrade of RTAS system which houses all information relating to vehicle registration as well as vehicle transfers.

Monitoring and support services is continuously provided on a daily basis to ensure all systems including Drivers' License System, Email, RTAS, Internet, Website, connections to Savaii Office and Traffic Division - Ministry of Police and others are up and running and working as expected. Helpdesk services is also provided for staff on any technical issues they have.

VEHICLE DATA (FY2017/18)

Type	New		Renew		Total
	Upolu	Savaii	Upolu	Savaii	
Private	2013	79	16863	2438	21393
Taxi	233	11	1401	142	1787
Buses	27	3	242	51	323
Others	54	0	65	39	158
					23661

2.2.7 CORPORATE SERVICES DIVISION

2.2.7.1 Human Resources

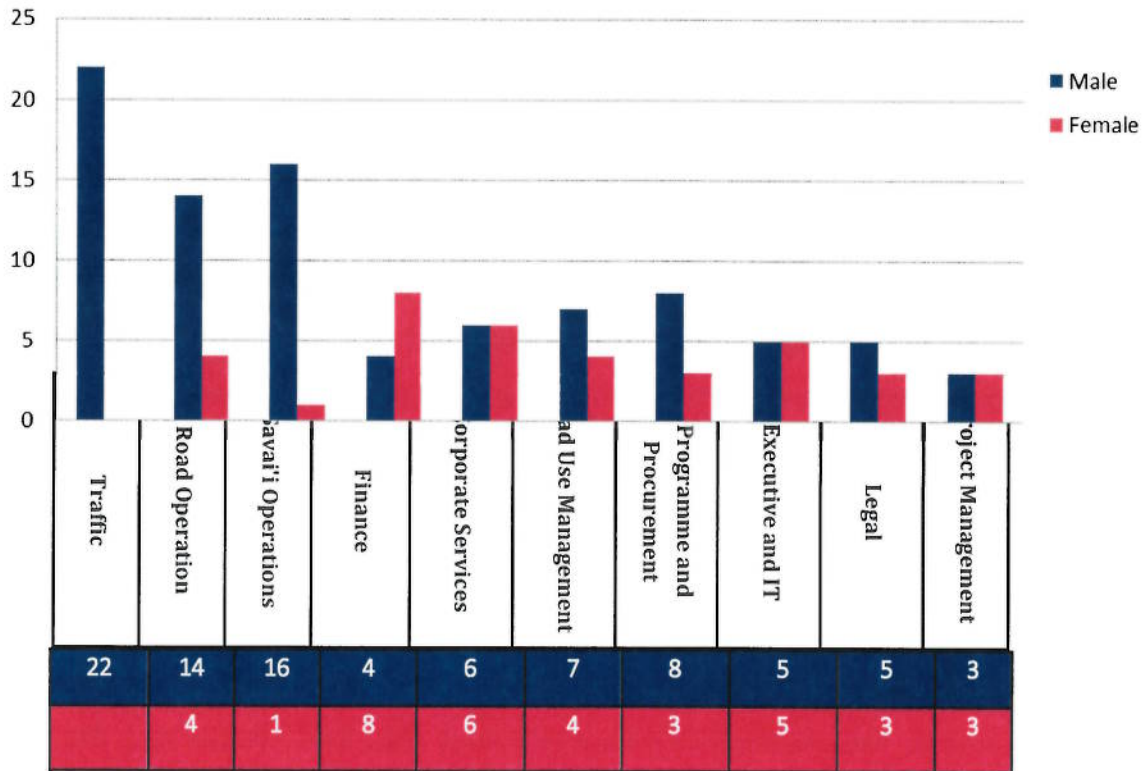
The Authority continues to provide opportunities for staff to further enhance their knowledge by attending short term overseas and local training programmes and workshops. Thirteen (13) staffs attended local trainings delivered through the Samoa In-country Training while two (2) attended overseas trainings provided by the Japan International Cooperation Agency (JICA).

At the end of the financial year the total number of staff increased from one hundred and nineteen (119) to one hundred and twenty seven (127). The workforce composition when compared to the previous financial year is still predominantly male with the number of females decreased slightly by one percent (1%) and the number of males increased slightly by one percent (1%).

Ten (10) employees ceased employment with the Authority due to promotion opportunities in other government agencies and while others left for greener pastures overseas. However, through the process of Recruitment and Selection we managed to facilitate thirty-two (32) appointments (new appointments, promotions & contract re-appointments) compared to nineteen (19) in the last financial year.

The Board of Directors has approved the establishment of another four new positions within the Authority's organizational structure. These are Principal Safeguards Officer, Principal Engineer Officer-Other Donors (JICA, etc), Senior Survey Technician and Survey Field Assistant.

The table below reflects the composition of the Authority's employees:



Within the reported period, the Board of Directors approved the revised version 4 (2018) of the Staff Working Conditions, Entitlements Policies and Procedures Manual. Awareness programs and consultations on this revised version of the Manual were carried out for all staff.

2.2.7.2 Public Relations

This FY2017/2018 the Public Relations Section continues to assist various divisions with their awareness, consultations and road projects in the country. It is the focal point of contact for families and village mayors for the commencement of works, address and resolve grievances from the public on any issue pertaining to our service. The division also continues to carry out promotion and awareness on new Acts and policies for the information of the public.

I will end my report with a special acknowledgement of the continuous support and dedication of the Chairman and the Board of Directors, as well as the

commitment of my management and staff, in addition to our valued customers and stakeholders.

Fa'afetai tele lava,

A handwritten signature in blue ink, consisting of several loops and a horizontal line extending to the right.

Galumalemana Ta'atialeoititi Tutuvalu-Schwalger

CHIEF EXECUTIVE OFFICER

**LAND TRANSPORT AUTHORITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

LAND TRANSPORT AUTHORITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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**LAND TRANSPORT AUTHORITY
CERTIFICATION BY DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2018**

We certify that the attached financial statements for the Land Transport Authority comprising of the Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Equity, Statement of Cash Flows and notes forming part of the financial statements for the year ended 30 June 2018:

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

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

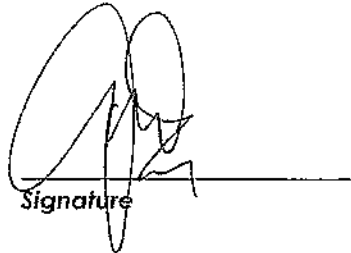
The directors in office at the end of this financial year are:

- 1 Moananu Ioane Filemu
- 2 Lilomaiava Peter Punivalu
- 3 Amituana'i Winston Tufuga
- 4 Galumalemana Taatialeoititi Tutuvanu-Schwalger, CEO, Land Transport Authority
- 5 CEO, Accident Compensation Corporation
- 6 CEO, Ministry of Works, Transport & Infrastructure
- 7 Police Commissioner

We authorise the attached financial statements for issue on 24.10.18 on behalf of the directors of the Land Transport Authority.



Signature



Signature

Moananu Ioane Filemu
CHAIRMAN
Land Transport Authority
Apia, Samoa

24.10.18

Lilo Leilua Peter Punivalu
DIRECTOR
Land Transport Authority
Apia, Samoa

24.10.18

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P.O Box 13
APIA, SAMOA

Please address all correspondences
to the Controller and Auditor General

AUDIT OFFICE

REPORT OF THE AUDIT OFFICE

TO THE GOVERNING BODY IN CHARGE OF GOVERNANCE – LAND TRANSPORT AUTHORITY

Audit Opinion

We have audited the accompanying Financial Statements of the Land Transport Authority which comprise the Statement of Financial Position as at 30 June 2018, the Statements of Financial Performance, Cash Flows and Changes in Equity for the year then ended, a Summary of Significant Accounting Policies and Other Explanatory Notes. The Accounting Firm of Tuiloma Lameko, Chartered Accountants & Consultants, assisted in this audit. The Engagement Partner on the audit resulting in this Independent Auditor's Report is Esther Lameko-Poutoa.

In our opinion, the financial statements give a true and fair view of the financial position of the Land Transport Authority as at 30 June 2018, and of its financial performance, changes in equity and cash flows for the year then ended, 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 Land Transport Authority in accordance with the ethical requirements that are relevant to our audit of financial statements in Samoa, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Responsibilities of Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the Directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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to the Controller and Auditor General*

AUDIT OFFICE

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

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

Our audit was completed on the 24th October 2018 and our opinion is expressed as at that date.

Apia, Samoa
30 October 2018



Fuimaono Mata'afa Papali'i C.G. Afele
CONTROLLER AND AUDITOR GENERAL


LAND TRANSPORT AUTHORITY
 STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2018

	NOTES	2018 \$	2017 \$
<u>EQUITY</u>			
Government Contribution	3	830,094	830,094
Accumulated Funds	4	(119,497)	1,301,622
Total Equity		710,597	2,131,716
<i>Represented by:</i>			
<u>CURRENT ASSETS</u>			
Cash and Cash Equivalents	5	4,095,343	7,196,211
Accounts Receivables	7	289,371	199,353
Other Receivables	8	108,177	62,123
Inventory	9	232,446	266,581
VAGST Receivable	19	2,730,320	4,632,649
Total Current Assets		7,455,656	12,356,917
<u>Less: CURRENT LIABILITIES</u>			
Accounts Payable		51,639	15,278
Provisions and Accruals	10	9,016,643	11,516,680
Income Received in Advance Retention	11	45,450	394,778
With-Holding taxes		1,765,972	1,961,471
		244,340	144,922
Total Current Liabilities		11,124,044	14,033,129
Working Capital Deficit		(3,668,388)	(1,676,211)
<u>Add: NON-CURRENT ASSETS</u>			
Properties, Plants and Equipment	12	4,378,985	3,807,926
NET ASSETS		710,597	2,131,716

The relevant notes on pages 8 to 16 form part of this statement of financial position.

On Behalf of the Board:


 Signature
 Moananu Ioane Filemu
 CHAIRMAN
 24/10/18


 Signature
 Lilo Leilua Peter Punivalu
 DIRECTOR
 24/10/18

LAND TRANSPORT AUTHORITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2018

	NOTES	2018 \$	2017 \$
INCOME			
Total Government grants	13	21,292,746	18,439,283
Less: Road Capital and Maintenance Costs	16	28,535,677	27,923,182
Net Government Grant after Road Costs		(7,242,931)	(9,483,899)
Add: Operating Income	14	15,279,448	15,620,272
Gross Revenue		8,036,517	6,136,373
Less: Operating Expenditure			
Audit fees		36,000	36,000
Depreciation	11	587,840	468,222
Provision for Doubtful Debts	19	2,500,000	-
Government Dividend	6	-	102,309
Directors fees and expenses	18 (i)	83,016	63,612
Personnel costs	15	4,609,897	4,031,521
Cost of Goods Sold - License plates	9	200,119	192,207
Other administrative expenses	17	1,440,764	1,260,495
Total Operating Expenditure		9,457,636	6,154,365
NET EXCESS/(DEFICIT)		(1,421,119)	(17,992)

The relevant notes on pages 8 to 16 form part of this statement of comprehensive income.

LAND TRANSPORT AUTHORITY
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	Government Contribution \$	Accumulated Funds \$	Total \$
2017				
Balance at 1 July 2016	3	830,094	1,217,305	2,047,399
Dividend paid		-	102,309	102,309
Total		830,094	1,319,614	2,149,708
Surplus/(Deficit)	4	-	(17,992)	(17,992)
Balance at 30 June 2017		830,094	1,301,622	2,131,716
2018				
Balance at 1 July 2017		830,094	1,301,622	2,131,716
Surplus/(Deficit)			(1,421,119)	(1,421,119)
Balance at 30 June 2018		830,094	(119,497)	710,596

The relevant notes on pages 8 to 16 form part of this statement of changes in equity.

LAND TRANSPORT AUTHORITY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 \$	2017 \$
CASH FLOWS RECEIVED/(USED) IN OPERATING ACTIVITIES			
Cash Received from Government	13	21,171,724	18,307,054
Cash Received from Customers		14,788,755	15,547,268
Cash Paid to Contractors		(30,781,137)	(16,520,255)
Cash Paid to Government as Dividend			(102,309)
Cash Paid to Suppliers & Employees		(7,316,013)	(11,224,665)
<i>Net Cash (Used)/Received in Operating Activities</i>		<u>(2,136,671)</u>	<u>6,007,093</u>
CASH FLOWS RECEIVED/(USED) IN INVESTING ACTIVITIES			
Interest from Term Deposits		-	-
Acquisition of Property, Plant & Equipment		(1,151,852)	(159,135)
Proceed for Sale of Fixed Assets		187,655	
<i>Net Cash (Used) in Investing Activities</i>		<u>(964,197)</u>	<u>(159,135)</u>
CASH FLOWS RECEIVED/(USED) IN FINANCING ACTIVITIES			
Net Cash Received/(Used) in Financing Activities		-	-
NET INCREASE / (DECREASE) IN CASH			
		(3,100,868)	5,847,958
Cash and Cash Equivalents at beginning of year		7,196,211	1,348,253
CASH AND CASH EQUIVALENTS AT YEAR END		<u><u>4,095,343</u></u>	<u><u>7,196,211</u></u>
<i>Represented by:</i>			
Total Cash and Cash Equivalents	5	<u><u>4,095,343</u></u>	<u><u>7,196,211</u></u>

The relevant notes on pages 8 to 15 form part of this statement of cashflows.

LAND TRANSPORT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. GENERAL

The Land Transport Authority was set up on 1 July 2009, and became independent from the Ministry of Works, Transport and Infrastructure. Its main functions are set out in section 5 of the Land Transport Act 2007, is to provide maintenance of the national road network and control of road users in Samoa.

The Authority's operations are directed by a seven member board of directors. The Board consists of a Chairman who is the member of the Private Sector.

The Land Transport Authority is a public trading body of the Government of Samoa.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Statement of compliance

The financial statements are prepared in accordance with the Land Transport Act 2007, Public Finance Management Act 2001, Public Bodies (Performance & Accountability) Act 2001 and applicable International Financial Reporting Standards appropriate for public benefit entities.

b. Basis of Preparation

The financial statements are prepared on the accrual basis using the historical cost convention unless otherwise stated.

c. Presentation and Foreign currencies

The financial statement balances are presented in Samoan Tala (SAT\$) and has been rounded to the nearest Tala. Transactions in foreign currencies are translated to Samoan tala at exchange rate ruling at the date of the transaction. Receivable and Payable balances in foreign currencies are converted at ruling rate at balance sheet date. Any exchange gain or loss arising from conversion are recognised in the Income & Expenditure Statement.

d. Grants Recognition

Grants are from the Government of Samoa which included :

- i. Government Budget Allocation to support the financing of the operation of the Authority.

Grants are recognised as income in the period to match with the costs for which they are intended to compensate, on a systematic basis. There are no restrictions and contingencies attached with the Government Grants except for the Authority to meet all its objectives and works as proposed in its Budget Statement that is submitted to the Ministry of Finance every year.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation. Depreciation is charged using the straight-line method at the rates as follows:

Item	Rate
Building	2.5%
Furniture and Fittings	20%
Plant and Equipment	20%
Motor Vehicle	20%
Office Equipment	20%
Land	0%

f. Road capital works not capitalised.

All costs for Road Capital works are recognised in the Statement of Income and Expenditure. These costs cannot be capitalised as LTA is not holding legal ownership or have total control of Lands where the roads were built thereon.

g. Receivables

Receivables are stated at their expected realisable value after providing for bad debts.

h. Payables

Payables represent liabilities for goods and services that are unpaid at balance sheet date.

i. Provisions.

i(a). Provisions for Capital and Maintenance Works.

A provision is established to recognise for claims of capital and maintenance works that have already been done but both the actual amounts and timing to pay for these Claims are not specifically known at balance date. An estimation was therefore carried out to determine the the value of works been completed at balance date but have not been paid or claimed yet.

i(b). Provision for Doubtful Debts

After a review of individual debts a provision is assessed and established to cover for all debts and it is confirmed their collectibility is no longer probable or in doubt.

j. Cash and cash equivalents

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

k. Value Added Goods and Services Tax (VAGST)

The Motor Vehicle Registration and Licenses income and expenditures are the only items that subject to VAGST on a cash basis. All other revenues and expenses are not entitled to VAGST and therefore recorded as Vagst inclusive.

l. Income Tax Exempt

The Authority is exempted from income tax under its principal Act.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Employee benefits

The statutory benefits that the Authority provides for all its Staff are:

- i. 7% for SNPF
- ii. 1% of ACC
- iii. Leave Entitlements and others.

n. Inventory

Inventory is valued at the lower of cost and net realizable value using the FIFO basis. The cost of inventories comprises all costs associated with the bringing the inventories to its present condition and location.

3. GOVERNMENT CONTRIBUTION

This represents total value of assets and liabilities transferred to the Authority from prior year, when it became independent from the Ministry of Works, Infrastructure and Transport on 1 July 2009. Capital contributed by the Government is classified as equity. The items are listed as follows:

	2018	2017
	\$	\$
Building	705,000	705,000
Furniture and Fittings	105,899	105,899
Plant & Equipment	6,795	6,795
Motor Vehicle	499,129	499,129
Office Equipment	163,974	163,974
Employment Benefit	(88,703)	(88,703)
Contract Retention	(562,000)	(562,000)
Total Government Contribution	830,094	830,094

4. ACCUMULATED FUNDS

The excess of the current year from the Statement of Financial Performance is transferred to the equity account as accumulated funds.

LAND TRANSPORT AUTHORITY
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	2018	2017
	\$	\$
5. CASH AND CASH EQUIVALENTS		
Petty Cash - Savaii	300	300
Petty Cash - Upolu	1,000	1,000
Cashier's Float	700	700
ANZ Samoa Bank	3,934,611	6,897,664
Bank South Pacific	158,732	296,547
Total Cash and Cash Equivalents	4,095,343	7,196,211
6. GOVERNMENT DIVIDEND		
Previous Years Dividend	-	102,309
Paid Dividend	-	(102,309)
Total End Year Balance	-	-
7. ACCOUNTS RECEIVABLES		
Accounts Receivables	49,566	73,004
Staff Debtors	9,771	12,596
TONS Receivable	552,305	113,753
Less: Provision for TONS	(322,271)	(113,753)
Net TONS Receivable	230,034	-
Total Accounts Receivable	289,371	85,600
8. OTHER RECEIVABLES		
Prepayments	79,698	48,737
Prepaid Insurance	10,223	8,593
Return Chqs	8,256	4,793
LTA Social Club	10,000	-
Total Other Receivables	108,177	62,123

LAND TRANSPORT AUTHORITY
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	2018	2017
	\$	\$
9. INVENTORY		
Licence Plates	<u>232,446</u>	<u>266,581</u>
	Quantity	
Opening Stock at 1 July 2017	4677	70,015
Add: Purchases	2912	388,772
Total Available stock	<u>7589</u>	<u>458,787</u>
Closing stock at 30 June 2018	<u>4078</u>	<u>266,581</u>
Total stock issue/Cost of Goods sold	<u>3511</u>	<u>192,207</u>
10. PROVISION AND ACCRUALS	<u>9,016,643</u>	<u>11,516,680</u>
Represented by :		
(a) Provisions:		
Provision for Road Works	8,689,637	11,212,964
Total Provisions	<u>8,689,637</u>	<u>11,212,964</u>
(b) Accruals:		
Accrued expenses	29,536	16,591
Accrued Audit fees	41,437	18,744
Accrued salaries	162,642	142,456
Accrued NPF	10,896	9,814
Accrued ACC	1,557	1,402
Accrued Staff Leave	28,825	
Accrued Generator Line Connection	-	67,549
Accrued Consultancy Services	26,000	
Accrued Lease	26,113	47,160
Total Accruals	<u>327,006</u>	<u>303,716</u>
Total Provisions and Accruals.	<u>9,016,643</u>	<u>11,516,680</u>
11.1 Income Received in Advance		
MnRE Falesalafai Road	-	393,778
Unsuccessful Contract Registration	45,450	1,000
Total Income Received in Advance	<u>45,450</u>	<u>394,778</u>

LAND TRANSPORT AUTHORITY
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 FOR THE YEAR ENDED 30 JUNE 2018

12 PROPERTY, PLANT AND EQUIPMENT										
	Buildings	Furniture & Fittings	Plant & Equipment	Motor Vehicles	Office Equipment	Fence	Land	Donated Assets	Total	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COST										
2018										
Balance 1 July 2017	2,531,191	159,936	190,578	1,909,085	2,175,054	41,021	477,785	-	7,484,650	
Additions	118,543	6,261	-	613,913	300,148			121,023	1,159,888	
Adjustments										
Disposals				(365,652)						(365,652)
Balance 30 June 2018	2,649,734	166,197	190,578	2,157,346	2,475,202	41,021	477,785	121,023	8,278,886	
ACCUMULATED DEPRECIATION										
2018										
Balance 1 July 2017	491,145	131,316	57,626	1,441,517	1,555,117				3,676,721	
Adjustments					992				992	
Depreciation	73,306	11,129	36,757	203,922	260,575			2,151	587,840	
Disposals				(365,652)					(365,652)	
Balance at 30 June 2018	564,451	142,445	94,383	1,279,787	1,816,684			2,151	3,899,901	
CARRYING AMOUNT										
Balance 1 July 2017	2,040,045	28,620	132,950	467,568	619,937	41,021	477,785	-	3,807,926	
Balance 30 June 2018	2,085,283	23,752	96,195	877,559	658,518	41,021	477,785	118,872	4,378,985	

LAND TRANSPORT AUTHORITY
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	2018	2017
	\$	\$
13 GOVERNMENT GRANTS		
Government Contribution	21,171,724	18,307,054
Donation from World Bank	121,022	132,229
Total Government Fund	21,292,746	18,439,283
14 OPERATING INCOME		
Motor vehicle registration income	12,744,223	12,985,178
Fines and fees	410,252	146,111
Driver's license	1,697,375	1,822,335
* Other revenues	427,599	666,649
Total Operating Income	15,279,448	15,620,272
* <u>Other Revenues</u>		
Interest Received	67,721	29,444
Lease received	4,752	5,270
Lab Testing fees	9,631	51,200
Construction Registration fees	42,847	309,570
Tender Documents fees	58,742	114,859
Roads Permit	46,156	108,232
Gain on Assets Disposal	187,655	0
Other Administration Fees	10,096	48,075
Total Other Revenue	427,599	666,649
15 PERSONNEL COSTS		
Salaries and wages	3,794,850	3,406,507
Casual Wages	22,489	24,011
Overtime paid	148,417	125,423
Employment leave benefits	124,503	44,552
Ending Contract Benefits	38,591	31,478
Long Service Entitlements	58,626	
HDA Allowance	45,858	58,016
NPF Contribution	251,493	254,593
ACC Levies	35,878	39,144
Other Allowances	89,191	47,797
Total Personnel Costs	4,609,897	4,031,521
16 ROAD MAINTENANCE COSTS		
Capital Works - Upolu	6,021,091	4,993,236
Capital Works - Savaii	2,059,900	1,195,718
Consultation & Designing	17,164	16,517
Emergency Roads Repairing Cost	1,244,511	316,487
Periodic Maintenance - Upolu	2,754,123	5,725,562
Periodic Maintenance - Savaii	3,436,000	1,596,776
Routine Maintenance - Upolu	5,946,943	7,913,861
Routine Maintenance - Savaii	3,083,411	2,819,550
Lawn Mowing Contracts	1,779,077	1,451,118
Roads Opening Expense	54,846	40,545
Roads Compensation		7,652
Roads Sign Maintenance Cost	27,998	15,802
Roads Works Advertisement	38,733	23,370
Give Way Expense		46,306
Drainage Rehabilitation	1,548,703	1,252,056
Traffic Lights Maintenance	523,177	508,626
Total Road Maintenance Costs	28,535,677	27,923,182

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17. OTHER ADMINISTRATIVE EXPENSES	2018 \$	2017 \$
Advertising	25,172	22,616
Promotions & Marketing	21,267	23,773
Catering and Facility Hire	5,408	3,664
Ministerial Support	4,622	7,887
Cleaning	10,173	7,870
Impounding Vehicles	5,183	
Bank Charges	15,498	9,188
Uniform Traffic Officer	14,065	23,080
Health and Safety	32,029	24,839
Insurance	55,147	48,330
Land Lease	26,001	26,004
Motor Vehicle Expenses	227,788	187,447
Membership and Subscription Fees	24,169	30,702
Consultancy Fees	32,085	-
Printing and Stationaries	278,578	222,003
Postal	130	
Rent, Leases and Contracts	31,800	24,521
Repairs and Maintenance	78,207	96,789
Road Safety Expenditure	2,611	1,464
Spare Parts (Consumables)	29,848	13,997
Training fees	7,149	7,535
Travelling Costs (Local)	85,136	68,080
Travelling Costs (Overseas)	32,076	39,400
Utilities (<i>Refer Note 17</i>)	354,153	337,029
Office Supplies	42,469	34,280
Total Other Administrative Expenses	1,440,764	1,260,495
17.1 UTILITIES EXPENSES		
Electricity	196,289	154,127
Telephone, Fax and Cellphone	84,237	100,568
Internet	68,807	75,755
Water	4,820	6,579
Total Utilities Expenses	354,153	337,029

LAND TRANSPORT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2018

18. RELATED PARTY TRANSACTIONS

i) Directors remuneration

As per FK(16)07 remuneration has been revised for chairperson to be paid at \$22,500 pa and members at \$18,000pa. This is paid on a fortnightly basis and was effective from 1st July 2016. Directors who are eligible for directors' fees include the Chairperson and two board members.

	2018	2017
	\$	\$
Directors' fees		
Sitting allowances	58,500	48,933
Catering for board meeting	13,906	10,980
Gifts and other board expenses	10,610	3,699
Total Director's Remuneration.	83,016	63,612

ii) Key Management Personnel Costs

There are eleven (11) Senior Management Personnel and 7 other Contract officers employed by the Land Transport Authority Board, and their remuneration during the Year 2018 include:

Basic Salaries	1,399,789	1,048,950
Employers contribution to:		
National Provident Fund	97,985	62,937
Accident Compensation Corporation	13,998	10,490
Contract Benefits	119,500	-
Total Salaries and short term employment benefits	1,631,272	1,122,377

19. VAGST Receivable

The VAGST receivable is subject to an assessment by the Ministry for Revenue. We are providing a portion that is doubtful.

VAGST Receivable	5,230,320	4,632,649
Provision for Doubtful Debts	(2,500,000)	-
Net VAGST Receivable	2,730,320	4,632,649

20. CAPITAL COMMITMENT

The Authority continues with its major function of road capital and maintenance works, major overhaul of roads in both Upolu and Savaii.

Except as stated, the Directors are not aware of any other capital commitments at period end.

21. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities at period end.

