

1st December 2012

The Honourable Speaker of the House
Afioga Laauli Leuatea Polataivao
Legislative Assembly
MULINUU

SAMOA TOURISM AUTHORITY ANNUAL REPORT 2011-2012

In accordance with Section 23 of the Public Bodies (Performance and Accountability) Act 2001, I have the privilege to submit before Parliament the Annual Report of the Samoa Tourism Authority for the financial year, July 2011-June 2012.

Faafetai,

Tuilaepa Fatialofa Lupesoli'ai Dr. Sailele Malielegaoi
MINISTER OF TOURISM

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1.0 MESSAGE FROM THE MINISTER



On behalf of the Samoa Tourism Authority (STA) Board of Directors, I wish to present the Annual Accounts for the Financial Year July 2011-June 2012. Despite the continued challenging global economic environment, Government continues to support tourism as one of the key sectors driving economic growth for Samoa. This was reflected in the increased budget for the Authority which amounted to SAT\$10.7 million, a 7% increase from that of the previous year.

Tourism performance this year continued to grow and support for marketing activities particularly in the main source markets were further strengthened to stimulate demand. The 2011 Rugby World Cup in New Zealand posed a challenge as Kiwis decided to stay home for the event and earlier school holidays shortened. The filming of the Survivor Reality Television Series on our shores had once again provided a significant injection of new money into the economy and the TV series' in their release in 2012 will once again portray the region and our country as places of serenity and natural beauty. The Celebration of the 50th Independence Anniversary had presented programmes and visitations that had managed to stimulate growth this financial year.

Major investments particularly in the accommodation sector remains a challenge for Government as it strives to attract more quality high end accommodation facilities, improve capacity and enhance product diversification. Delivering the promise through improved services across the sector is therefore fundamental in meeting and exceeding the expectations of our visitors.

I urge the private sector, communities and all stakeholders to lift your game as we continue to experience vigorous competition within our primary source markets. Understanding your product and specific target market will help maximize benefits.

In conclusion, I thank the Board of Directors who have worked hard this year to grow the sector despite these challenging times. I also thank the wider tourism industry and all stakeholders for their perseverance. Last but not least, I thank the Management and Staff of the Authority for your support and determination which have contributed to making this year a success.

Ia Manuia!

A handwritten signature in blue ink, reading 'Tuilaepa Sailele Malielegaoi'. The signature is fluid and cursive, with the first name 'Tuilaepa' being the most prominent.

Tuilaepa Sailele Malielegaoi
Minister of Tourism

2.0 MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



Improved tourism performance this year again signifies the growing recognition of Samoa as a tourist destination in the South Pacific. Growth of Tourism in Samoa is reliant on the availability of quality beachfront tourism properties that are synonymous with the tropical island paradise image of many individuals envisaging a South Pacific island holiday.

With a significant proportion of the accommodation plant concentrated in Apia and the bulk of facilities available being in the small scale Budget to Standard category, the challenge continues to be finding the right market niches. The 50th Independence Anniversary celebrations this year contributed significantly to our efforts to stimulate demand especially when most New Zealanders opted to stay home for the Rugby World Cup.

As impacts of the global economic crisis continued to be felt across the world, Samoa was again fortunate to bring back the Survivor Series which not only benefitted Samoa economically with the injection of new money but it also entails greater promotion of our country abroad.

Development of the Samoan tourism product is well supported with the Authority playing an active role in the investment development process in collaboration with other Government agencies as we strive to ensure sustainable growth that is suitable for Samoa, to ensure we develop 'Tourism for Samoa'.

The 3.8% increase in arrivals this Financial Year is an achievement given the many uncertainties affecting travel worldwide. Additionally, the 9% growth in tourism earnings amounting to \$332.5 million tala continues to sustain the sector's contribution to the country's Gross Domestic Product.

Access, connectivity and competitive air and cruise passenger fares remain crucial in efforts to attract more tourists to Samoa and STA therefore acknowledges the ongoing efforts of the airline and cruise shipping industry, the tourism stakeholders for the effective partnership relationship between the public and private sector in all phases of tourism development and research.

We thank the Prime Minister for his commitment to growing the sector. We also acknowledge the guidance and support of the STA Board of Directors in the last twelve months.

Last but not least, I thank the Samoa Tourism Authority staff for their diligent work which has contributed positively to the sector's development this year.

Ma le faaaloalo tele lava

A handwritten signature in blue ink, which appears to read 'Sonja Hunter', is shown above the printed name and title.

Papalii Matatamalii Sonja Hunter
Chief Executive Officer

3.0 EXECUTIVE SUMMARY

This Annual Report covers the Financial Year July 2011 – June 2012. Government's commitment to the development of the tourism sector in driving national economic growth was again evident in the approval of a \$10.7 million budget for this financial year, an increase of about 7% from that of last year. The additional resources helped strengthen marketing and product development initiatives in the aim to increase demand in our source markets.

Collaboration amongst stakeholders including our development partners, Government agencies, communities, private sector, travel trade partners and our visitors have contributed significantly to the recorded increase in arrivals this year. Despite the setbacks in the global environment, total tourism earnings also recorded an increase of 9% compared to the same period last year.

3.1 Core Functions:

The core functions of the Authority as set out in its Act are stipulated below:

- Encourage private sector investment in the tourist and visitor industry
- Encourage visits to Samoa by people from other countries, including travel and holidays within Samoa
- Encourage the development and improvement of accommodation facilities for tourists
- Coordinate and improve the activities of all sectors providing these services
- Advise the Government and the private sector on all matters relating to tourism
- Prepare, implement and maintain comprehensive tourism development and marketing plans for Samoa.

3.2 Marketing & Promotions Division

The Marketing and Promotions Division implements activities in selected international markets, which target the enhancement of destination awareness, interest and demand. These activities are broadly categorised as direct marketing, travel trade activity, international media and public relations, events and meetings and partnerships.

3.3 Planning & Development Division

The Planning & Development Division facilitates and promotes the improvement of new and existing tourism products through product consultation and advisory, enforcement of minimum standards for accommodations, periodic site inspections, support for accessing funding and finance, as well as human resource development, awareness and education. This division also plays the lead coordination role in the National Beautification Committee (NBC) activities. Tourism Climate Change projects are also coordinated by the division.

3.4 Research & Statistics Division

The Research & Statistics Division is solely responsible for the compilation and analysis of all information pertaining to the tourism sector and industry. Further, they also conduct surveys on tourist related issues from time to time based on requirements from the Board, Management and stakeholders.

3.5 Policy Advice Division

The Policy Advice Division under the direct authority of the Chief Executive Officer is responsible for a diverse range of duties and tasks. This division is expected to lead the way in providing advice relating to the Government's objectives to achieve 'tourism for Samoa' over the longer term with a specific focus on the Community, the Tourism Industry, the Government as well as the Authority's requirements. This division is also responsible for the implementation of approved recommendations associated with the development of new or the review of existing strategic policies.

3.6 Finance & Corporate Services Division

The Finance and Corporate Service Division is responsible for the management of the Authority's financial resources. They also provide the necessary administrative and support services to the core output divisions. More importantly, it is also responsible for overseeing and coordinating the human resources of the Authority.

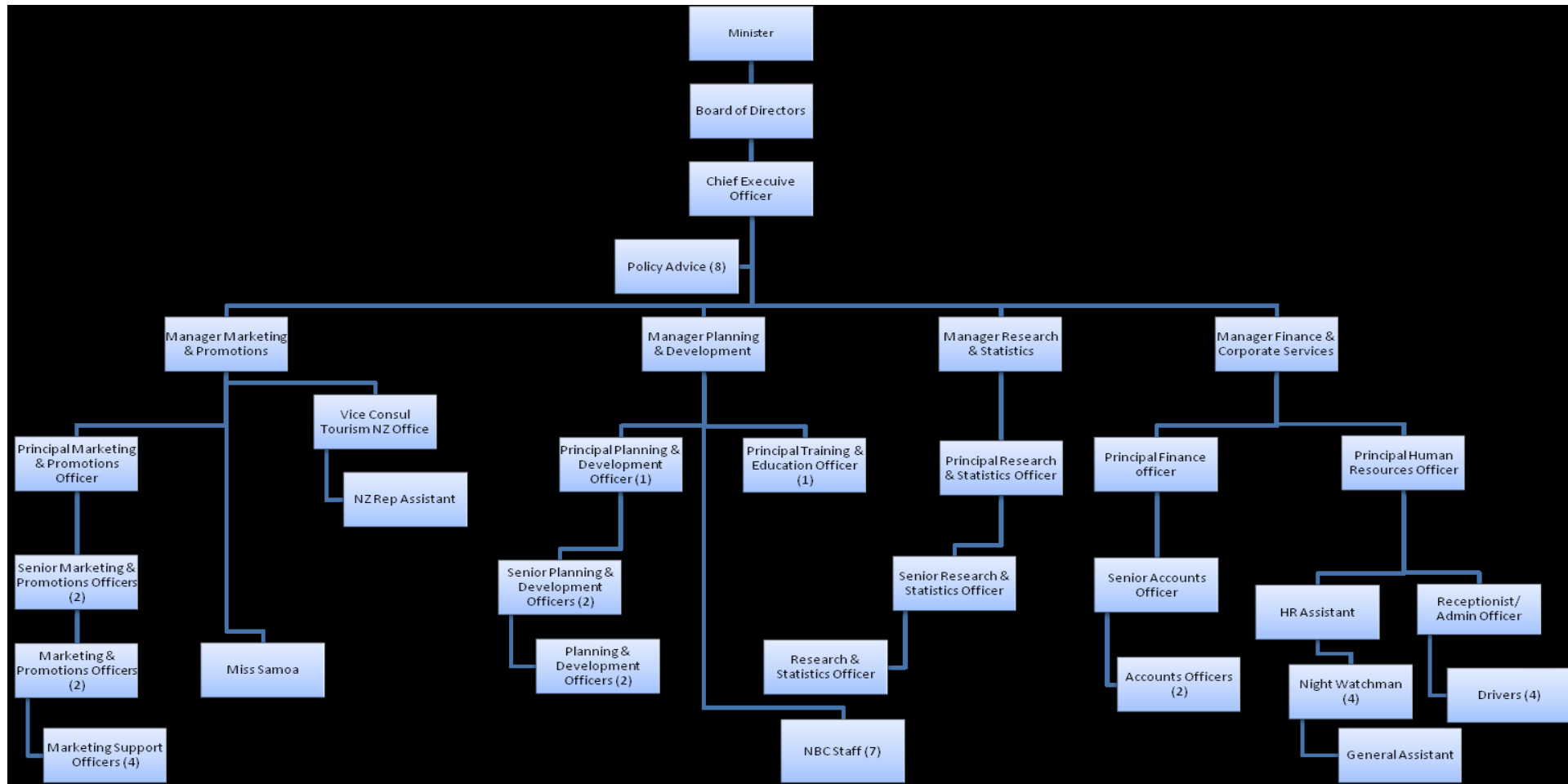
3.7 Board of Directors: July 2011-June 2012

▪ Afoa Amituanai Faleulu Mauli	Chairman
▪ Aanamaitu Tauilili Pasikale	Director
▪ Adele Kruse	Director
▪ Leota Lu II	Director
▪ Mark Pitt	Director
▪ Seumanuula Moana Clarke	Director
▪ Tava Seuata Kitona	Director
▪ Papalii Matatamalii Sonja Hunter	CEO

3.8 Management: July 2011-June 2012

▪ Papalii Matatamalii Sonja Hunter	Chief Executive Officer
▪ Pativaine Petaia-Tevita	Manager: Finance & Corporate Services
▪ Dwayne Bentley	Manager: Marketing & Promotions
▪ Mativa Imo	Manager: Research & Statistics
▪ Christina Leala-Gale	Manager: Planning & Development

3.9 Samoa Tourism Authority Organisational Structure



4.0 MARKETING AND PROMOTIONS

Introduction

The Marketing and Promotions Division continued to implement activities in selected international markets targeting improvements in destination awareness, interest and demand. These activities are broadly categorised as:

- Direct marketing
- Travel trade activity
- International media and public relations
- Events and meetings
- Partnerships

Visitor numbers continue to be influenced by factors including the marketing activities of the Authority, travel trade and industry promoting the destination and various elements of its product.

Competition from other destinations, pricing strategies, airline schedules, pricing and capacity, economic conditions in source markets and consumer behavior and expectations also impacted on travel and spending decisions.

During the year, the Australian and New Zealand dollars remained relatively strong, resulting in higher marketing costs there and the 'once in a lifetime' affordability of holidays in North America and Europe.

The 2011 Rugby World Cup in New Zealand encouraged more Kiwis to remain at home during the event and the closure of Aggie Grey's Lagoon, Beach Resort & Spa reduced the stock of much sought-after high-end beachfront rooms.

Samoa's 50th independence anniversary and the celebrations around it as well as other events which appealed to various visitor profiles stimulated demand for travel during the year.

Focus remained on the core markets of New Zealand and Australia which combined, account for more than 60% of total visitors. Targeted approaches continued in UK/Ireland, North America, American Samoa and other emerging markets.

The Marketing team is headed by the Marketing and Promotions Manager and is comprised of a Samoa-based unit and network of overseas Market Representative Offices in New Zealand, Australia and UK/Ireland.

4.1 Direct Marketing

4.1.1 Advertising

This output includes (print, online, TV and radio) advertising campaigns which target the travel trade and consumers and feature the distinctive Samoa Tourism branding style. Most of these were carried out in New Zealand and Australia.

Direct Marketing Campaigns		
Market	Qty	Description
New Zealand	82	Combination of TV (TV1, TV2 & TV3), press, magazines and online.
Australia	83	Combination of Press, online and magazine.

UK/Ireland	9	Combination of print and online.
North America	1	Online
China	2	Online

Advertisements focused on communicating and reinforcing Samoa's brand elements, including its points of difference. Messages featured price points and contact details to drive the conversion of interest into demand.

Advertisements were tailored to appeal to a range of market segments including mainstream leisure, couples, seniors, soft adventure, sports and MICE.

4.1.2 Promotional Materials

Branded promotional materials including DVD/CD, brochures, carry bags, posters and banners were developed during the year. Materials produced were geared towards both trade and consumer audiences.

4.1.3 Website Development

4.1.3.1 Samoa.travel

Samoa.travel remains the main online portal for destination and visitor information. In 2010-2011, a major review was undertaken and improvements targeting usability, content, appearance and accessibility including search engine optimisation were implemented. Efforts are ongoing to keep pace with and capitalize on evolving technological trends.

Samoa.travel - Google Analytics Report 2011-2012					
				<u>Top Content</u>	
	2011-2012	2010-2011	Change	Page	Pageviews
Visits	331,606	231,896	43.0%	Homepage	280,134
Unique Visitors	247,000	174,745	41.3%	Sightseeing	56,128
Pageviews	1,916,205	1,303,588	47.0%	Accommodation/Deluxe	43,312
Pages/visit	5.78	5.62	2.8%	Accommodation	34,219
Avg Time on Site	4.49	4.53	-1.16%	Accommodation/Beach Fale	31,263
				Practical Information	30,997
				Map	30,757
				Accommodation/Superior Standard	28,080
				Accommodation/Budget	27,362
				Accommodation/Standard	26,871

During the year, the total number of visits to Samoa.travel increased significantly by 43%, mainly as a result of increases in the number of visits from New Zealand, Australia and the USA. Overall, there were approximately 1.9 million pageviews.

The most viewed pages were the Homepage, Sightseeing, the various Accommodation categories, Practical Information and the Map.

Traffic Sources		Visits by Country of Origin		
Source	Visits	Country	Visits	Share
Direct	36,829	New Zealand	109,698	33.08%
Search Engines/Organic	242,950	Australia	73,192	22.07%
Referring Sites	47,837	USA	56,916	17.16%
Other	3,990	UK	13,272	4.00%
		Samoa	9,884	2.98%
		Canada	7,778	2.35%
		Germany	7,180	2.17%
		India	2,592	0.78%
		Japan	2,455	0.74%
		Italy	2,438	0.74%

Overall, Search Engines (mainly Google, Bing and Yahoo) were the top traffic source. This was followed by Referring Sites. During the year, these were mainly Stuff NZ and Facebook.

Over three quarters (76.3%) of total visits were from New Zealand, Australia, USA and UK.

4.1.3.2 Samoa Direct

Samoa Direct is the online booking facility which was launched in 2009-2010 to facilitate the distribution of accommodation products, to the marketplace.

The facility features a wide variety of SAS (Samoa Accommodation Standards) compliant products and is used as the call-to-action for Samoa Direct campaigns which are implemented in the source markets from time to time.

The following summarises the number of Samoa Direct affiliated accommodation operators.

Samoa Direct Operators	
Category	Qty
Deluxe	5
Superior Standard	10
Standard	20
Budget	16
Beach Fare	6

4.2 Travel Trade Activity

4.2.1 Joint Marketing Campaigns

Joint marketing campaigns were implemented with influential tour operators. These utilise the retail distribution channels of wholesalers and are marketed across multiple channels including press, online and television. Joint campaigns are also promoted internally by tour wholesalers to travel agents within their respective networks.

Joint Marketing Campaigns		
New Zealand	26	Combination of Destination & Trade driven campaigns promoted through TV, press, magazines and online.
Australia	14	Combination of press and

		magazine.
UK/Ireland	9	Combination of print and online.

The cost of joint campaigns is mainly shared between the Authority and tour operators and is therefore cost-effective.

4.2.2 Trade Familiarisations

Trade familiarisations feature the hosting of selected marketing/product managers/coordinators and travel consultants from influential tour wholesalers for educational tours and experiences of Samoa's holiday products and services.

In March, the 2nd Annual Samoa Tourism Exchange, which includes the Fa'a Samoa Roadshow took place. This year the event was expanded to include New Zealand and the UK. A dedicated buyer/seller exhibition day featured one-on-one trade/operator meetings was held. This was followed by product inspections and activities across both Upolu and Savaii.

The following table highlights the trade familiarisations which were hosted during the year. It should be noted that from time to time, tour operators directly organise educational trips of their own with the industry.

Trade Familiarisations		
New Zealand	9	House of Travel, Greenlite Travel, GO Holidays, Our Pacific, Realistic Agent, Travel Managers, Combined Group for Samoa Tourism Exchange, Edventure Travel, Leisure Tours
Australia	5	Island Escapes, Combined Group for Samoa Tourism Exchange, Reho Travel, Corals Seas/Adventure World with Jetset Travel Group, YHA
UK/Ireland	1	Combined group for Samoa Tourism Exchange

4.2.3 Agent Training

STA's Market Representatives continued to undertake in-market destination training for travel consultants throughout the year in metropolitan and regional centres. Frequent and regular destination updates and trainings provide the opportunity to enhance trade relations as well as equip agents with important destination and product knowledge to facilitate their confident selling and promotion of Samoa to their clientele.

In-Market Agent Training			
Market	Sessions	Agents	Details
New Zealand	37	506	In-person
Australia	16	559	In-person/online
UK/Ireland	14	340	In-person/online
Asia/China	1	25	In-person (as part of the SPTO South Pacific Specialist Programme staged prior to BITE in June).

4.2.4 Operators with Samoa Programmes

Tour Operators with Samoa Programmes		
New Zealand	10	Flight Centre/Infinity, GO Holidays, Our Pacific, Blue Holidays, Mondo/Flavour Travel, Lifestyle Holidays, Air New Zealand Holidays, House of Travel, Fish Dive and Snow, Expedia
Australia	19	Holiday Specialists, Creative Holidays, Coral Seas / Adventure World, Flight Centre, Viva! Holidays, Travelscene, Island Escapes, Blue Holidays, Qantas Holidays, Trade Travel, Expedia, Wotif, GTA, Harvey's Choice, Pinpoint, Travel Managers, YHA/Student Flights, Free2Travel, World Surfaris
UK/Ireland	16	Travel Nation, GAP Travel, Dialaflight, All Ways, Tailor Made, Transpacific Holidays, Audley Travel, Austravel, Travelbag, Travel 2, Tailor Made Travel, Jetset Holidays, Destinology, Turquoise Holidays,
North America	7	Goway, Air New Zealand Vacations, Pacificislands.com, Springboard Vacations, McCoy Custom Travel, Sunspots International, South Seas Adventures,

4.3 International Media & Public Relations

4.3.1 Media Visit Programme

Media visits remain a cost-effective way to achieve large-scale publicity and destination awareness. The Programme involves the hosting of selected influential media including TV and film crews and photographers from source markets. Destination features from these visits are released in-market and where possible, features were complimented by destination advertisements.

The media visit programme is implemented in collaboration with the industry and the following table highlights the media visits which were hosted during the year. It should be noted that there were multiple visits by certain outlets during the year.

Media Visits		
Market	Journalists	Outlet
New Zealand	22	Freelancers, Sunday Star Times, New Zealand Herald, Maori TV, Fresh, Radar Across the Pacific, Chef on a Mission, Niu FM, Food Magazine, Woman's Day, Travel Trade, Travelinc, Islandtime, NZ Fishing News, The Press, Dominion Post
Australia	18	Freelancers, To Market To Market, Fairfax Community, Vacations & Travel, ANP, Sunshine Coast Newspapers, The Knot, Naked Hungry Traveller, TNT Australia, Bride to Be, Get up and Go, Courier News Media, Holidays for Couples, Queensland Brides, The Travel Tart, Riptide Bodyboarding Magazine

4.3.2 Generated Articles & Estimated Circulation

Articles/Features Generated		
Market	Qty	
New Zealand	17	Print, TV, online
Australia	132	Print, online
UK/Ireland	36	Print, online

4.3.3 Press Releases

Press Releases		
Market	Qty	
New Zealand	6	
Australia	31	
UK/Ireland	7	

4.4 Events and Meetings

4.4.1 Trade/Consumer Shows

Representation at key trade and consumer shows continues to take place. At these shows, destination presentations and question and answer sessions are undertaken, as are networking opportunities. Negotiations and contracts with representatives of key travel trade partners are discussed with the aim of fostering mutually beneficial relations to facilitate the promotion of Samoa through established trade channels.

Following is a summary of shows/events, at which representation was made:

Trade/Consumer Shows		
New Zealand	8	Flight Centre Expo (Auckland x 2, Wellington, Christchurch), Woman's Lifestyle Expo, Pacific Show Case, House of Travel Expo, PAICE
Australia	14	Treasures of the South Pacific (Sunshine Coast, Gold Coast, Canberra, Sydney, Launceston, Hobart, Adelaide), Bridal Expo, Adventure & Backpackers Expo (2), AIME, Flight Centre Expo (Sydney, Melbourne, Brisbane)
UK/Ireland	11	South Pacific The Musical, Taste of PATA, ANTOR (Tripadvisor Workshop, Dive Market), WTM Attendance, ITB Berlin, PATA Exchange, Unite Pacific, London Wild Bird Watch, RHS Hampton Court Flower Show, PATA Press
North America	2	LA Travel & Adventure Expo, Seatrade Miami
China	2	China Intl Travel Mart, Beijing Intl Tourism Exchange
Fiji	1	Bula Fiji Tourism Exchange
Korea	1	Expo 2012 Yeosu

4.5 Partnerships

The Authority from time to time partners with non-travel/media entities to implement activities which also generate exposure for the destination.

Joint Marketing Campaigns		
Market	Qty	Details
New Zealand	2	Shout for Samoa (around 2011 RWC), No Fuss Fitness Retreats Samoa (Lee Ann Wann)
UK/Ireland	1	South Pacific The Musical

5.0 PLANNING & DEVELOPMENT

Introduction

The Planning and Development Division is responsible for the following key functions:

- Sector Policy and Planning
- Sector Capacity Building and Workforce Development
- Product, Service and Infrastructure
- Business and Investment
- National Beautification Committee Programmes and
- Tourism Climate Change Adaptation Projects for the Sector

The division this year comprises of seven (7) staff members including the Manager and seven (7) support staff who work under the National Beautification Programme. Three (3) Australian Youth Ambassadors and a United States Peace Corp Volunteer who were contracted to a period of up to twelve months on a range of tourism product development related assignments joined the division. The Tourism Climate Change Project Coordinator as reported previously continued her work from within the division this year. Ensuring sustainable and marketable tourism products which are up to standard and are able to meet the expectations of our visitors is the foremost objective of the division.

5.1 Sector Policy and Planning

5.1.1 Tourism Development Plan 2009-2013

The Authority continues to implement core activities which are stipulated in the Samoa Tourism Development Plan (TDP) 2009-2013 given the finite resources available this year. The divisional reports reflect these activities which collectively contribute to the implementation of the Sector Plan. Management continues to drive implementation in close collaboration with the stakeholders and the established technical working groups comprising of relevant partners from the private sector, Non Government Organisations, communities, development partners, the public sector and our visitors.

Funding allocated as counterpart costs for the Mid Term Review of the TDP was redirected to support Marketing activities for the New Zealand market as negotiations with the New Zealand Aid Program (NZAP) for the Samoa Tourism Support Programme (STSP) continue. Immediately before the end of the year, confirmation was received of the plans to roll out the Inception Year of the STSP in the next Financial Year.

5.1.2 Tourism Development Legislation

The Tourism Development Act 2012 was officially endorsed by Parliament in April 2012. The relevant awareness campaigns associated with the new legislation will be implemented accordingly to ensure sector wide ownership. Any required regulations shall be developed accordingly to ensure compliance with the new law.

5.1.3 Samoa Tourism Support Programme

Discussions continue for the proposed Samoa Tourism Support Programme. The Grant Funding Agreement for the Programme specifies that the Inception Year of the STSP will serve to support the Review of the TDP and ensure the close alignment of the STSP activities to the outcomes of this Review; and to support the implementation of a number of short term priority activities which will provide the 'building blocks' for the further design and future longer term activities under the STSP.

Component One: Tourism Sector Governance

- TDP Review and Tourism Action Plan
- Further assessment of the STSP design against priorities established through the Review of the TDP;
- Sector Coordination and Policy Support

Component Two: Marketing and Research

- Strengthening Tourism Research and Statistics
 - Conclusion of the initial Visitor Exit Survey
 - Conduct an Economic Impact Survey
- Destination Marketing Plans and Campaigns
 - Development of a Five Year Marketing Strategy and Annual Marketing Plan; and
 - Compilation and Publishing of Samoan Cookbook

Component Three: Workforce Development

- Workplace Training
 - Design of Annual Work Place Training Calendar and development of Workplace Training Modules; and
 - Review and printing of existing industry operational manuals

A total indicative budget of SAT\$1,650,648.00 is allocated for the above outputs within the Term of Arrangements from July 2012 to December 2013.

5.2 Sector Capacity Building and Workforce Development

5.2.1 Workforce Development Plan 2010-2012

With the Tourism Training Taskforce (TTT) established, progress was made in facilitating Surf Life Saving trainings for the industry when the Authority secured two Surf Life Saving Trainers through the Australian Youth Ambassadors Programme. By October 2011, a total of 130 industry members were trained, 89 of which received Surf Survival Certificates of Australian standard.

Building on the success of this programme, the Taskforce endorsed two industry trainings to be trialed under the Samoa In-Country Training Programme as part of the STSP in view of utilising existing funding modalities. Based on the Training Needs Assessment in 2010, the Taskforce selected Business Planning and Customer Service for Tourism Operators for trialing. The recruitment process commenced in the second quarter of the year targeting actual delivery in the last two quarters of the financial year. The division played a facilitation role with the Principal Training and Education Officer taking the Co-Trainer role for both courses.

The second phase of the Surf Life Saving Programme commenced in early June as soon as the second intake of Trainers commenced their assignments. This level of the programme qualifies trainees for a Surf Rescue Certificate (SRC) which is a higher ranked course than the Surf Survival program. The SRC is the international minimum standard for lifesavers if they wish to be involved in patrolling beaches in Australia.



The following table summarises the outcomes of this year's Industry Trainings:

Training Programme	Qualification	Trainer(s)	Timeframe & Locations	Outcomes
Surf Life Saving – Surf Survival	Surf Survival Certificate	Amelia Cole & Eldene O'Shea – Australian Youth Ambassadors	<ul style="list-style-type: none"> • 23rd May – Sept • 6 locations • 3 Upolu, 3 Savaii 	<ul style="list-style-type: none"> • 130 industry employees trained • 61 Tourism Businesses participated • 34 Public Servants • 89 individuals received Surf Survival Certificates (Competency Level)
Customer Service for Tourism Operators	Certificate of Participation	Mrs Robyn McLeod, Free Spirit Training & Development, NZ	<ul style="list-style-type: none"> • 10th – 24th Apr • 6 locations • 3 Upolu, 3 Savaii 	<ul style="list-style-type: none"> • 85 sector employees trained
Business Planning for Tourism Operators	Certificate of Participation	Mr. Andrew Inglis, Learning Potential International Pty Ltd, Australia	<ul style="list-style-type: none"> • 30th Apr – May • 6 locations • 3 Upolu, 3 Savaii 	<ul style="list-style-type: none"> • 72 sector employees trained
Surf Rescue	Surf Rescue Certificate – (International Minimum Standard for Lifesavers in order to be a Patrolling Team Member on Australian Beaches)	Emily Cox & Erin Doyle, Australian Youth Ambassadors	<ul style="list-style-type: none"> • 23rd May – 23rd June • 2 locations • 2 Upolu 	<ul style="list-style-type: none"> • 52 sector employees trained • 43 of the trained employees received Surf Rescue Certificates (Competency Level)

5.2.2 Awareness and Education Programs

The division continues to lead the Authority's local awareness and education programs on radio and television. This is a very effective tool to regularly inform the public of the Authority's work and keep stakeholders informed of tourism related issues that arise over time. Opportunities to align campaigns with climate change messages continued to be implemented effectively given the limited financial resources of the Authority to fund press and television programs.

These awareness programs continued to be supported by the periodic electronic Tourism Circular which targets specific stakeholders and coordinated by the Policy Advice Division.

Attendance at School Open Days such as the annual National University of Samoa and University of the South Pacific Open Days and assisting international and local student researches are other means of raising awareness and education the Authority uses.

5.2.3 Trainings and Workshops for Staff

The division was very fortunate to be given the opportunity by Management to represent the Authority at overseas trainings, workshops, seminars and conferences this year. In addition, staff members were also given the opportunity to attend trainings and workshops which were hosted in Samoa. These programmes continue to help build the capacity of staff in performing their roles and responsibilities. Following is a list of programmes attended:

Name of Training/Workshop	Date	Location
Response Agency Training on information management and reporting system for the National Emergency Operation Centre	September 14 2011	Apia, Samoa
Surf Rescue Training	10 th – 28 th September	Apia, Samoa
First Aid & CPR Training	10 th – 28 th September	Apia, Samoa
Pacific World Heritage Workshop	5 th -9 th September	Apia, Samoa
Workshop to validate Farmer to Tourism Project	22 September 2011	Apia, Samoa
Restoring family links workshop	19 th October 2011	Apia, Samoa
Eco – Tourism for Sustainable Development	7 th – 11 th November 2011	Puerto Princess City, Philippines
Planning and Management of Ecotourism in Tropical and Sub-tropical areas	April – June 2012	Okinawa Japan

5.2.4 Tourism Scholarship Programme (TSP) for NUS

The first year of the Tourism Scholarship Programme marked with a total of 25 students receiving scholarship awards for studies in the Certificate of Tourism and Hospitality and Diploma of Tourism and Hospitality at the National University of Samoa (NUS) Institute of Technology (IOT) in the academic year 2011. Ensuring our young people are given the opportunity to complete their studies at this level of tertiary education if given the resources is the main objective of the TSP. The following table provides a breakdown of the awards for the inaugural year of the programme.

STA Tourism Scholarship Awards for the Academic Year 2011	
Certificate Programme to Tourism and Hospitality	Results
Cookery (3)	3 Passed and graduated
Food and Beverage (6)	6 Passed and graduated
Tour Guiding (4)	4 Passed and graduated
Front Office & Accommodation Services (2)	2 Passed and graduated
Diploma of Tourism and Hospitality	
Year 1 (5)	5 passed and graduated
Year 2 (5)	5 passed and graduated

5.3 Product, Service and Infrastructure

5.3.1 Tsunami Recovery

Recovery efforts for the sector continued this year with the division assisting mainly through the Facilitation Group as well as the Steering Group of the Tourism Tsunami Rebuilding Programme. Periodic inspections and meetings to facilitate applications continued. The Authority's advisory role to the Facilitation Group remains crucial in the process. By the end of the Financial Year, most of the eligible businesses have been assisted. Additional requests for funding continued to be assessed by the Steering Group on a case by case basis. Periodic site inspections were implemented throughout the year to monitor compliance.

5.3.2 Accommodation Standards Programme

This year's annual Accommodation Standards inspections were carried out in the third quarter. The committee uses this opportunity to assess and recommend areas of improvement to operators based on the Minimum Standards Guidelines. Support for this project was again evident as most operators found the feedback very useful in upgrading the standard of their facilities. The Committee's report was submitted and endorsed by the Board in June 2012. Official findings and recommendations were communicated to all operators. Quarterly follow up inspections will be implemented to encourage compliance.

The team of inspectors who are also members of the Accommodation Standards Committee include MWTI, MOH, MNRE, EPC, STA and 2 private sector representatives from the Samoa Hotel Association and the Savaii Samoa Tourism Association.

A total of 125 accommodation properties including beach fales were inspected this year all of which satisfied the minimum standards with the exception of a few properties with high risk issues. Accordingly, none of the inspected facilities warranted suspension of services. The Committee however will continue to work together with the operators to address issues identified and monitor compliance on a quarterly basis.

5.3.3 Annual Product Update

The division conducted its annual product update which aims at updating and collecting information on all tourism products across the country in the last quarter of the year. Newly recruited staff members also utilised this opportunity to familiarise with the tourism product which is fundamental to the effective execution of their roles. Representatives from the other four divisions also took part in this 4-week exercise. Due to the fact that the update followed immediately after the Accommodation Standards inspections, feedbacks for improvement were provided only to the attraction site owners in light of issues identified.

5.3.4 External Workshops & Special Projects

With tourism being a cross-sectoral industry and one of the leading sectors in the development of the Samoan economy, the Authority as the National Tourism Office is regularly being called upon to participate at a number of development projects with potential linkages to the sector.

The following table highlights projects which are led by other bodies of Government in which the division was involved in on behalf of the Authority over the last twelve months:

	Project Name	Lead Agency
1	Aiga ma Nuu Manuia Programme	MWCSD
2	Community Centered Social Development	MWCSD
3	Diagnostic Trade Integrated Study	MFAT
4	Investment Committee	MOF
5	National Export Strategy	MFAT
6	Private Sector Support Facility (PSSF & PSSF TTRP)	MCIL

7	Pacific Pilot Project for Climate Resilience	MOF
8	Qualification Standards Project	SQA
9	Preserving Traditional Knowledge	SQA
10	World Trade Organisation Accession	MFAT
11	National Disaster Management Plan Review	MNRE
12	NUS Strategic Plan	NUS
13	Integrated Environment Assessment	MNRE
14	Integrated Water Resource Management Project	MNRE
15	Intellectual Property Rights Consultation	MCIL
16	Intangible Cultural Heritage Ratification Project	MESC
17	Samoa Investment Seminar – New Zealand	MFAT
18	Apia Spatial Plan	MNRE
19	One Million Tree Project	MNRE
20	Rio Plus 20 Project	MNRE
21	Review of Samoa State of Environment	MNRE
22	Pacific Energy Efficiency Project	MNRE
23	Disaster Advisory Committee	MNRE
24	Sector Wide Approach Programme	MOF
25	National Food and Nutrition Policy	MOH
26	Short Term Training Awards	NZAP
27	Preview of 'English in my Business' Course	SBEC
28	Generic Skills Project	SQA
29	Tourism-led Poverty Reduction	UNDP
30	EU USP Global Climate Change Alliance Project	USP

5.4 Tourism Business and Investment

5.4.1 New Tourism Businesses

Whilst there has been a noted reduction in poorly planned tourism businesses, the division continued to promote good business planning through advice and consultations with owners and operators at the initial stages of development. Awareness programs communicated via various modes including radio, online through the Tourism Circular and television were also implemented. A Step by Step Guide which is available in both English and Samoan is also available to assist potential operators in planning their projects.

The table below summarises new tourism developments registered with the Authority and inspected this year:

Types of New Tourism Developments	
Accommodations	38
Support Service (tours & attraction sites)	13

5.4.2 Major Tourism Investment Projects

The Authority continued to work with the Lamana Group from Papua New Guinea and the Exhibition Travel Group from Shanghai China as they scout development sites on Upolu Island. The Authority in collaboration with key Government agencies assisted the process with the division playing a facilitation role to ensure up to date information are made available to the interested investors and requests are facilitated smoothly.



Immediately before the end of the Financial Year, a heavily revised architectural plan for the Warwick Hotel at Vavau was presented to the Minister of Tourism. Plans are in the pipeline for this project to hopefully move to construction phase by the end of the 2012 calendar year with Phase 1 totaling 80 rooms.

Meanwhile construction continues for a locally owned, 19 room deluxe accommodation at Lalomanu which plans to open for business before the end of 2012.

5.5 National Beautification Committee (NBC)

5.5.1 NBC Role

The Authority continues to administrate the activities of the Cabinet appointed National Beautification Committee. This committee is mainly responsible for the beautification of the town area and implements the national village competition to encourage participation nationwide. The division plays a support role to the CEO as Vice Chair, and the seven support staff are tasked amongst others, with the beautification of the town area and special points of interest. Staff also played a key role in the major landscaping of the Apia townscapes in preparation for the 50th Independence Anniversary. The Policy Advice Division also provides direct assistance to the Chairman and Committee.

5.5.2 Membership and meetings

The NBC continues to meet to regularly to discuss activities and issues relating to the campaigns and programs to continuously upkeep Apia and the rest of the country for our people and visitors from abroad. All members share a collective responsibility in communicating the committee's initiatives to their respective agencies/organisations to ensure all are well informed of the planned activities. Additionally, members are advised to seek assistance from their agencies/organizations to help in the necessary areas under their jurisdictions and ensure the effective implementation of activities.

The Committee comprises of representatives from the following Ministries, Government agencies and organisations:

- Minister of Tourism – Chairman
- CEO Samoa Tourism Authority – Vice Chairperson
- Accident Compensation Corporation
- Animal Protection Society
- Community Representative
- Ministry of Health
- Ministry of Natural Resources & Environment (2) PUMA & Waste Management
- Ministry of Police & Prisons
- Ministry of Women Community and Social Development
- Ministry of Works Transport and Infrastructure
- Representative of the Business Community
- Samoa Land Corporation and
- Samoa Tourism Authority as the Secretariat

5.5.3 Stray & Wild Domestic Dogs

Stray and domestic dogs continue to be one of the biggest challenges the sector is facing noting its negative impacts on Samoa's reputation as a tourist destination. The Authority continues to work with the Attorney General's Office and relevant Government Ministries in progressing the Canine Control Bill which was developed under the STA Governance and Planning Project in 2009 for the endorsement of Parliament.

5.5.4 Village Beautification Competition

This year's Village Beautification Competition was again an important feature of the beautification campaign. The competition was divided into three categories and results are as follows:

	NUU TETELE CATEGORY	NUU LAITI CATEGORY	VAIMOSO TO FALEOLO (1-5) TALAFATAI O APIA (6-10)
1 st	Manase	Satuiatua	1 st Tuana'i
2 nd	Savaia, Lefaga	Apolima Tai	2 nd Faleula
3 rd	Matautu Falelatai	Vaisaulu	3 rd Leauvaa
4 th	Lalomalava	Sauniatu	4 th Leulumoega
5 th	Falefa & Faga	Matafaa	5 th Vaimoso
6 th	Tafaigata	Toomatagi	1 st Mulinuu
7 th	Pu'apu'a	Saletele Fagaloa & Tuanaimato	2 nd Sogi
8 th	Sasina	Matautu Falealili & Vaoala	3 rd Apia
9 th	Faleaseela & Magiagi	Tiapapata	4 th Lalovaea i Sisifo
10 th	Saleilua Falealili	Leufisa	5 th Vaiala

The Committee having reviewed the programmes implemented by the Authority agreed to have the Ministry of Women, Community and Social Development as the lead responsible agency for the Village Beautification Competition effective next Financial Year. This move is also in support of the alignment of responsibilities and to further engage country wide support particularly through the village councils of the need to beautify and be proud Samoans who value healthy and hygienic environments.

5.5.5 Village Signage

NBC Staff continued to maintain and replace old and damaged village signs around the country. This is an initiative which the committee has taken upon itself to ensure visitors are well guided when exploring the country.

5.6 Other Projects

5.6.1 Tourism Climate Change Adaptation Projects

As previously reported, the Tourism Climate Change Taskforce having recruited the Project Coordinator who is based within the division, worked with KVA Consults and the Pacific Environment Consultants Ltd to develop the National Tourism Climate Change Adaptation Strategy for Samoa (NTCCASS). Funded by the Samoa-Australia Partnership for Development (NAPA 4), stakeholder consultations in particular with industry members were carried out.



By the end of the Financial Year, the Strategy was finalised. To ensure sector wide ownership and understanding of the strategy, Fatuaiupu Consult was recruited to translate the whole Strategy into Samoan. It is envisaged that the Strategy will be launched at the beginning of the next Financial Year with immediate implementation thereafter.

6.0 RESEARCH AND STATISTICS

Introduction

The Division consists of four staff including the Manager who worked as a team to achieve its objectives. Given its role as a producer of tourism statistical information to keep the industry and all its stakeholders informed, emphasis was placed on the quality of data being disseminated and the timeliness of the distribution. This target was challenged by the limited human resources within the division especially when the officer resigned to take up opportunity in other areas. Other research activities were added to the work load for this financial year such as the Occupancy and Forward Bookings Survey, the Attraction sites survey and the production of a monthly newsletter reporting on the findings of the International visitor arrivals as well as the other statistical information.

Responsibilities

The major roles of the Division include the following:

- Monthly, quarterly and six monthly reporting on Arrival Information from Statistics based on Arrival Cards
- Conducting surveys on various aspects of the industry, such as occupancy and forward booking, attraction sites survey, assessment analysis on various events that takes place like the Teuila Festival, Miss South Pacific as well as the Samoa Tourism Exchange 2012
- Production of the Statistics Update newsletter
- Provision of information to international organisations on a monthly basis

The implementation of the Visitor Survey started in the last quarter of this Financial year after the design was put in place by consultants under the Samoa Tourism Support Programme funded by NZAP.

6.1 Summary of Visitor Arrivals

An annual growth rate of 3.8% was recorded for total visitor arrivals in the financial year 2011/2012 over 2010/2011, from a total of 129,106 to 133,951. Visiting friends and relatives, Conference and Others were the main Purposes of arrival that had contributed positively to the above increase. Leisure and Holiday travelers dropped by less than 1% compared to the previous year.

Contribution shows that VFR still dominates the market with 42% followed by Holiday travelers at 36%, while Other Purpose and Business contributed 13% and 9% respectively.

In terms of market performance, all the markets show positive performances with the exceptions of the North American and the UK/Europe markets.

Table 1: Compilation of visitor arrivals to Samoa by Markets and Purpose of visit

	Holiday		VFR		Business		Other Purposes		Total Visitor Arrivals		
Markets	10/11	11/12	10/11	11/12	10/11	11/12	10/11	11/12	10/11	11/12	%chg
Am Samoa	5,073	4,244	12,280	13,035	1,549	1,950	5,079	5,816	23,981	25,045	4.4
New Zealand	24,721	24,623	24,267	25,198	4,550	4,584	3,812	3,676	57,350	58,081	1.3
Australia	9,546	10,612	11,279	12,445	2,142	2,187	1,677	1,677	24,644	26,921	9.2
North America	3,028	2,704	3,588	3,409	770	831	1,198	1,215	8,584	8,159	-5.0
Pacific Is	729	557	1,756	2,122	1,459	1,819	2,226	2,317	6,170	6,815	10.5
UK/ Europe	3,097	2,821	481	388	289	310	292	373	4,159	3,892	-6.4
Asia	799	966	666	601	596	708	1,562	1,914	3,623	4,189	15.6
Others	336	469	116	118	39	87	104	175	595	849	42.7
Total	47,329	46,996	54,433	57,316	11,394	12,476	15,950	17,163	129,106	133,951	3.7
% Change	-0.7		5.3		9.5		7.6		3.8		
% Distribution	36		42		9		13		100		

6.1.1 Purpose of Travel

6.1.1.1 Holiday Travelers

Whilst Holiday makers contributed 36% of the total arrivals, a drop of 0.7% compared to the same period of last year was seen, from 47,329 to 46,996. Regardless of the drop, strong growths was noted in three markets, 11% for Australia, 21% for Asia and 40% for Other markets while the others were on the negative side.

6.1.1.2 Visiting Friends and Relatives (VFR)

An overall increase of 5% was seen in the VFR category with all the major markets contributing to this growth, American Samoa with 6%, New Zealand 4% and Australia with 10%.

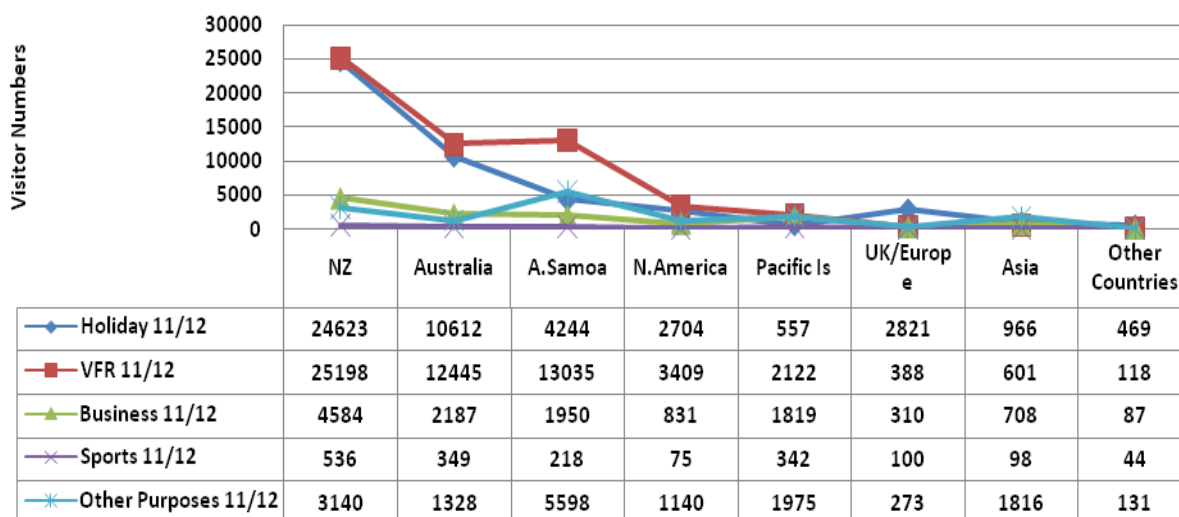
6.1.1.3 Business

Visitors on business recorded an increase of 9% with all the markets contributing to this growth. Samoa played host to a number of conferences and conventions during the course of this Financial year and it is evident in this strong growth.

6.1.1.4 Other Purpose of Travel

Other Purposes of Travel also recorded almost 8% increase in the number of travelers compared to the same period in 2010/2011. Of Samoa's main source markets, American Samoa is the only one with an increase in this category with major increases evident in the Asian, European, North American and Other markets.

Visitor Arrivals to Samoa by Market and Purpose of Travel: July 2011 to June 2012



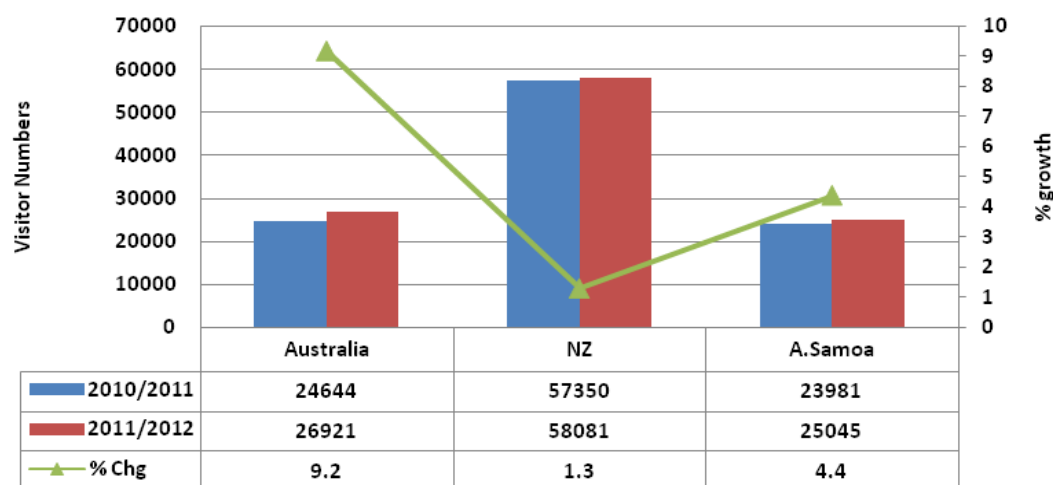
6.1.2 Markets

6.1.2.1 Primary Markets (NZ, Australia and American Samoa)

New Zealand, Australia and American Samoa remained the three main markets for Samoa as they make up the bulk of the visitor traffic with a total of 83% contribution. New Zealand contributed 43%, Australia is now on top of American Samoa with 20% while American Samoa contributed 19%. Australia came up with strong growth of 9% from 24,644 to 26,921. New Zealand has a 1.3% increase while American Samoa showed 4.4% growth.

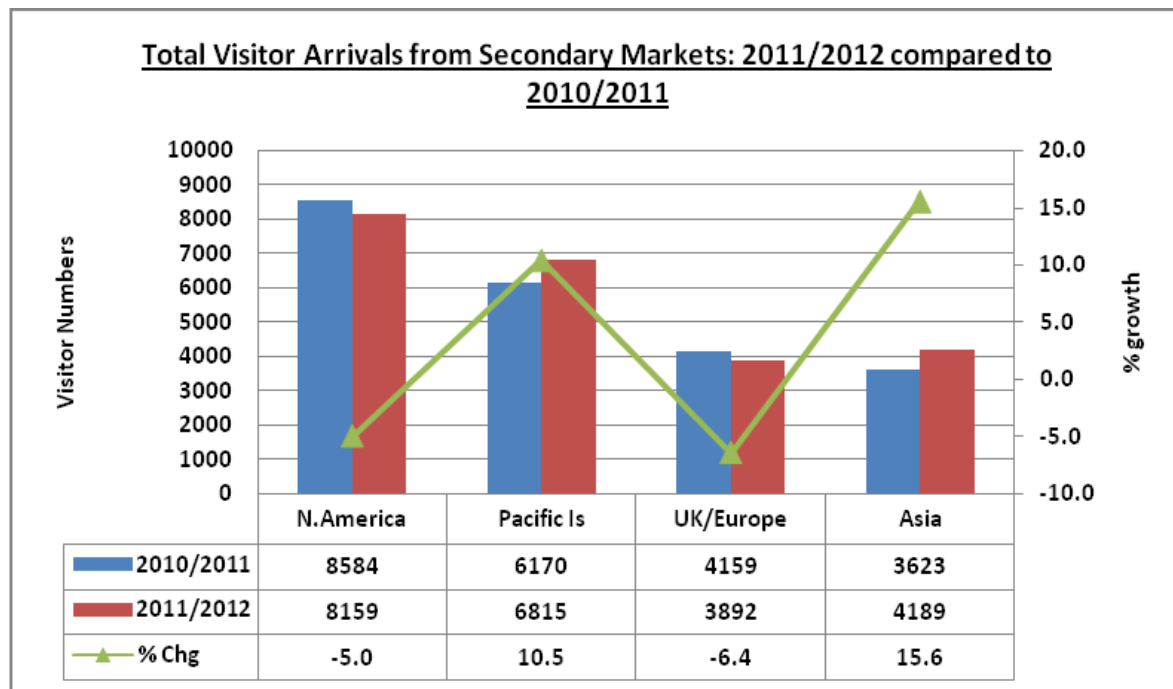
The daily flights by Polynesian Blue and Air New Zealand contributed significantly to the increase in the traffic from both Australia and New Zealand, with more aggressive marketing efforts in these target markets implemented by the Authority.

Total Visitor Arrivals from Main Markets: 2011/2012 compared to 2010/2011



6.1.2.2 Secondary and Emerging Markets: North America, Other Pacific Islands, UK/Europe and Asia

Overall these markets make up about 17% of the visitor traffic. Our Pacific neighbours and the Asian markets showed tremendous performance for the period under review while North America and UK/Europe were still going through some difficult times as reflected in the drop in the number of arrivals. These markets perhaps are still encountering limited air access capacity.



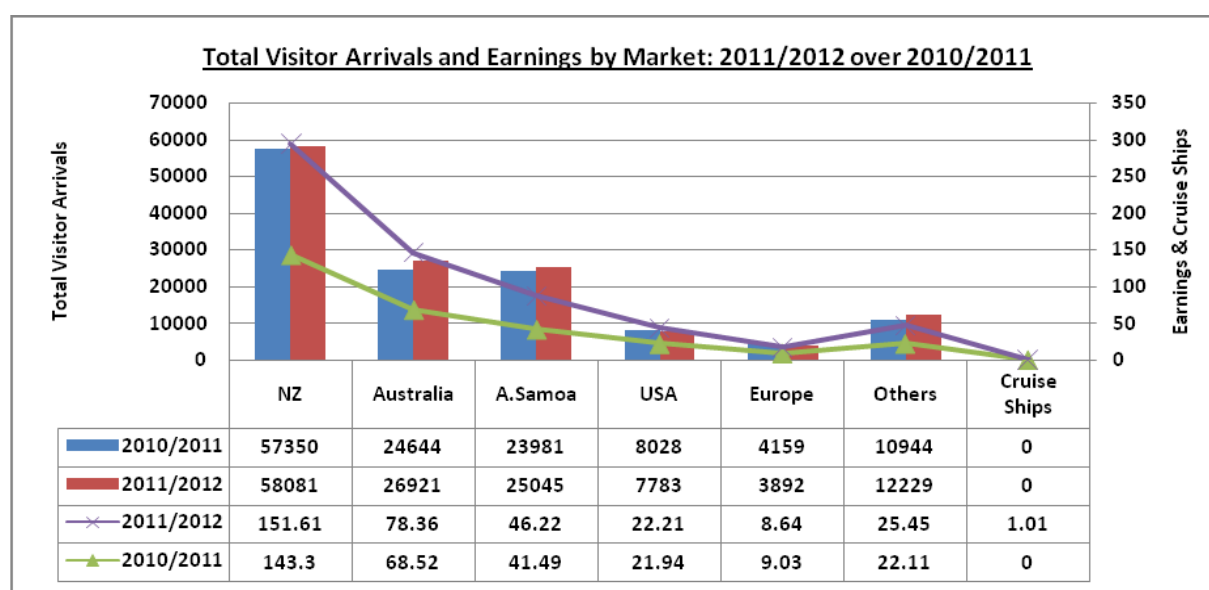
6.2 Tourism Earnings

Tourism Earnings for the period under review increased by 9% from a total of \$306.4million in 2010/2011 to \$332.5million in 2011/2012

	Earnings		Arrivals	
	2010/2011	2011/2012	2010/2011	2011/2012
Total (excl. Cruise ships)	306.4	332.5	129,106	133,951

Visiting Friends and Relatives continue its upward trend with more people coming in generating more revenue, contributing 42% in terms of arrivals and almost 54% in terms of revenue with an increase of 11% in tourism earnings compared to the previous year, from \$161.83million to \$179.99million. All other categories were also increased with Sports category registering the highest tourism earnings of 17% compared to previous year.

	Earnings		Arrivals	
Purpose	2010/2011	2011/2012	2010/2011	2011/2012
Holiday	99.78	102.06	47329	46996
VFR	161.83	179.99	54433	57316
Business	24.63	27.27	11394	12476
Sports	4.02	4.71	1549	1762
Others	16.14	18.46	14401	15401



Earnings by market revealed that New Zealand not only provided the majority of arrivals but it also brought in about \$151.61million, a 46% contribution to the total earnings and an increase of 6% compared to the previous year. Australia being the second largest market generated \$78.36million, an increase of 14.4% compared to the previous year, while American Samoa contributed \$46.22million or 14% of the total. The rest of the markets including the secondary markets put together contributed about \$56.3million or 17% of the total earnings.

6.3 Occupancy and Forward Bookings Survey

Occupancy and forward bookings surveys was an area the Division took up in the beginning of 2011 as there had been no record for this important indicator. It was a great challenge taking this up as some of the accommodation properties saw this information as confidential and sensitive as far as business is concerned. Furthermore, others did not have any records and a lot of questions were asked as to why the Authority was interested in collecting this information. A lot of effort was put into trying to collect this on a monthly basis. Regardless of the many

challenges, the work continued and data for the whole 12 months was collected and analysed to form the basis for the years to come.

The response rate varied for the months from 60% to 80%. The response from the Savaii accommodation properties was tremendous compared to those in Upolu.

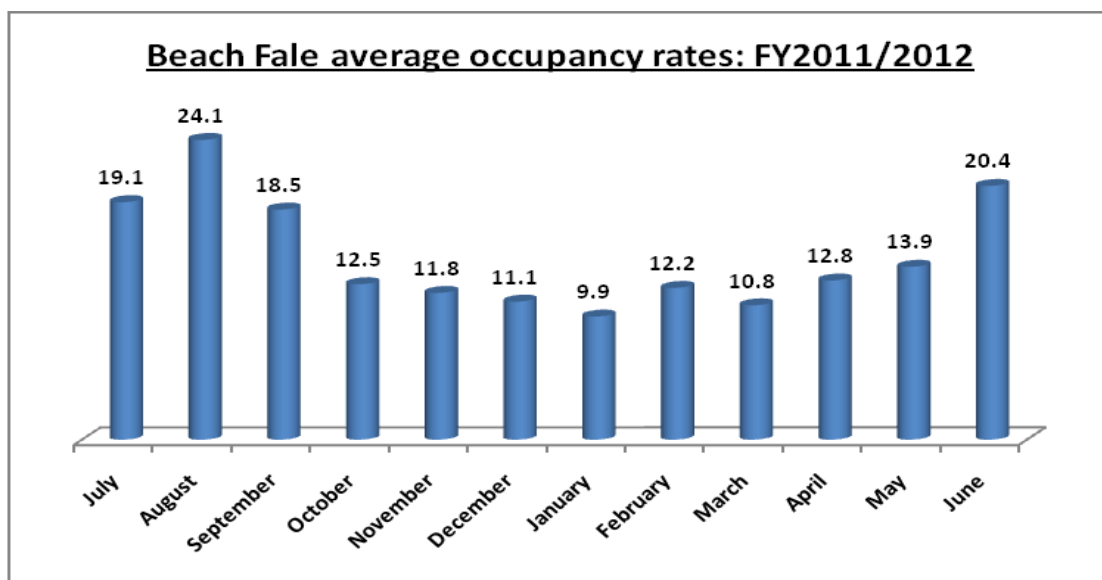
6.3.1 Findings

Following is the summary of findings for the Financial Year under review 2011/2012. The average occupancy for the whole accommodation sector is hard to determine given the different natures hence the reason why it has been done by category to reflect the type of accommodation that is mostly preferred by our visitors. Performance by the Deluxe category is quite extreme as it ranges from 80% down to as low as 29%. For the Superior category, performance is almost the same as that of the deluxe and seasonality nature of tourist arrivals is quite evident in these two categories.

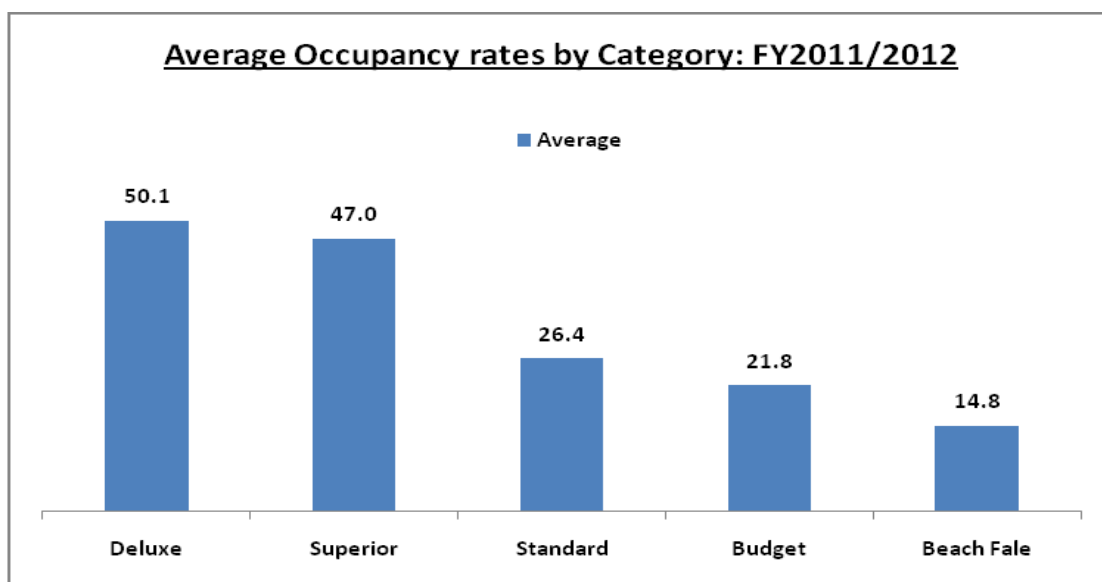
Financial Year 2011/2012

	Deluxe	Superior	Standard	Budget	Beach fale
July	80.3	68.2	37.1	35.8	19.1
August	70.6	66.1	36.6	30.7	24.1
September	63.7	50.4	26.4	28.6	18.5
October	47.6	26.9	27.6	21.3	12.5
November	48.1	40.7	27.6	22.8	11.8
December	33.1	44.3	23.0	21.7	11.1
January	28.9	36.5	24.6	14.6	9.9
February	39.7	39.5	21.1	11.0	12.2
March	37.3	50.1	22.3	18.9	10.8
April	48.8	37.9	20.2	17.9	12.8
May	44.2	39.3	26.2	20.9	13.9
June	58.8	63.9	24.4	17	20.4
Average	50.1	47.0	26.4	21.8	14.8

Beach Fale category is a specialised one and this is the area where there is a lack of records. Most of these are family based and all the employees are family members. Most of them do not have complete records of all the reservations as well as the guests that they get from time to time, as evident from the occupancy information portrayed in the following graph.



The overall occupancy rate for each category is summarised in the following graph. Deluxe category achieved a 50% overall occupancy rate for the Financial year under review, followed closely by Superior with a 47% occupancy rate.



6.4 Attraction Sites Survey

Many times questions were asked how many people actually visit the attraction sites around Upolu and Savaii, how popular are these attractions to both visitors and our own local people, is there information available to tell us the answers to the above?

The Survey to capture the above information was initiated in January 2012 and as was the case with the Occupancy survey, several challenges were encountered. Most of the attraction sites, especially those owned by families and village councils do not have records. The Division then provided each site with a Visitor book to record this information. Some sites were given more than one book as different people were on duty when the staff arrived on site.

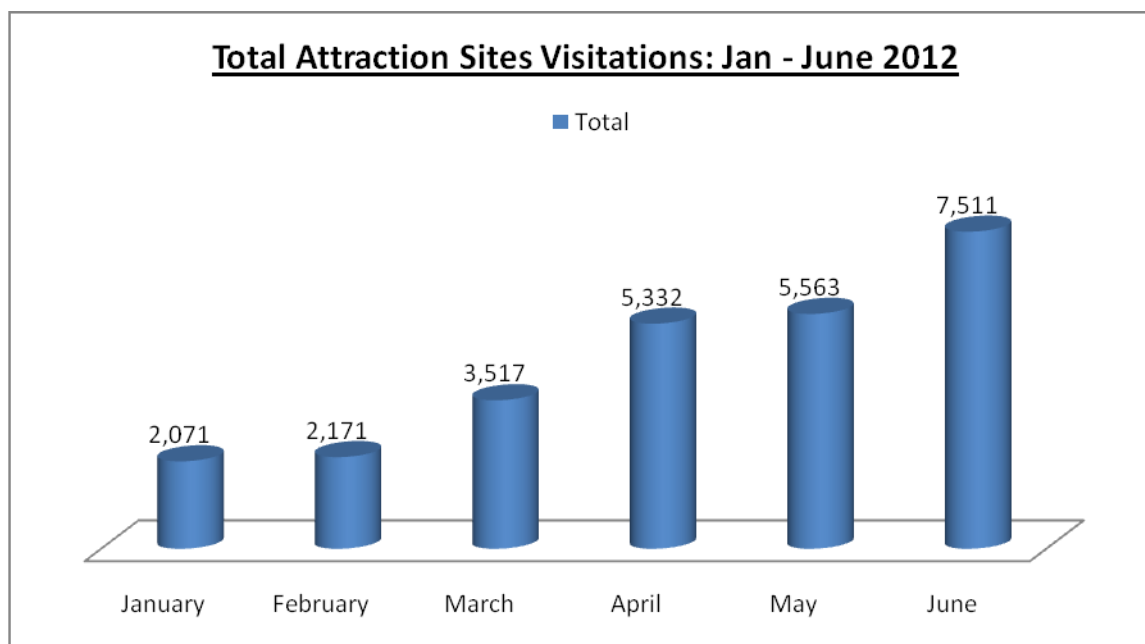
Regardless of the above challenges, and although this had only been done for six (6) months, the information was collected and collated, and following is the summary of findings.

Months	Number of sites	Visitors	Locals	Total	Total Visitor arrivals	% total Visitor arrivals
January	9	1,631	440	2,071	9,612	17.0
February	9	1,756	415	2,171	7,245	24.2
March	9	2,487	1,030	3,517	9,078	27.4
April	20	3,798	1,534	5,332	10,197	37.2
May	20	3,831	1,732	5,563	12,319	31.1
June	20	6,339	1,172	7,511	14,261	44.4
Grand Total	87	19,842	6,323	26,165	62,712	31.6

As per the above table, for the first three months, only 9 sites were able to respond to the survey. For the last quarter of the financial year, 20 sites participated and the information provided was really good. The total number of visitors who visited the different sites for the whole six months was 19,842, about 32% of the Total visitor arrivals for the six months under review. Furthermore, we also saw that the sites are not popular to just the overseas visitors, the locals also find time to visit these places.



As evident from the above graph, more that 50% of the total monthly visitations were visitors with the remaining percentage ranging from 16% to 30% were the locals.



Total visitations for the months revealed that June was the busiest month with a total of 7,511 people and about 84% of which were visitors with just 16% locals.

From the survey, it has been noted that the top five attraction sites for Upolu were; Papase'ea Sliding Rocks, Baha'i Temple, Robert Louis Stevenson Museum, To Sua Trench and the National Museum. For Savaii, the Blowholes took the lead, followed by Swimming with Turtles, then the Saleaula Lava field, Fafa o Savalii and the Pe'ape'a cave.

Top Attraction Sites in Upolu and Savaii

Upolu	Jan	Feb	March	April	May	June	Total
Papase'ea Sliding Rocks	788	888	1,195	988	632	1,277	5768
Baha'i Temple	92	314	273	1,738	1,495	1,553	5465
Robert Louis Stevenson Museum	567	406	603	1,414	453	472	3915
To Sua	575	446	562	178	578	1,493	3832
National Museum	33	36	701	300	229	202	1501
Savaii	Jan	Feb	March	April	May	June	Total
Alofa'aga Blow Holes				82	502	706	1290
Swimming with turtles				77	471	552	1100
Sale'aula Lava Fields		49	125	31	102	201	508
Fafa o Savalii'i				120	54	200	374
Pe'ape'a Cave				69	44	33	146

6.5 Survey Summaries: Events Assessments

The Division had undertaken various small sample surveys as part of the assessment process for the various major events that took place and may have an impact on tourism. For the period under review, the surveys that have been undertaken include the Teuila Festival, Arrival, Miss

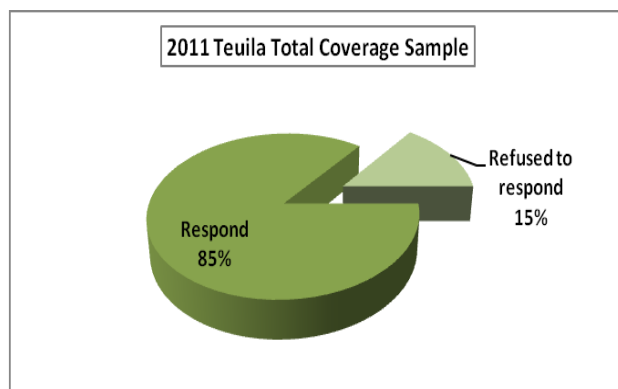
South Pacific Pageant 2011 and the Samoa Tourism Exchange Evaluation, and following are the summaries of findings for the first two.

6.5.1 Teuila Festival Survey 2011

The Teuila Festival Survey was done both in Apia during the festival as well as at the Faleolo International airport for two weeks after the festival. This was to gauge feedback on the progress of the festival and how we can improve going forward.

The summary of findings is as follows:

6.5.1.1 Sample and Methodology



A total of 545 were approached for the survey. 85% or 485 agreed to take part while 15% refused to respond.

88% of those that responded did watch the activities while 12% did not, some said they had never heard of the festival others said they had spent all of their holiday in Savaii.

About 66% of the total sample came from NZ and Australia making up the bulk of those interviewed.

6.5.1.2 Source of information

Word of mouth seemed to be the most popular means of communicating the information as 50% of those interviewed said they learned about the festival from talking to family and friends.

6.5.1.3 Satisfaction levels

In terms of satisfaction levels, 44% were very satisfied with 42% saying that they were satisfied. 13% did not want to say whether or not they were satisfied and only 1% were not satisfied.



About 86% of those interviewed said they would definitely recommend the festival to others while the rest were either unsure or did not want to say or said no.

6.5.1.4 Highlights of the Teuila

Of all the activities, the main highlights according to the results of the survey were the Stalls and the cultural entertainment. Tattooing was also on the ranks with Other activities.

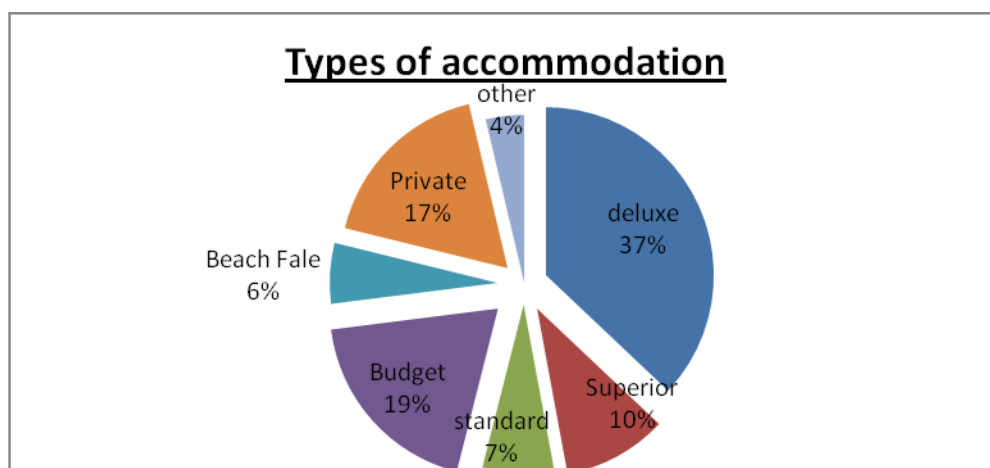
6.5.2 Arrival Survey

An attempt to determine the most preferred accommodation type and by what type of visitors led to a short Arrival survey that was conducted as the Arrival lounge of the Faleolo International airport.

The main challenge encountered was the limited time that people have inside the arrival lounge to answer the questionnaires. In this regard, the questionnaires were kept straightforward and simple so that it will only take about 5 minutes to complete.

A total sample of 193 passengers were interviewed and 63% were here on holiday, with 19% here for business reasons, with most of them from New Zealand (51%). 73% of those interviewed were first time visitors to Samoa while the rest were repeat visitors.

Types of Accommodation



It was discovered that the most preferred type of accommodation was Deluxe with 37%. It was also interesting to note that most of those interviewed mentioned that they intend to move around during their visit, so the given accommodation is just the one for the first few nights. Furthermore, some who visiting friends and relatives stated that they will be utilising commercial accommodations during their visit instead of staying with families.

6.5.3 Miss South Pacific Pageant 2011

Samoa played host to the 25th Miss South Pacific pageant and the team had a look at the views of people who watched this event and their feedback for its progress going forward.

The survey was conducted at the Departure lounge of the airport for about five days after the event. A total number of 121 passengers were interviewed with only 57% had watched the event while the others either did not watch or were not interested. Of the whole event, the highlights according to the respondents were the floats and the actual pageant night. When asked about their opinion of the decision and who they voted for, more than 50% indicated that they had voted for Miss Fiji, and the decision to make her the new Miss South Pacific was the

right one. There were a few disappointments however, the highlights and the overall pageant was rated highly by respondents and was considered a success.

6.5.4 Samoa Tourism Exchange 2012

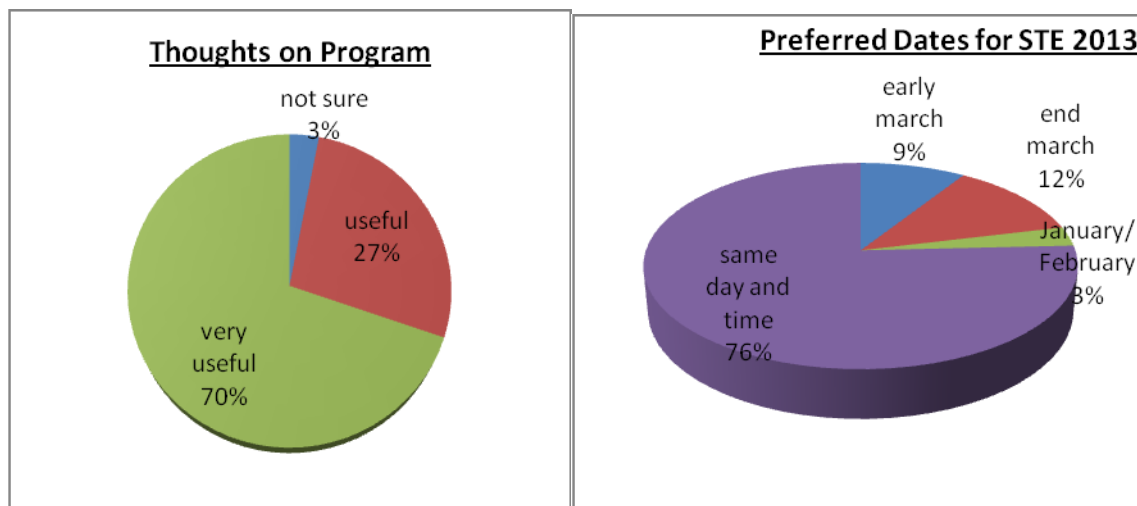
Samoa Tourism Exchange 2012 introduced new features and was conducted for a whole week with the two days finale of the actual conference. STE 2012 included a Buyer/Seller day, where the wholesalers were set up to meet with our local tourism business operators on the first day, to explain their products and see whether they can strike deals. This was followed by a Roadshow, whereby these wholesalers and retailers from the market places went around inspecting the whole product.

The assessment survey was done in two parts:

1. Evaluating the Buyer/Seller day
2. The actual conference that took place for two days as the finale of the event

6.5.4.1 Buyer/ Seller Day

A total number of 33 participated in the evaluation survey for this part of the STE by responding to the questionnaires. 70% found the programme very useful while 27% thought it was useful, the remaining 3% were uncertain. 97% would like to see this done again next year but 3% thought it was a waste of time.



When asked about what they think in terms on the preferred dates for the programme in 2013, 76% would like to have it about the same time, 9% preferred early March, 12% for the end of March while only 3% wanted January/February period before peak time.

6.5.4.2 STE Conference 29-30 March 2012

From the overall assessment, the evaluation discovered that the majority (69%) of participants who responded stated that they knew about the forum through email, 17% indicated word of mouth while only 8% heard through Advertisement.

STE two day forum included presentations and discussions on issues including sales & service improvement, regional tourism, airlines, climate change protection, etc. The event was well organised based on the feedback from participants, 83% indicated that they will certainly attend the next Samoa Tourism Exchange forum. Also the event was held at a convenient time

with 83% stated that it was a good timing. Another important content of the forum was to assess whether the event was considered as Value for Money or not. As shown in the following graph, 95% responded 'Yes' agreeing that the event was definitely Value for Money. Accordingly, 20% indicated that they will pay more in the next STE and 66% will pay about the same amount. 93% stated their satisfaction of the whole event, 5% were not sure with 2% stating their dissatisfaction.

Gathering from the responses, the event was a success as most of the respondents had expressed positive feedback with a few odd ones on the negative. However, the recommendations and feedback is to be assessed and considered for the planning of the next STE in order for its success to continue.

7.0 POLICY ADVICE

Introduction

The Policy Advice (PA) Division under the direct authority of the Chief Executive Officer is responsible for a diverse range of duties and tasks. This division is expected to lead the way in providing advice relating to the Government's objectives to achieve 'tourism for Samoa' over the longer term with a specific focus on the Community, the Tourism Industry, the Government as well as the Authority's requirements. From there, the Policy Advice Team then moves to implement approved recommendations associated with the development of new or the review of existing strategic policies.

The Policy Advice Division is made up of staff members with specialized skills in the diverse areas of culture and customary village protocols, events coordination and management, information technology and network administration, implementation and monitoring of special projects, secretariat administration and advisory services, community and media awareness as well as public relations and communications.

While all members of this Division report directly to the Chief Executive Officer, they can be accessed by all of Management for other divisional projects.

7.1 Cultural and Language Training Programme

The Policy Advice Team has formulated and implemented a comprehensive 10 week Samoan training Programme for Staff and interested members of the Tourism industry on all cultural traditions and practices that are relevant to the Tourism and Hospitality programmes. This training is the first part of a series of trainings on cultural and customary protocol that the Samoa Tourism Authority will be offering through its Samoan Language and Culture Training Programme. This programme also offers 'hands on' training exposing the learners to various cultural acts and customary rituals.

7.2 Community Liaison

The Policy Advice Division leads negotiations and discussions with villages, communities and specific groups as required by the Authority and tourism related delegations. The successful back to back filming of three CBS Survivor seasons in Samoa is a positive result of these negotiations in which STA has played a productive role as mediator between the Film Production Companies intending to film in Samoa and the Government and local communities. Any tourism related complications that occur with or from within a village are dealt with according and quickly resolved by the Authority. The Authority has gained much support from the community through dialogue and positive actioning in its efforts to promote the community level support for tourism.

7.3 Cultural Village

The PA Division in close collaboration with the STA Marketing Team and other divisions has revived the Cultural Village which hosts and puts on display the following talents and skills: tattooing, handicrafts, carving, screen printing, samoan food (umu) demonstration and sampling, fire knife dancing, traditional healing etc. The Village is run as an international Cultural Centre with a tour guide and other necessary features. The PA team is currently working on pamphlets and an informative DVD that will focus on the Village and what it has to offer to visitors in the form of visual hands on Samoan cultural experience.

7.4 National Beautification Committee

The PA Division works together with the Planning and Development Division in coordinating the activities of the National Beautification Committee which include village beautification and lavatory inspections. Other initiatives include the beautification of the town area and addressing stray and domestic dog issues.

7.5 Events

The Authority has led the way in Samoa through its effective and efficient facilitation and coordination of events at a national and international level throughout the years. The Policy Advice Division is at the forefront of the organization and managing these various Events which include not only STA initiated events as well as other events on a national scale. The events that have taken place of which STA has been the main coordinator include:

- Teuila Festival (2011)
- Miss Samoa Pageant (2011)
- Miss South Pacific Pageant(2011)
- Samoa Tourism Exchange (2012)
- 50th Independence Celebrations (2012)
- Manu Samoa vs. Scotland Rugby Match Functions (2012)



Samoa also serves as the Secretariat for the Miss South Pacific Pageant Inc. Board of Directors as well as all other Events Committees with which STA is involved, are provided for by the PA Team through the Events Coordinator.

STA's Policy Advice Division is also actively involved this year in the form of technical assistance and advice, and providing further exposure and coverage of other national events which have brought in more overseas visitors and investors into Samoa.

The PA Division continues to keep visitors to the www.samoa.travel website updated on the events taking place in Samoa as well as developing an events plan and calendar on a regular basis. The PA Division is also able to set up awareness assistance for the various events such as Press Conferences, Press Releases, and advertisements to assist the main organizing bodies in their efforts to boost the particular events they are involved in.

It is one of the Division's key responsibilities to not only manage overall events strategy from concept to completion (in collaboration with all STA divisions), but also to monitor and analyze these programs to ensure their effectiveness in generating maximum returns in all forms on the Authority's investment.

7.6 Booking Engine System

The Online Booking Engine has been a successful service offered by STA to the local accommodation industry. Since its inception in 2010, 49 properties have connected with STA to utilise this online booking system. These properties have shown favorable increases in bookings they have received since having become a part of this service. The smooth running of the booking engine is administered by the PA Division's IT personnel. This responsibility also includes liaising with property owners/customers on booking engine related matters on a daily basis, such as updating the information and images of the properties as are offered on the STA website in line with the booking service. The properties are able to utilize STA's IT assistance in this form and the PA team ensure that any queries/concerns regarding updating of individual property pages

as well as financial concerns arising from the online engine are dealt with and resolved immediately.

7.7 Livestreaming, www.samoa.travel and social networks

7.7.1 Network System

The PA Team is responsible for overseeing the day to day operation of the entire STA computer network including hardware/software support. It is involved from the initial stages of planning, designing and implementing data connectivity for the local area network and wide area networks, hardware/software purchases, system installation, backup, maintenance and problem solving; analyzing and troubleshooting the network logs and tracking the nature of problems and providing solutions.

The PA Team's IT personnel also establishes and maintains the entire STA staff network of emails and maintains user email accounts, reviewing mail logs, recording and networking configurations as well as providing solutions to user identified problems.

In addition to this, the PA Team has either developed, created, managed or maintained and updated the;

- STA websites (www.samoa.travel, www.teuilafestival.com, www.misamoapageant.ws, www.samoatourismexchange.ws, www.missouthpacificpageant.ws),
- Facebook pages (Miss South Pacific Pageant, Samoa Tourism, Miss Samoa Official Page, Teuila Festival page),
- Twitter account (Miss South Pacific Pageant, Teuila Festival, Miss Samoa Pageant, Samoa Tourism),
- as well as a STA youtube account (samoa tourism)

7.7.2 Livestreaming

The PA team through its IT personnel has also introduced Livestreaming of some of the key events that took place in Samoa recently including: Teuila Festival 2011, Miss South Pageant 2011, Manu Samoa vs. Scotland 2012 and the 50th Independence Celebrations. This has been a great success not only for viewers overseas (Samoans abroad and interested foreigners) wanting to be a part of what is happening in Samoa but more so for widening the doors of exposure for Samoa as a nation to the outside world further cementing Samoa's place on the tourist destination global map. The PA Division plans to provide livestreaming for other upcoming events.

7.7.3 Youtube & Website Video Uploads

All of the video footage that has been taken of the various events happening in Samoa on an international level has since uploaded on to the samoatourism youtube page. These include the Teuila Festivals 2011, the Miss Samoa Pageant 2011, the Pure Pacifika Miss South Pacific Pageant 2011, the Samoa Tourism Exchange 2012, the 5th International Samoan Tatau Festival, the Manu Samoa vs. Scotland rugby match, and the 50th Independence Celebrations.

7.8 Media Awareness, Public Relations and Communications

Keeping the Industry, the public and the media informed of what STA is carrying out to ensure 'tourism for Samoa', is the responsibility of the PA Division. It is the duty of the PA team to develop, implement and drive a strategic communications programme covering industry and STA developments. This is an effective communications programme that will feed to all the local and international media, the local community as well as the local and international tourism industry and interested stakeholders all and any news that reflects and advises ALL about what is happening in the tourism sector and its benefits to the larger Samoan economy.

These forms of awareness include the creation of press releases, press conferences, television programmes (TV1 Lali/TV3 Samoa le Aso), weekly radio programmes (Radio2AP, Radio Polynesia Talofa FM), online updates and correspondence. The communication strategy also includes leading negotiations and discussions with villages, communities and specific groups as required by the Authority in the efforts to communicate important tourism messages to the community at large.

STA's other efforts to create awareness have been in the form of informative commercials such as television commercials, radio commercials, website, television, broadcast, print and publication notices and advertisements, especially for the likes of Samoa Clean Up campaigns under the National Beautification Committee directives.

The PA team is in charge of creating, updating and maintaining STA's only media and main trade database which is effectively used for disseminating information from not only STA but also the rest of the local industry to the international media and tourism/trade world. The database is currently made up of more than 2000 contacts. This database also serves to keep the local industry informed of the goings on in the broader tourism environment and make them aware of any opportunities that might help increase recognition and profit for the local industry. This use of the database to provide a network system for all tourism related stakeholders has been one of success. It has been the portal by which STA has channeled its e-circular to not only the tourism related stakeholders but any interested individual in both public and private sectors at large.

The PA Division continues to assist the STA Marketing Team locally based and those STA Marketing Reps overseas, through the facilitation and implementation of itineraries and programmes for overseas media visiting Samoa under the Authority's Media Visit Campaign. This is a productive feature as it creates an intensive working relationship between the PA Division and the Authority's Overseas Marketing Reps and their clients. The PA Division is also on hand at all times to respond to queries from both local and international media regarding matters pertaining to Samoa's tourism related events and those which STA might directly be involved in.

The PA team is in the process of developing a media library. This is an extension of the Media Visit Campaign as well as a gallery for STA by which to store, archive, record and maintain any and all writings, recordings, footage, images of Samoa.

8.0 FINANCE AND CORPORATE SERVICES

Introduction

The Finance and Corporate Services division of the Samoa Tourism Authority, plays a vital supporting role in the effective implementation of the core activities of the Outputs of the Authority. Ensuring compliance of the Authority with the requirements of the Public Bodies Performance and Accountability Act 2001, which regulates the administration and finances of all Government bodies, in conjunction with other relevant existing national and international legislations, is one of the main objectives of the division. In addition to that, the Finance and Corporate Services division is also responsible for overseeing and coordinating the human resource of the Authority.

8.1 Financial Report

8.1.1 Annual Accounts – FY 2011 - 2012

We herewith present the Samoa Tourism Authority's audited annual accounts for the financial year 2011/2012, and we are pleased to state that the Authority's books subsequent to the audit arrived at the following:

- the accompanying financial statements give a true and fair view of the state of affairs of the Authority as at 30 June 2011, and that financial statements of the Authority are properly drawn up to give in a prescribed manner the information required by International Financial Reporting Standards and the Samoa Visitors Bureau Act 1984 (Samoa Tourism Authority Act 2012).
- No major issues in the maintenance of books as well as the finances was noted.

8.1.2 Internal Control Systems

Samoa Tourism Authority's internal control systems in place continue to be effective, in ensuring that accountability and transparency are upheld during the execution of the Authority's operations. These systems are further strengthened with the assistance of our accounting software MYOB, and existing Administration and Accounting policies and procedures. Any issues raised with relevant recommendations by auditors to fortify internal control systems of the Authority during audits, are implemented where necessary.

8.2 Finances

In comparison to last financial year (FY2010.2011), the Statement of Financial Performance for the year noted a 13.46% increase in its excess of income over expenditure. This was a direct result of the commitment of the Authority in the first quarter of the financial year to clear the debt carried forward from the previous year totaling \$1,493,987 and carry out its main commitments positioned for the financial year through the application of more stringent cost saving methods together with more aggressive negotiations for better deals attached to our overseas marketing and promotional activities. For the few early months of the financial year the main source markets of NZ and Australia have had to embark on soft promotions with some promotional activities in postponement to later months.

8.3 Financial Analysis

Despite the fact that the Authority's Financial Performance for the period ended 30 June 2012 noted a good performance with an increase at 13.46% compared to the previous year its financial position as at 30 June 2012 particularly its liquidity position improved slightly with a current ratio of .34 when compared to the previous year with a current ratio of .32. This clearly indicates the Authority's inability to pay off its short term debts as at 30 June 2012.

For the past years the Authority has reported a credit position for VAGST which was one of the main influences on the Current Ratio every year in the past. However with the VAGST status for the Authority confirmed by the Ministry for Revenue towards the end of year the Authority as at 30 June 2012 booked a VAGST liability totaling \$475,723. This significantly attuned the Authority's financial position as at 30 June 2012. The Authority plans for this debt to be cleared in the first quarter of the new financial year, and in ensuring that the Authority pays its VAGST liability if any or when due a VAGST bank account has been set up where the VAGST portion of the grant will be deposited into every month.

Total Income for the Authority increased by 3.13% compared to last year (with government grant making up 96%; 2.4% of which was generated from the registrations and sponsorships for Teuila; Miss South Pacific Pageant; Miss Samoa Pageant and Other Income). Total expenses by a lesser percentage increased by 2.8% compared to last year. Of the total expenses, 61.5% was spent on Marketing and Promotional activities overseas, in the region and locally, 11.3% on Transactions on Behalf of the State, and the remaining 27.2% for the other 3 outputs namely Policy Advice to Minister, Planning and Development, Research and Statistics and support services provided by the Finance and Corporate Services division.

Excess of Income over expenditure noted an increase of 13.46% (**2012:** \$415,943 **2011:**\$366,598) compared to last financial year.

8.4 Human Resource

8.4.1 Staff

The Authority during the year employed a total of 56 employees including our NZ marketing representative. This number has increased slightly compared to last financial year. Employee turnover this year has a margin of 10.71% compared to the 11.11% last FY 2010/2011.

The following table provides a breakdown of staff members per division for this Financial Year.

DIVISIONS	Total Staff
Policy Advice	8
Marketing & Promotions	13
Planning & Development (7 + 7 NBC Groundsmen)	14
Research & Statistics	4
Finance & Corporate Services	17

8.4.2 Resignations

Throughout the financial year, 4 employees resigned to pursue other endeavors and 2 were terminated, on grounds of misconduct.

8.4.3 Retirements

During the year Tavita Asi officially retired after serving as a Supervisor-NBC Groundsman for nine consecutive years. He has contributed a lot to not only the National Beautification Committee but the Authority as a whole.

8.4.4 End of Contracts

Two managers successfully completed their 3 year contracts (2008-2011) in this financial year. Mativa Imo (Manager Research and Statistics Division) completed her contract in October and Christina Leala-Gale (Manager Planning and Development Division) in December. Mativa Imo and Christina Leala-Gale have been reappointed to continue their roles as Manager Research and Statistics and Manager Planning and Development for the Authority respectively for the next 3 years.

8.4.5 New Recruitments

STA recruited 6 new employees during the financial year to replace some of the vacancies resulting from the resignations, terminations, promotions of staff members and also the newly created positions which were approved by STA Board of Directors.

The new recruits included the STA Special Project and IT Expert, 1 Cultural Advisor, 1 Accounts Officer, 1 Planning and Development Officer, 1 Research and Statistics Officer and 1 Office Driver.

8.5 Overseas Trainings

The Authority was also fortunate this year to have received several invitations to a number of overseas training opportunities for our staff members to attend.

The following table provides details of these programmes:

	Host Country	Title of Training	Duration of Training	Type of Sponsorship
1	Japan	Sustainable Tourism Development in Oceania	20 July – 11 September 2011	Fully Sponsored JICA
2	Suva, Fiji	Com4Dev	24 -25 August 2011	Fully Sponsored EU
3	Beijing, China	Service Industry Management for Developing Countries	30 August – 19 September 2011	Fully Sponsored Peoples Republic of China
4	Guilin, China	Tourism Trend & Outlook	26 -28 October 2011	Funded by the Authority
5	Philippines	Eco-Tourism for Sustainable Development	7 – 11 November 2011	Fully Sponsored Philippines Gov't
6	Japan	Planning & Management of Eco-Tourism in Tropical and Subtropical Areas for Asia and Oceania Region	11 April – 23 June 2012	Fully Sponsored JICA
7	Nadi, Fiji	European Development Fund(EDF) Awareness & Familiarisation Workshop	18 May 2012	Fully Sponsored EU
8	Beijing, China	South Pacific Specialist Training Workshop	14 June 2012	Funded by the Authority

Selection of candidates are done by Management and approved by Cabinet, based on programme requirements and eligibility criteria. Also crucial to the selection process is the relevance of the programme to the respective areas of responsibilities for effective capacity building of staff. The usual reporting requirements of Government apply, and staff members are expected to do presentations to Management and Staff upon return.

9.0 ANNUAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

SAMOA TOURISM AUTHORITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

SAMOA TOURISM AUTHORITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

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**SAMOA TOURISM AUTHORITY
CERTIFICATION BY DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2012**

We certify that the attached financial statements for the Samoa Tourism Authority comprising of the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements for the year ended 30 June 2012:

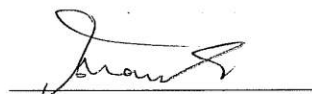
- (a) give a true and fair view of the matters to which they relate;
- (b) have been prepared in accordance with International Financial Reporting Standards; and,
- (c) comply with the Public Finance Management Act 2001 and Companies Act 2001 (amended 2006) in relation to the form or content of financial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

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

The Directors in office at the date of this report are:

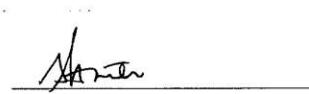
Afoa Amituanai Faleulu Maui - Chairman
Adele Kruse
Mark Pitt
Seumanuula Moana Clarke
Aanamaitu Pasikale
Taua Seuala Kitiona
Leota Lu II

We authorise the attached financial statements for issue on 26/11/12 on behalf of the directors of the Samoa Tourism Authority.



Signature

CHAIRMAN
Samoa Tourism Authority
Apia, Samoa
26/11/12



Signature

CHIEF EXECUTIVE OFFICER
Samoa Tourism Authority
Apia, Samoa
26/11/12

TELEPHONE: 27751
FAX: 24167
EMAIL: info@audit.gov.ws
Website: www.audit.gov.ws

Please address all correspondences
to the Controller and Chief Auditor



P.O. Box 13
APIA, SAMOA

AUDIT OFFICE

REPORT OF THE AUDIT OFFICE

SAMOA TOURISM AUTHORITY

We have audited the accompanying Financial Statements of Samoa Tourism Authority for the year ended 30 June 2012. The Accounting Firm of Lesa ma Penn, Certified Public Accountants, assisted in the audit.

The Responsibility of the Board of Directors for the Financial Statements

The Authority's Directors are responsible for the preparation and presentation of the Financial Statements and the information they contain.

Auditor's Responsibility

We have conducted an independent audit of these Financial Statements in order to express an opinion on them to the members of the Authority.

Basis of Opinion

Our audit has been conducted in accordance with International Standards on Auditing to provide reasonable assurance as to whether the Financial Statements are free of material misstatement. Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the Financial statements, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion as to whether in all material respects, the Financial Statements are presented fairly in accordance with the Samoa Tourism Authority Act 1984 and International Financial Reporting Standards so as to present a view which is consistent with our understanding of the Authority's Financial Position, Results of its operations and Cash Flows.

The Audit Opinion expressed in this Report has been formed on the above basis.

Audit Opinion

In our opinion;

- (a) proper books of accounts have been kept by the Authority, so far as it appears from our examination of those books; and;
- (b) the accompanying Financial Statements give a true and fair view of the State of Affairs of the Authority as at 30 June 2012 and of the results and cash flows of the Authority for the year ended on that date; and
- (c) the accompanying Financial Statements are properly drawn up to give in the prescribed manner the information required by International Financial Reporting Standards and the Samoa Tourism Authority Act 1984.

We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit.

Apia, Samoa
26 November 2012

C. Afele
Fuimaono Papali'i Camillo Afele
CONTROLLER AND CHIEF AUDITOR

**SAMOA TOURISM AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012 \$	2011 \$
INCOME			
Government grant		10,749,689	10,091,439
Teuila Festival proceeds	23	106,783	401,345
Miss Teuila Pageant proceeds	21	24,595	102,621
Miss South Pacific Pageant	22	135,025	-
Other income	8	216,983	296,980
		<u>11,233,075</u>	<u>10,892,385</u>
EXPENSES			
Finance & corporate services	9	981,821	1,016,409
Depreciation	7	189,166	113,395
Membership fees (SPTO)	10	76,638	76,316
Rent Government Building	24	87,457	87,457
Division Operating Costs			
Policy advice to board of directors	11	375,343	559,479
Marketing & promotion	12	1,011,680	982,704
Planning & development	17	608,092	414,738
Research and Statistics	18	247,539	196,530
Australian Office	19	2,866,981	3,459,358
New Zealand Office	20	2,018,599	1,084,525
North America Market	14	66,429	357,355
American Samoa Market	13	9,007	57,225
UK/Ireland Market (Europe)	15	542,373	489,612
Asian Market	16	133,290	44,168
Transactions on Behalf of the State			
Miss Teuila Pageant	21	80,988	67,924
Miss South Pacific Pageant	22	348,054	133,868
Teuila Festival	23	341,475	319,007
National Beautification Campaign		320,329	284,198
Samoa International Game fishing		10,000	10,000
Tourism Task Force		-	55,285
Air Service Agreement - APW/LAX	27	-	367,361
Shanghai Expo			157,223
Cultural Village Project		6,238	191,650
Samoa Tourism Exchange		85,703	-
Miss Samoa Costs		28,009	-
VAGST adjustment after MfR assessment	28	381,919	-
		<u>10,817,132</u>	<u>10,525,787</u>
Excess of income/(expenditure)		<u>415,943</u>	<u>366,598</u>

The relevant notes on pages 8 to 13 form part of this statement of comprehensive income.

**SAMOA TOURISM AUTHORITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012**

	Accumulated Profit/Loss)	Total
Balance at 30 June 2010	(592,481)	(592,481)
Total comprehensive income for the year	<u>366,598</u>	<u>366,598</u>
Balance at 30 June 2011	(225,883)	(225,883)
Total comprehensive income for the year	<u>415,943</u>	<u>415,943</u>
Balance at 30 June 2012	<u><u>\$190,060</u></u>	<u><u>\$190,060</u></u>

The accompany notes form part of this Statement of Changes in Equity.

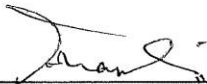
**SAMOA TOURISM AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012**

	Notes	2012 \$	2011 \$
EQUITY			
Accumulated Funds		<u>190,060</u>	<u>(225,883)</u>
<i>Represented by:</i>			
CURRENT ASSETS			
Cash on hand		500	505
Cash at banks	2	239,245	55,242
Stock on hand promotional materials	3	5,473	2,139
Debtors after provision for doubtful debts	4	11,409	9,000
Prepayments & Other Debtors		38,023	12,283
VAGST receivable		-	396,928
		<u>294,650</u>	<u>476,097</u>
CURRENT LIABILITIES			
Bank overdraft	2	129,060	130,571
Creditors & accruals	5	151,204	1,264,050
VAGST payable	28	475,723	-
Current finance lease borrowings	6	99,276	99,276
		<u>855,263</u>	<u>1,493,897</u>
DEFICIT WORKING CAPITAL		(560,613)	(1,017,800)
NON-CURRENT ASSETS			
Property, plant and equipment	7	808,582	949,102
NON-CURRENT LIABILITIES			
Non-current finance lease borrowings	6	57,909	157,185
		<u>190,060</u>	<u>(225,883)</u>

The relevant notes on pages 8 to 13 form part of this statement of financial position.

On behalf of the Board:


Matatamalii Sonja Hunter
CHIEF EXECUTIVE OFFICER


Afoa Faleulu Mauli
CHAIRMAN

**SAMOA TOURISM AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
CASH FLOWS FROM/ (TO) OPERATING ACTIVITIES		
Grants received from Samoa Government	11,395,560	10,361,359
Cash from other income	120,457	280,380
Proceeds from Miss Teuila Pageant	28,284	102,621
Proceeds from Teuila Festival	122,800	131,425
Proceeds from Miss South Pacific Pageant	155,279	-
Cash paid for expenses	(11,455,740)	(10,210,616)
<i>Net cash flows from operating activities</i>	<u>366,640</u>	<u>665,169</u>
CASH FLOWS FROM/ (TO) INVESTING ACTIVITIES		
Payments for property, plant and equipment	(48,619)	(191,286)
<i>Net cash flows applied to investing activities</i>	<u>(48,619)</u>	<u>(191,286)</u>
CASH FLOWS FROM/ (TO) FINANCING ACTIVITIES		
Vehicle lease repayments	(132,512)	(47,326)
<i>Net cash flows applied to financing activities</i>	<u>(132,512)</u>	<u>(47,326)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	185,509	426,557
CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR	(74,824)	(501,381)
CASH AND CASH EQUIVALENT AT END OF YEAR	<u>110,685</u>	<u>(74,824)</u>
 Represented by:		
Petty cash	500	505
Cash at banks / (overdraft) - (Note 2)	110,185	(75,329)
	<u>110,685</u>	<u>(74,824)</u>

The relevant notes on pages 8 to 13 form part of this statement of cash flows.

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with the requirement of the International Financial Reporting Standards adopted by the International Accounting Standards Board (IASB), and interpretations issued by the Standing Interpretations Committee of the IASB.

1.1 General

The accounts have been prepared primarily on the basis of historical cost, using generally accepted accounting principles consistently applied. These financial statements are presented in Samoan Tala (WST).

1.2 Depreciation

Fixed assets are depreciated so as to write off the cost of each fixed asset during its expected useful life.

The Samoa Tourism Authority adopts the straight-line method using the following rates for each category:

Buildings	2.5 -5%	straight-line
Tools and equipment (NBC)	20%	straight-line
Motor vehicles	25%	straight-line
Office furniture and equipment	20%	straight-line

1.3 Foreign currency

All amounts are in Samoan tala. Transactions in foreign currencies during the year have been converted at exchange rates ruling at the time of the transaction. Assets and liabilities in foreign currencies at balance date have been converted at rates ruling on that date. Exchange differences are recognised in profit or loss.

1.4 Grants, aid in assistance, donations and capitalization

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

- (i) All items which are intended for the support and financing of the Authority's operations and received in cash, are taken to income on receipt.
- (ii) All aid which are received in the form of depreciable assets, are capitalised in the year of receipt.
- (iii) All assets that are received in the form of depreciable assets from the Government of Samoa are capitalised.

1.5 Income tax

The Samoa Tourism Authority is not subject to taxation.

1.6 VAGST

All amounts stated in the financial statements are net of VAGST. The VAGST collect and paid are taken to the statement of financial position as payable or receivable from the Ministry for Revenue.

1.7 Debtors

Debtors are stated at their expected realisable value after provision for doubtful debts. The provision for doubtful debts is determined by analysis of individual debtors accounts.

1.8 Stock on hand

Stock has been valued at the lower of cost and net realizable value.

1.9 Changes in accounting policy

There has not been any significant change in accounting policies during the year.

1.10 Leases

Operating lease payments, where the lessors effectively retain all the risks and benefits of ownership of the lease items, are included in the determination of the net surplus in equal instalments over the period of the lease.

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

1.11 Financial Instruments

Financial instruments recognised in the statement of financial position include cash balances, bank overdrafts, receivables, payables and others.

Samoa Tourism Authority is not party to any financial instrument with off-balance sheet risk. Financial Instrument are measured at fair value.

Assumption inherent in the calculation of net realisable value include the determination of the credit risk associated with the financial instrument. All carrying values are considered to approximate fair value.

1.12 Comparative information

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

2. CASH AT BANKS

	2012 \$	2011 \$
ANZ Bank (Samoa) Limited Main	25,464	25,122
ANZ Bank Group Limited - Auckland #1 account	6,887	24,416
Westpac Bank (Samoa) Limited #1 account	(29,469)	(52,205)
Westpac Bank (Samoa) Limited - Payroll Account	37,754	(57,018)
Westpac Bank (Samoa) Limited Marketing Account	31,821	973
Westpac Bank (Samoa) Limited Australia Market Account	(46,662)	(21,068)
Westpac Bank (Samoa) Limited UK/Ireland Market Account	(19,543)	796
Westpac Bank (Samoa) Limited North America Market Account	64,766	485
Westpac Bank (Samoa) Limited Asia Market Account	(33,387)	1,185
Westpac Bank (Samoa) Limited Planning and Research Account	28,125	(280)
Westpac Bank (Samoa) Limited Policy Advice Account	31,215	2,265
SCB Planning and Development Account	2,925	-
SCB Research and Statistics Account	10,289	-
	<u>110,185</u>	<u>(75,329)</u>
Cash at banks	239,245	55,242
Bank overdrafts - unsecured	<u>(129,060)</u>	<u>(130,571)</u>
	<u>110,185</u>	<u>(75,329)</u>

For transparency, more effective control and efficiency purposes, the Authority through the approval of the Board set up individual bank accounts for the different outputs and Payroll. The Miss Samoa Pageant Inc by law should be a separate entity to STA being an incorporated society and is therefore required to be audited separately. For this reason a separate bank account was set up in the beginning of the FY2012.2013, post FY2011.2012 audit. The control and management of the Pageant will however remain with the Authority until such a time when the Miss Samoa Pageant's management will be graduated to either a public or private body. Ownership however remains with the Samoa Tourism Authority.

3. STOCK ON HAND

Maps		-
Destination Booklet	857	225
Calendars 2011		241
Posters	2681	-
Bookmarks		-
DVDs ZIPSO	60	60
DVD Lauga Samoa	420	660
Gift books	281	532
Playing Cards	1174	421
	<u>5,473</u>	<u>2,139</u>

Stock is mainly promotional materials to be used mainly for promotional activities with a very small portion resold in a cost recovery effort.

4. TRADE DEBTORS

Trade debtors	28,262	22,073
Less: Provision for doubtful debts	<u>(16,853)</u>	<u>(13,073)</u>
	<u>11,409</u>	<u>9,000</u>

Allowance for impairment loss

Trade receivables are non-interest bearing and generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired.

At 30 June 2011, the ageing analysis of trade receivables is as follows:

0-30 days	5,409	9,000
31-60 days	6,000	
61-90 days	-	
91-365 days*	<u>16,853</u>	<u>13,073</u>
	<u>28,262</u>	<u>22,073</u>

*Considered impaired ('CI')

\$5000 included in the total 91-365days debtors were issued during the financial year

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

5. OTHER CREDITORS AND ACCRUALS

	2012 \$	2011 \$
Accrued expenses	133,704	1,246,282
Audit fees	17,500	17,768
	<u>151,204</u>	<u>1,264,050</u>

Other Creditors and Accruals include all trade creditors, and accruals.

6. VEHICLE FINANCE LEASE - WESTPAC BANK (SAMOA) LTD

The Authority acquired four new vehicles under a finance lease agreement with Westpac Bank Samoa Ltd in January 2011. Interest is charged at 9.5% per annum for a term of 3 years and the current lease repayment is \$10,885 (GST inclusive) per month.

Leases: Hiace Van	81,387	94,514
Toyota Hilux 4WD D/cap pickup	77,532	90,037
Delta 3 Ton truck	72,820	84,565
Toyota Hilux 2WD D/cap pickup	61,682	71,631
	<u>293,421</u>	<u>340,747</u>
Less: Lease repayments for 17 months ended 30 June 2012	(113,583)	(47,326)
Unearned Finance Lease Costs	(36,960)	(36,960)
Amortisation lease cost for the year	14,307	
Balance as at year end	<u>157,185</u>	<u>\$256,461</u>
<i>Included in the financial statements as:</i>		
Current finance lease borrowings	99,276	99,276
Non-current finance lease borrowings	57,909	157,185
	<u>157,185</u>	<u>256,461</u>

7. PROPERTY PLANT AND EQUIPMENT

2012	30 Jun 11	Additions	Disposal	30 Jun 12
Cost				
Building - Information Office	450,541	-	-	450,541
Office furniture & equipment	354,673	50,184	1,565	403,292
Tools & equipment	15,376	-	-	15,376
Millennium clock	70,727	-	-	70,727
Motor vehicles	148,261			148,261
Motor vehicles under finance lease	297,826			297,826
	<u>1,337,404</u>	<u>50,184</u>	<u>1,565</u>	<u>1,386,023</u>
Accumulated depreciation				
Building - Information Office	79,740	11,264	-	91,004
Office furniture & equipment	185,769	65,654		251,423
Tools & equipment	13,062	731	-	13,793
Millennium clock	70,727	-	-	70,727
Motor vehicles	14,185	37,065		51,250
Motor vehicles under finance lease	24,819	74,452	27	99,244
	<u>388,302</u>	<u>189,166</u>	<u>27</u>	<u>577,441</u>
Net book value	<u>949,102</u>			<u>808,582</u>

2011	30 Jun 10	Additions	Disposal	30 Jun 11
Cost				
Building - Information Office	450,541	-	-	450,541
Office furniture & equipment	434,980	43,025	123,332	354,673
Tools & equipment	15,376	-	-	15,376
Millennium clock	70,727	-	-	70,727
Motor vehicles	358,250	148,261	358,250	148,261
Motor vehicles under finance lease	-	297,826	-	297,826
	<u>1,329,874</u>	<u>489,112</u>	<u>481,582</u>	<u>1,337,404</u>
Accumulated depreciation				
Building - Information Office	68,472	11,268	-	79,740
Office furniture & equipment	237,883	62,388	114,502	185,769
Tools & equipment	12,332	730	-	13,062
Millennium clock	70,727	-	-	70,727
Motor vehicles	358,245	14,190	358,250	14,185
Motor vehicles under finance lease	-	24,819	-	24,819
	<u>747,659</u>	<u>113,395</u>	<u>472,752</u>	<u>388,302</u>
Net book value	<u>582,215</u>			<u>949,102</u>

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
8. OTHER INCOME	<u>249,530</u>	<u>296,980</u>

Other Income includes sale of promotional materials, hire of STA assets, Samoa tourism Exchange registrations, interest income, exchange gain and gain from disposal of assets etc.

9. FINANCE & CORPORATE SERVICES

Salaries & allowances	431,235	455,164
Exchange variation (Loss)	16,313	19,116
Bad Debts	-	-
Audit and accounting fees	-	17,768
Insurance (building and contents and vehicles)	10,755	14,261
Other expenses	<u>523,518</u>	<u>510,100</u>
	<u>981,821</u>	<u>1,016,409</u>

Other Expenses include: Advertisements/Notices for the office; Subscriptions with local newspapers; Occupancy costs which include Rent for airport booth, SSTA Office and Fagalii flat and lease costs for the STA Falesamoa; Utilities; Repairs & Maintenance O/Equip and Building; Vehicle Expenses; Bank fees, General and Office Administration Costs; Local and Overseas Travel for the division; Office Retreat expenses; and System maintenance costs.

10. MEMBERSHIP FEES

S.P.T.O.	<u>76,638</u>	<u>76,316</u>
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11. POLICY ADVICE TO BOARD OF DIRECTORS

Salaries & allowances	229,853	208,747
Executive Commitment to Government	114,514	308,888
Other expenses	<u>30,976</u>	<u>41,845</u>
	<u>375,343</u>	<u>559,479</u>

Other Expenses includes directors fees; catering costs for Board meetings and petrol costs for the CEO's Vehicle..

12. MARKETING & PROMOTION (GLOBAL)

Salaries & allowances	602,591	530,614
Collateral and Promotional materials	3,734	42,333
String band - airport (incl in Global Market)	42,236	44,994
Global Market	<u>363,119</u>	<u>364,763</u>
	<u>1,011,680</u>	<u>982,704</u>

Global market costs include all promotional and marketing activities in the region; sponsorship for the local industry activities; and costs incurred in the development of niche markets like Cruiseships, Sporting events, Meetings and Conferences which consequently convert to increase in visitor arrivals.

13. AMERICAN SAMOA MARKET

American Samoa Market	<u>9,007</u>	<u>57,225</u>
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With the American Samoa STA Office closed since last year, costs for the market activities reduced tremendously. Control and monitoring of the American Samoa market marketing and promotional activities currently rests with the Main Marketing Office in Apia.

14. NORTH AMERICA MARKET

North America Market (West Coast)	<u>66,429</u>	<u>357,355</u>
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With the current market conditions not just economic, but also in terms of product fit for the North American traveller and air capacity restrictions STA Management and Board resolved to assess the North America marketing activities on a case by case basis hence the significant reduction in total costs for the financial year compared to the previous year.

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
15. EUROPE MARKET		
Europe Market	<u>542,373</u>	<u>489,612</u>

Total cost for the Europe market comprises STA's Marketing Representative's fees and all marketing and promotional activities that the representative company participated in during the year on behalf of Samoa in UK/Ireland. These include Direct Marketing activities; Travel Trade Support activities; Public Relations and International Media activities and Events and Meetings.

16. ASIA MARKET		
Asia Market	<u>133,290</u>	<u>44,168</u>

Asia Market expenses include participation at the CITM in China; trade familiarisation for agents from Asia and media visits from Asia. In addition to those are the Korean Expo 2012 costs.

17. PLANNING AND DEVELOPMENT		
Salaries & allowances	372,818	313,743
Travel and Training costs	14,101	29,493
Product Updates and Site Visits	59,592	19,441
Tourism Human Resource Development and Public Awareness Programmes	99,744	12,709
Other expenses	61,837	39,352
	<u>608,092</u>	<u>414,738</u>

Other expenses' comprise costs incurred for inspections specific for assessing accommodation standards; Samoa Tourism Design Support (NZ Aid Project) and Climate Change Project (AusAid Project) costs which are STA's contribution to the project. Through the Climate Change project STA was donated a vehicle for the project's purposes which will remain a property of STA upon completion of the Project. Another major expense included in 'Other Expenses' is the Annual Report FY 2010/2011 printing costs.

18. RESEARCH AND STATISTICS		
Salaries & allowances	174,636	163,486
Accommodation Stock Update	0	425
Survey Costs	58,457	10,887
Training and Travel overseas	14,445	21,732
	<u>247,539</u>	<u>196,530</u>

The long overdue Visitors Survey is one of the Authority's projects which the New Zealand government is assisting with, both on the technical and financial side. While all is being sorted for the project the Authority carried out 2 pilot surveys during

the financial year ahead of the actual Visitors Survey which officially commences in July of the new Financial Year 2012/2013. In preparation for the Visitors Survey, a need for additional headcount arose resulting in the employment of additional staff members hence the noted increase in Personnel costs.

19. AUSTRALIA OFFICE		
Market Representation	122,478	460,033
Direct Marketing (Media Advertising)	1,587,624	1,835,557
Travel Trade Support Activities (Trade/Travel Shows etc)	833,382	1,084,358
Workshops/Seminars/Sales Calls Expenses	-	-
Wholesale Support	-	-
International Media and Public Relations	323,497	79,411
	<u>2,866,981</u>	<u>3,459,358</u>

The decrease in the total spending for Australia during the year is mainly due to controlled spending of the Australian Market budget as Management tried to clear outstanding debts from the previous year for all markets especially the source markets; Australia and New Zealand.

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
20. NEW ZEALAND OFFICE		
Salaries & allowances	114,029	103,670
Direct Marketing (Marketing and Promotional Advertising / Tactical Campaigns and promotional giveaways)	1,128,458	510,927
Travel Trade Support (Airline and Wholesaler Support, sales calls, travel/tradeshows, trade famils)	633,204	334,466
Workshops/Seminars/Sales Calls	-	-
Trade and Consumer Shows	-	-
International Media and Public Relations	50,000	25,433
Administration Costs	89,713	110,029
Other expenses	3,195	-
	<u>2,018,599</u>	<u>1,084,525</u>

Other expenses is related to the Tourism Marketing Taskforce meeting which the NZ Representative travelled to Samoa for to participate in.

The increase noted for the NZ Market total costs for the year is a direct result of the increase in the allocated budget for the NZ Market for the year to accommodate the planned additional activities approved by the head office to be carried out in NZ during the financial year.

21. MISS TEUILA PAGEANT

Receipts	24,595	102,621
Government Grant	58,870	58,870
Payments	<u>(80,988)</u>	<u>(67,924)</u>
	<u>2,477</u>	<u>93,567</u>

22. MISS SOUTH PACIFIC PAGEANT

Receipts	135,025	-
Government Grant	200,000	-
Payments	<u>(348,054)</u>	<u>(133,868)</u>
	<u>(13,029)</u>	<u>(133,868)</u>

23. TEUILA FESTIVAL

Receipts	106,783	401,345
Government Grant	283,450	224,000
Payments	<u>(341,475)</u>	<u>(319,007)</u>
	<u>48,758</u>	<u>401,345</u>

24. RENT ARREARS

The Authority has cleared its rent arrears carried forward from the previous year during the financial year and all payments are up to date.

**SAMOA TOURISM AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

25. OPERATING LEASES

The main office in Apia leases space from the Government at \$8,381.33 per month including vagst. The Auckland office opened in 1996. It was then brought in under the umbrella of the Consulate of Samoa in 2004/2005. The Authority is fully responsible for rent payment of NZD \$1,331.50 per month.

The Authority also leases a space at the Airport for its Information Booth and pays monthly rent of \$1,194.70 plus vagst to Samoa Airport Authority including any statutory increase for VAGST for the next three years effective July 1st 2009.

The Authority also pays monthly lease totalling \$5,300 including vagst to NPF, for the use of the falesamoa. As per agreement the falesamoa ownership has been transferred to NPF which can only be released to STA after 20 years of lease payments.

Currently STA has hired someone to start work on the small village with the intent of turning it into a cultural village for exhibition of Samoan handicrafts, tattooing, elei demonstrations, umu demonstration and so forth for the tourists especially those who come on cruise ships.

26. CAPITAL COMMITMENTS

The Directors are not aware of any capital commitments for the year ended 30 June 2012. (2011: NIL)

27. CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities as of 30 June 2012.

28. VAGST

In October 2012, the Ministry for Revenue completed its review of STA's VAGST statutes and assessment for the year ended 30 June 2012. The final decision is that the STA is required to register for VAGST and Government grant spent in Samoa is subject to VAGST. With this established, the final assessment to 30 June 2012 is a payable of \$475,723 which has now been booked.

29. GOING CONCERN

The going concern of the Authority is assured by the Directors based on the grounds that the Authority will be able to pay its debts as and when they fall due. However this is dependent upon the continued availability of grants from the Government of Samoa and aid assistance from other aid donors.

30. RELATED PARTY TRANSACTIONS

Compensation of key management personnel:	2012	2011
	\$	\$
Remuneration including allowances	444,240	440,644
Directors fees and allowances	25,775	106,272

The remuneration of key management personnel are determined by Cabinet and the Board. Key management personnel include the CEO, Manager Finance and Corporate Services, Manager Marketing and Promotions, Manager Planning and Development and Manager Research and Statistics.

The newly appointed STA board of directors commenced work on the 31st May 2012 hence the reason for the much lower total for directors fees and allowances.

Amounts receivable / (payable) to related parties at balance date:

VAGST - Ministry for Revenue	(475,723)	396,928
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31. GENERAL

The Samoa Tourism Authority is a government body established in January 1986 through the Samoa Visitors Bureau Act 1984 and the Samoa Tourism Authority Act of 2002 by Parliament. The main objective of the Authority is to promote Samoa as a destination to the world.

Amendments to the Samoa Tourism Authority Act was passed by Parliament in March 2012.