SAMOA LIFE ASSURANCE CORPORATION

CORPORATE PLAN

JULY 2025 – JUNE 2027

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MESSAGE FROM THE CHAIRPERSON

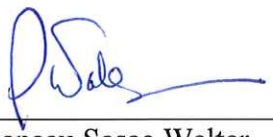
I am pleased to present the Samoa Life Assurance Corporation Corporate Plan, financial year 2024/2025 – 2026/2027, which was endorsed by the Board of Directors. This plan is the outstanding product of the firm effort and commitment of the Management and Staff and has been updated in accordance with the requirements of the Government Performance Mandate through MPE, and supersedes the Corporate Plan, 2021 – 2024, which was approved in April 2021.

The plan sets forth the Corporation's long-term strategic goals and objectives for carrying out its core mission responsibilities for insuring life of all its stakeholders for a secured future. It describes the means and strategies that will be employed in pursuit of these goals and objectives and identifies factors outside the Corporation's control that could potentially affect their achievement.

The Corporation pursues these goals and objectives through annual performance goals that are established each year and recorded in the Corporation's *Annual Performance Plan.* The Corporation reports on its performance against the annual performance goals in its *Annual Report.*

For more than 40 years, the Corporation has carried out its mission of maintaining public confidence and stability in our Country's financial system. The Corporation is dedicated to carrying forward that mission as outlined in this *Corporate Plan.*

Soifua



Auapaau Sasae Walter
Chairperson
Samoa Life Assurance Corporation
Board of Directors.

EXECUTIVE SUMMARY

This is a review of the previous Corporate Plan which sets direction for the development of the new Corporate Plan for the next three – financial year's period from 2024/2025 to 2026/2027.

The Corporation supports the Pathway for the Development Samoa, (PDS) 2021/2022 – 2025/2026, Vision, "**Fostering social harmony, safety and freedom for all**" and Theme, ***"Empowering communities, building resilience and inspiring growth"*** as well as the Finance Sector Plan 2023-2027, Vision of ***"Sustain Macroeconomic Stability for Samoa's Resilient and Inclusive Growth"***, through promoting economic development of its members and contributing to the local economy by investing surplus funds with the overall aim of developing our local economy.

The Corporation's principal function under the Samoa Life Assurance Corporation Act 1976 is to carry on in Samoa and elsewhere the business of life assurance. In selling the various life policy contracts, the Corporation is encouraging long-term savings, providing financial protection in case of death and promoting economic development of its members and contributing to the local economy through the investment of surplus funds.

To successfully carry out its main function as a life insurer and in support of its (3) main objectives:

1. To maintain the financial viability of the Corporation in order to provide sustainable level of benefits and meet its obligations to policyholders

2. Promote good client relationships through improved services and support economic strategies for the wellbeing of policy holders and communities.

3. Enable ability to achieve its vision and objectives through sound management, strong governance, improved administration through staff capacity building and improved resources.

It is important for the Corporation to remain financially viable to meet its obligations to policyholders. To do this it needs to generate sufficient income in order to meet its expected policy claims and other operating expenses. As such a reasonable level of policies need to be retained in the books each year by introducing good quality new business and retaining existing policies. Also, the investment of excess funds with policyholders and other financial institutions helps generate extra income. In support of this strategy, existing products and services are to be reviewed on a regular basis to ensure it meets the expectation and the changing needs of the insuring public. Furthermore, office systems employed and capability of its resources must be adequate and reliable to provide an effective service, improve our market shares and public awareness.

The financial performance of the Corporation over the last 40 years has been satisfactory with total assets exceeding $63 million. In the next three financial years of the planned period 2024/2025 to 2026/2027, the operating result will be low but satisfactory because of an increase in maturity claims. These high maturity claims will continue into year 2026 to 2027. With the continued impact of increased claims and voluntary withdrawals, every effort will be made to generate more revenue and control operational costs. With our focus on increased mortgage lending and improving the present product range by the introduction of new quality business, any negative impact from an increase in policy terminations should be minimal. Management systems and procedures will be streamlined in an attempt to be more efficient and cost effective including the introduction of a new and upgraded computerized system. The continued dependency of salary and wage earners on borrowed money from financial institutions for domestic needs and other long-term developments, poses a real challenge as it results in policy surrenders due to financial strain on personal income. In addition, the Corporation is also planning to construct a service elevator in support of people with disabilities for easier access and the Occupational health and safety of its staff, customers and the general public.

Our focus on life policy retention will therefore be our major task as life insurance business worldwide is an optional service and not compulsory. The Corporation relies on the confidence of the policyholders with the business they place with us. Our responsibility is to provide the promise benefits either on death or on maturity. Our objective now and in future is to continue to be profitable and be able to maintain a reasonable return to policyholders and pay claims when due. We do expect to face challenges on policy retention due to external factors such as migration, unemployment, high cost of living and the impact of international events affecting local economies.

MANDATE

The Corporation's mandate governing its role, functions, responsibilities and authority is provided under the following Acts: -

- The Insurance Act 2007
- The Life Assurance Corporation Act 1976
- The Public Bodies (Performance and Accountability) Act 2001
- The Public Finance Management Act 2001
- The Financial Institutions Act 1996
- Labour and Employment Relations Act 2013

Other directives which also influence its operation are: -

- The Pathway for the Development of Samoa
- Cabinet Directives
- Finance Sector Plan 2023 - 2027

As stipulated in the Life Assurance Corporation Act 1976, the Corporation's main function is to conduct within Samoa and elsewhere the business of life assurance. Through members investments in these life policies, their savings not only contribute to the development of the local economy but also benefit policyholders with the valuable financial protection it promises to provide in case of untimely death.

VISION

To be the ultimate provider of Life Insurance products and services that are dependable, affordable & appropriate for all.

MISSION

To maintain an acceptable level of quality policies and continuously introduce new business and financial services to ensure growth and financial viability of the Corporation.

CORPORATION PROFILE

The Corporation was established under the Life Assurance Corporation Act 1976 and officially commenced business on 1 July 1977. Government's decision in setting up its own life office was mainly to retain funds paid by policyholders in the country and to improve services to its members since the administration of life insurance business in Samoa which was conducted from abroad.

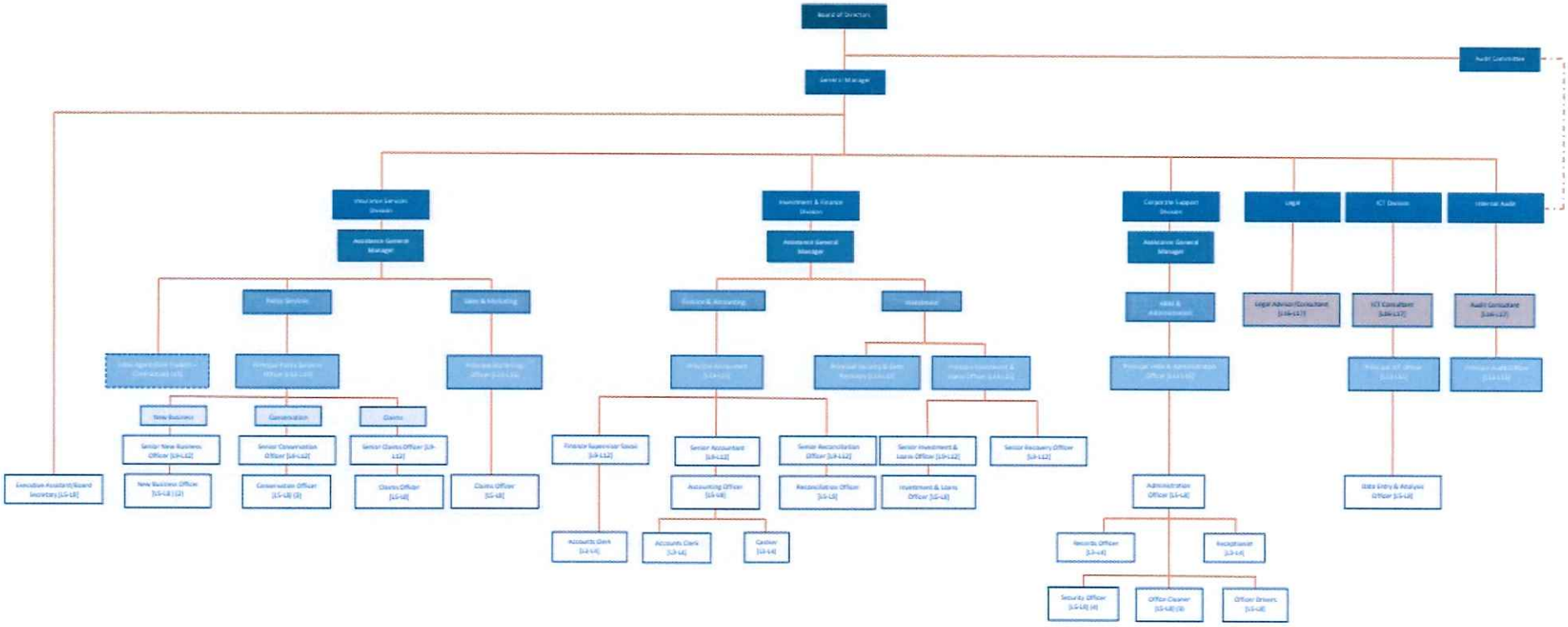
As a life insurer, our core functions are to sell and manage the various life contracts available, maintain accurate records of these policies, pay claims when they become due, provide related financial services and reward policyholders by way of bonus additions. The new reviewed Organizational Structure was approved by the Board of Directors on the 1st March 2022 with the new incorporated changes to it, highlights its principal activities under the three (3) main Divisions being Insurance Services, Finance & Investment and Corporate Support Services. 3 Supporting Units, Communication Information Technology, Legal and Internal Audit that report directly to the General Manager. A total of 7 contractual employees, 46 permanent staff members and 15 Contracted Sales Agents whom are also regulated under SLAC Act 1976 and Insurance Act 2007.

The Corporation is a mutual beneficiary SOE, with all profits going back to policyholders. As such it operates on funds from its own members and does not rely on external sources. It has accumulated over **$57** million in policyholder's funds and reserve in the last 47 years. The impact of high maturity claims is unavoidable but is a good indication of members dedication and resolve in holding onto their policies until matured rather than surrender. Steps to generate more revenue and maintain expenses are under constant review. Strategies designed to increase premiums and investment income over the planned period.

The Corporation is classified under the Finance Sector as with many other non-banking financial institutions and contributes well to the development of the local economy. It is a self-funding organization and receives no financial assistance from Government. As a sound entrepreneur it pays income tax to Government on investment income and provides a stable employment for staff.

It is imperative that the Corporation strives to increase revenue by looking for investment opportunities available and continue writing up quality new business to replace voluntary withdrawals, cancellations, lapses and matured policies in order to maintain its long-term financial viability.

SLAC ORGANISATIONAL STRUCTURE



STRATEGIC ISSUES ASSESSMENT OF RESULTS

The financial performance of the Corporation in the past and more recent in the last four years to June 2024 continue to be satisfactory and above plan. Total income generated was sufficient to meet policy claims and administration costs. The Corporation will again be able to meet its financial obligations over the next three years.

ASSESSMENT OF RESOURCES

The present resources of the Corporation to 30th June 2024 are still considered adequate in supporting its operation and achieving its objectives. However, there will be challenges to growth over the first two years in 2024/2025 and 2025/2026 of the planned period due to difficulty in retaining existing business because of policy holders' financial commitments

FINANCIAL RESOURCES

- The average annual revenue forecast over the next three years is $10 million generated from premiums, investment income and other miscellaneous income and is slightly higher than the previous period.
- Net surplus will reduce in the next three years because of an expected increase in maturity payments
- Total assets will be close to $64.6 million against $67.1 million by 2026/27.
- Continued pressure on cash flow over the planned period due to high policy claims payout and expected increase in policy loans and mortgages which is closely managed.
- About 47% of existing funds are reinvested with policyholders in policy loans and mortgages with the rest in term deposits and other assets.
    - Existing office fixtures, fittings and equipment's and vehicles are adequate and meet the needs of the Corporation.
    - On-going replacements of computer equipment's, air-condition units with office furniture will be required in the planned period.
    - Ownership of land & building in central Apia business area enhances value of policyholder funds and promoting policyholder confidence
    - All capital resources are self-funded with a few furniture donated from SIDS

HUMAN RESOURCES

- Members of the sales team are given professional advice on insurance matters and on-going support on different products.
- Most of senior staff are professional people with relevant insurance work experience, based on ten years' service or more with the Corporation.
- On the job training continuing for most other staff members with selected junior staff on specialised training by local trainers.
- Specialised training on life insurance administration and related topics is being conducted locally by executive staff member.
- Training schemes for public servants as per invites from the Public Service Commission and Private Sector as a member of the Chamber of Commerce.
- Annual staff increment review based on performance is available subject to management approval

RPL (Recognition of prior learning) program with ANZIIF for 10+ years of life insurance experience.

ANALYSIS OF INTERNAL & EXTERNAL BUSINESS ENVIRONMENT

Strengths:	**Strategies to take advantage of strengths**
• Compliance with good governance & transparency	• Ongoing review of operating policies procedures.
• Guarantee Annual bonus returns on policies	• Improve income streams and reduce costs. High retention ratio of policies
• Appropriate and affordable life insurance policy types	• Improve public awareness benefits of all products • Extend public awareness programs.
• Superior life policy benefits (maturity, loans and death)	• Cover for death, including unexpected outbreak of diseases such as Measles, Covid19 and others as well as time of hardship.
• Reliable & experienced Sale Agents team	• Good commission rates for different life contracts/increase numbers of policyholders and retention ratio.
• Competent & experienced Staff	• Improve team work internally and relationships with clients • Promote ongoing product knowledge & capacity building for staff training overseas and local.
• Steady financial position & cash flow • Property Owner (Land & Building) • Lack of Completion in life insurance	• Improve Investment Portfolio • Maintenance & fully utilise space on land • Maintain financial stability & promote products, service & benefits. Introduce new life insurance products
• Staff coordination and communication	• Readily available to Policyholders and non-policy holders with competitive interest rates and terms. • Prime location for Samoa Life Building in CBD. • No other life insurance company • Strong team work and staff morale

Weaknesses:	**Strategies:**
• Increased number of surrenders	• A proactive Conservation team in convincing clients to maintain policy and discourage surrender • More awareness to emphasize importance of having a life policy • Engage Agents to convince clients where possible
• Samoa Life House Building is a health hazard	• Implement and continue Renovations and a rigorous maintenance plan • Eradicate rodent problem • Include elevator and access for people with special needs • Comply with FESA, MCIL, OHS recommendation
• Lack of capacity building program for staff	• Better co-ordination with Finance Sector, and PSC so as educational institutions (USP/NUS) for trainings/local and abroad • Encourage and incentivise staff continuing education
• No refinancing allowed on mortgage scheme Up-to-date updates	• Review terms and conditions to include re-financing Review Updates Process to speed up • Staff rotation & backup

Threat:	**Strategy:**
• High cancellation rate of new policies & policy surrenders due to financial constraints • Alternative investment opportunities from other institutions such as Commercial Banks and UTOS • Increase in premium arrears due to external factors such as loss of employment over commitment, change of circumstances etc… • Low regulated deposit rates affecting investment income. • Impact on life Insurance business through claim payouts due to natural disasters, NCD and global outbreak of disease • Samoa Life building is situated on vulnerable areas easily affected by sea level rising due to Global warming • New Competition indirectly applying insurance on life.	• Emphasis on premium affordability & policy benefits such as death cover and attractive return on bonus • Promote life insurance as the best form of investment including death cover • Effective & proactive follow up advices by Conservation team on all policies • Flexible payment options available on arrears for policy holders. (holding loan repayments for certain period in times of hardship) • Samoa Life to review any other affordable alternative options for arrears • Increase mortgage lending in addition to policy loans to maintain a reasonable level of investment income • The Corporation to ensure it has sufficient contingent liability funds to fulfil its financial obligations • The Corporation to look at another operation centre • Public awareness on benefits versus other investments. • Sales Agents to remind public that our products are funeral covers as well.
Opportunities:	**Strategy:**
• Improve customer service using mobile phone Information Technology • Promote Superannuation & Group Life	• Develop new system using IT to help policyholders access their information • Public Awareness

Opportunities	**Strategy:**
• Involve more high-level personnel on insurance training on product knowledge • Consider and review overseas market/opportunities for life insurance. • Repackaging of our existing products which are all funeral covers	• Request specialised insurance training on demand offered in-house • Engage a consultant to examine the affordability of life insurance prospect • Increase number of the Sales Agency. • Develop new products and sell into market. • Hire Technical Assistant (TA) to Review Insurance Act for potential new business ventures
• Consider a Branch Office in Vaitele and possibly Asau	• Better coverage
• Propose to government a compulsory insurance scheme in collaboration with ACC • Health & Travel Insurance	• Invest in future developments on the forefront pandemics and other Government and MOH directives

ASSESSMENT OF RESULTS

KPIs	2022	2023	2024	2025	2026	2027
Financial KPIs						
Revenue	14,532,683	13,047,267	13,173,025	13,831,677	14,553,343	15,314,101
Expense	10,814,969	11,757,595	10,276,971	12,270,342	13,910,644	14,936,840
Current Ratio	5 : 1	4 : 1	7 : 1	7 : 1	7 : 1	7 : 1
Non-Financial KPIs						
Employment Number	50	50	50	50	50	50
Ongoing and new projects	240,000	240,000	250,000	360,000	640,000	740,000

Notes to Financials

Expense:

An increase in total expenditure on forecasted 2024/2025 - 2027 due to an increase in maturity claims.

CORPORATION OBJECTIVES

1. To maintain the financial viability of the Corporation in order to provide sustainable level of benefits and meet its obligations to policyholders

2. Promote good client relationships through improved services and support economic strategies for the wellbeing of policy holders and communities.

3. Enable ability to achieve its vision and objectives through sound management, strong governance, improved administration through staff capacity building and improved resources

OBJECTIVE 1: To maintain the financial viability of the Corporation in order to provide sustainable level of benefits and meet its obligations to policyholders			
STRATEGIES	**ACTIVITY**	**PERFORMANCE MEASURES**	**RESPONSIBLE DIVISION**
S. 1 Maintain growth of insurance business from existing insurance products and new products	**A.1.1** Increase net new business annual premiums	**P.1.1** New business commence to increase by 10% within the next three years. (applied progressively each year)	Insurance
	A.1.2 Monitor and enforce individual sales agents' targets.	**P1.2** Sales team of 15 sales agent to achieve overall $9,720,000 total sales within the next three years. (i.e. $216,000 per agent annually)	Insurance
	A.1.3 Minimise early surrender and cancellation	**P.1.3** Conservation to revive 15% of cancelled policies within the next three years (i.e. 5% per year)	Insurance

		P.1.3.1 Claims to reduce surrender policies by 7.5% in the next three years (i.e. 2.5% per year)	
S.2 Maximise income from investments	**A.2.1** Service loans on policies efficiently	**PP.2.1** Advise and implement suitable repayment for total new/existing loan on policy in accordance with repayment schedule implemented for LOP.	Finance & Investment
	A.2.2 Build & Expand Mortgage portfolio	**P2.2** Reopen and monitor closely Refinance Product in FYI 2025/2026	Finance & Investment
	A.2.3 Effectively monitor Mortgage repayments & arrears	**P.2.3** Report on movement of repayment received in percentage for Arrears accounts. Current total arrears to decrease by 10%	Finance & Investment
	A.2.4 Diligently assess fixed deposits for maximum returns	**P.2.4** Maximize term deposits	Finance & Investment
S.3 Consider new Insurance products	**A.3.1** Review Legislation	**P.3.1** Review Insurance Act *(T.A. to review Act)*	Insurance
	A.3.2 Develop new products offering such as reduced terms in years of life policies: • Compulsory Life Insurance • Extend entry to ANB 75 • Health Insurance • Travel insurance	**P.3.2** Launch new policy before end of CP period **P.3.2.1** Seek Actuary Advise-with Cost/Benefit analysis **P.3.2.2** Seek co-partnership where possible for new products	Insurance

S.4 Identify new investment opportunities	**A.4.1** Formalise an Investment Policy for quality investments & positive returns	**P.4.1** Complete Investment Manual during FY 2024/25	Finance & Investment
S.5 Budget monitoring.	**A.5.1** Conduct budget trainings & awareness, ensuring staff take ownership of their divisional budgets	**P.5.1** Finance and Investment to conduct interim budget screening and training for each division, to ensure there is collective contribution from all the divisions during the budget preparation.	Finance & Investment
	A.5.2 Ensure expenditure is within budgets	**P.5.2** Finance team to provide monthly report of budget usage for each division's assessments **P.5.3** Monitor and maintain expenditures below or within budget	Finance & Investment
	A.5.3 Monitor any increase in loss.	**P.5.3** Monitor and maintain expenditures below or within budget	Finance & Investment
OBJECTIVE 2: Promote good client relationships through improved services and support economic strategies for the wellbeing of policy holders and communities			
S.6 Awareness and marketing programs/Social Obligations	**A.6**.1 Push awareness campaign on benefits of Life Insurance, utilising different methods of communication including social media.	**P.6.1** Increase Marketing Awareness • Increase Sales submissions by 2% annually • Increase customer feedback and generation leads by 1% • Reach 10,000 Facebook page followers in the next three years	Insurance
	A.6.2 Promotional events like open career day and seek in-partnership to connect with the outer district community	**P.6.2** Re-connect and renew partnership with Churches, DMO, Samoa Business Hub and MWCSD	Insurance

	A.6.3 Customer/Market survey to determine quality of product and services.	**P.6.3** Customer/Market survey to be done after every 6 months	Insurance
S.7 Ensure efficient & effective services	**A.7.1** Good customer service. Talofa with a smile	**P.7.1** Customer/Market survey to be done after every 6 months	ALL
	A.7.2 Timely response to customer issues	**P.7.2** Compliance with the relevant standard operating procedures	ALL
	A.7.3 Timely preparation and distribution of Policy Documents	**P.7.3** Documents to be ready within 3 months of commencement date and delivered by agents within 1 month	Insurance
	A.7.4 Effective management of accounts receivable and accounts payable.	**P.7.4** Within 30 days for accounts receivable and 14 days for account payable.	Finance & Investment
OBJECTIVE 3: Enable ability to achieve its vision and objectives through sound management, strong governance, improved administration through staff capacity building and improved resources			
S.8 Ensure Good Governance and Compliance with Relevant Regulations, Government Directives, Policies, and Corporate Plan Execution	**A.8.1** Adhere to Government mandate for good governance and accountability	**P.8.1.1** Develop and implement a comprehensive internal audit plan and Risk Assessment for Internal Audit Committee (IAC) approval by April each year **P.8.1.2** Complete at least four risk based internal audits annually, covering key operational areas.	ALL

		P.8.1.3 Achieve an 80% follow-up rate on audit findings and recommendations within six months.	
	A.8.2 Ensure timely follow-up on audit findings and recommendations.	**P.8.1.2** Achieve an 80% follow-up rate on audit findings and recommendations within six months. **P.8.2.1** Submit and obtain endorsement for the annual report on internal audit activities by the IAC in the first quarterly meeting after financial year end.	Internal Audit
	A.8.3 Prepare monthly reports to the Board of Directors, Sector meetings and Management meetings.	**P.8.3** Monthly submissions for monthly Board meetings, Sector Ministerial debriefing and management meetings	ALL
	A.8.4 Update all manuals of operation, standard forms and Office documents using a consultative approach.	**P.8.4.** Complete Review of all Divisional Manuals and approval by the 30th June, 2025.	ALL
	A.8.5 Complete the Corporate Plan, Statement of Corporate Objectives and Annual & Quarterly Reports	**P.8.5** Compliance with MPE, CBS, Cabinet Directives and Board of Directors resolutions set timeframes (Quarterly & Annual)	Corporate Support Services

	A.8.6 Ensure the implementation of policies & Cabinet Directives.	**P.8.6** Conduct awareness programs for Corporate Plan once approved	Corporate Support Services
	A.8.7 Complete and submit reports to Board of Directors and Management for decision making		Corporate Support Services
S.9 Review and develop HR policies, manuals, maintenance plans	**A.9.1** Review HR manuals, relevant policies and plans.	**P.9.1** Revised manuals and forms to be approved within the first year. **P.9.2** Awareness programs on HR policies conducted twice a year.	Corporate Support Services
S.10 Ensure the Performance Appraisal system is efficient and effective	**A.10.1** Review the existing Performance appraisal system	**P.10.1** Performance appraisal for staff members conducted on an annual basis	Corporate Support Services
	A.10.2 Conduct training needs analysis & implement, make use of external trainings available	**P.10.2** Annual training plan approved and implemented every Fiscal year, address 85%	Corporate Support Services
	A.10.3 Develop a support plan to encourage continuing education for staff members	**P.10.3** Educational assistance scheme policy approved by the board	Corporate Support Services
S.11 Continuous implementation of the Recruitment and Selection process	**A.11.1** Conduct recruitment and selection of vacant positions	**P.11.1** R&S selection process for vacancies completed within 4 weeks	Corporate Support Services

	A.11.2 Conduct induction programs for the new recruits and refresher for current staff members	**P.11.2** Induction programs and at least 1 refresher for current staff completed.	Corporate Support Services
S.12 Asset/Resource Management	**A.12.1** Hire consultant to do structural review of building for any construction purposes.	**P.12.1** Feasibility study to be completed within the second year of the planning period.	Corporate Support Services
	A.12.2 Complete Asset Maintenance Plan for Building renovations, generator, vehicles & furniture.	**.12.2** Asset Maintenance Plan approved and implemented.	Corporate Support Services
S.13 SLAC New Info System & Digital Transformation	**A.13.1** Implement a new System to incorporate all standalone system: LMS, Payroll, IMAS, LOS etc… • Ensure all data is migrated successfully across platforms • New Identification System (Photo & Signature) • Policy Holders to view statement, policy details online/mobile • Digitize all policy paper records • Renew Life Insurance computer system/integrate the different software	**P.13.1** System Installation by phases and reviewed by Management **P.13.2** Dec 2026 Achieve .	CIT

S.14 SLAC ICT Info System/Network	**A.14.1** Perform routine maintenance and monitoring to ensure systems run efficiently and securely.	**P.14.1** System Downtime - Monitor the amount of downtime experienced during the integration process.	CIT
	A.14.2 Leverage cloud services for increased flexibility, scalability, and cost savings.	**P.14.2** Regular IT audits and Monthly Report to GM	CIT
	A.14.3 Backup of all SLAC systems	**P.14.3** Backup logs and media should be stored offsite.	CIT
	A.14.4 Research new Innovative solutions to assist with SLAC's day to day tasks	**P.14.4** ICT to provide innovative solution for staff annually	CIT
	A.14.5 Design infrastructure with scalability in mind to accommodate future growth and technological advancements.		CIT

STATEMENT OF PROFIT AND LOSS PROJECTIONS FOR PLANNED PERIOD: JULY 2024 TO JUNE 2027

SAMOA LIFE ASSURANCE CORPORATION PROFIT & LOSS PROJECTIONS FOR PERIOD JULY 2024 - JUNE 2027						
	12 months 2022/23 (Audited)	*12 months 2023/24 (Forecast Actuals)*	*12 months 2024/25 (Projected)*	*12 months 2025/26 (Projected)*	*12 months 2026/27 (Projected)*	*Notes*
INCOME						
Insurance premiums	8,614,431	8,996,085	9,445,889	9,918,184	10,414,093	**1**
Investment income	3,733,829	3,885,359	4,079,626	4,283,608	4,497,788	**2**
Other income	699,007	714,584	750,313	825,344	907,879	**3**
	13,047,267	**13,596,028**	**14,275,829**	**15,027,136**	**15,819,760**	
EXPENDITURE						
Administration expenses	3,154,466	3,502,052	3,589,603	3,679,343	3,771,327	**4**
Commission	719,617	876,692	800,000	800,000	800,000	
Claims: Death	693,784	636,114	750,000	750,000	750,000	
: Surrenders	1,695,473	1,933,295	1,884,962	1,837,838	1,791,892	**5**
: Maturities	5,341,218	4,890,938	5,127,893	6,887,745	7,884,249	**6**
Interest on superannuation	153,037	162,337	150,000	145,000	130,000	
Reinsurance premiums	0	0	256,000	100,000	100,000	
	11,757,595	**12,001,429**	**12,558,459**	**14,199,927**	**15,227,468**	
Net profit before income tax	1,289,672	1,594,599	1,717,370	827,209	592,292	
Income tax expense	-266,300	-301,060	-280,000	-285,000	-290,000	
Net profit after tax	**1,023,372**	**1,293,539**	**1,437,370**	**542,209**	**302,292**	
Share of profit/(loss) from Investment in Associates	81,133	155,341	163,108	171,264	179,827	
Transfer to Assurance Fund	**1,104,505**	**1,448,880**	**1,600,479**	**713,473**	**482,119**	

Notes

1 Insurance premiums expected to increase by 5% per year with 10% from new business to commence and 5% revived policies
2 Investment Income expected to increase by 5% per year
3 Other income is expected to increase throughout the years at 5%,10%,10% respectively
4 Administration expenses to increase gradually by 2.5% per year
5 Surrenders expense to reduce gradually by 2.5% per year
6 Actual maturities to be expensed over the years

SAMOA LIFE ASSURANCE CORPORATION BALANCE SHEET PROJECTIONS FOR PERIOD JULY 2024 - JUNE 2027					
	12 months 2022/23 (Audited)	*12 months 2023/24 (Forecast Actuals)*	*12 months 2024/25 (Projected)*	*12 months 2025/26 (Projected)*	*12 months 2026/27 (Projected)*
CURRENT ASSETS					
Cash at banks and on hand	3,159,075	7,588,415	5,500,000	5,800,000	6,000,000
Funds on deposit	11,151,967	8,335,007	10,500,000	11,000,000	11,150,000
Accounts receivable and repayments	2,201,659	2,482,411	2,300,000	2,200,000	2,250,000
Income tax refund	215,645	-85,416	0	0	0
	16,728,346	**18,320,418**	**18,300,000**	**19,000,000**	**19,400,000**
NON CURRENT ASSETS					
Investments	38,131,967	38,525,867	38,000,000	38,550,000	39,000,000
Fixed Assets	8,519,746	8,374,067	8,600,000	8,700,000	8,750,000
	46,651,712	**46,899,934**	**46,600,000**	**47,250,000**	**47,750,000**
TOTAL ASSETS	**63,380,057**	**65,220,351**	**64,900,000**	**66,250,000**	**67,150,000**
CURRENT LIABILITIES					
Accounts payable	**2,281,995**	**2,612,795**	**2,500,000**	**2,550,000**	**2,600,000**
FUNDS AND RESERVES					
Assurance fund	53,233,290	54,676,829	54,300,000	55,000,000	55,250,000
Mortality and contingency reserve fund	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Superannuation plan fund	2,278,651	2,494,606	2,500,000	2,600,000	2,700,000
Property revaluation reserve	4,486,121	4,336,121	4,500,000	5,000,000	5,500,000
	61,098,062	**62,607,556**	**62,400,000**	**63,700,000**	**64,550,000**
TOTAL LIABILITIES & EQUITY	**63,380,057**	**65,220,351**	**64,900,000**	**66,250,000**	**67,150,000**

SAMOA LIFE ASSURANCE CORPORATION CASH FLOW PROJECTIONS FOR PERIOD JULY 2024 - JUNE 2027					
	12 months 2022/23 (Audited)	*12 months 2023/24 (Forecast Actuals)*	*12 months 2024/25 (Projected)*	*12 months 2025/26 (Projected)*	*12 months 2026/27 (Projected)*
CASH FLOW FROM OPERATING ACTIVITIES					
Cash received from customers	9,330,021	12,357,655	10,500,000	11,000,000	11,500,000
Cash paid for commissions, reinsurance, claims, loans supplies and employees	-11,030,036	-11,157,856	-12,000,000	-12,500,000	-13,000,000
Income tax paid	-266,300	-301,060	-280,000	-285,000	-290,000
Net cash (used) in operating activities	**-1,966,315**	**898,739**	**-1,780,000**	**-1,785,000**	**-1,790,000**
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of fixed assets	-207,670	-151,139	-360,000	-640,000	-740,000
Interest received	3,115,801	3,161,201	3,250,000	3,300,000	3,400,000
Dividend received	343,240	447,612	215,541	150,000	150,000
New Equity Investment - UTOS	-1,121,319	-143,027	0	0	0
Share of profit from investing activities	-2,268,076	155,341	163,108	171,264	179,827
Net cash from investing activities	**-138,024**	**3,469,988**	**3,268,649**	**2,981,264**	**2,989,827**
CASH FLOW FROM FINANCING ACTIVITIES					
Superannuation funds	187,109	215,955	50,000	50,000	60,000
Net cash from Financing activities	**187,109**	**215,955**	**50,000**	**50,000**	**60,000**
NET INCREASE (DECREASE) IN CASH	-1,917,230	4,584,682	1,538,649	1,246,264	1,259,827
Cash and cash equivalents at start of year	5,076,305	3,159,075	7,588,415	9,127,065	10,373,329
Cash and cash equivalents at end of year	**3,159,075**	**7,743,756**	**9,127,065**	**10,373,329**	**11,633,156**
Represented by:					
Cash on hand	100	100	100	100	100
Cash at bank	3,158,975	7,588,315	9,126,965	10,373,229	11,633,056
	3,159,075	**7,588,415**	**9,127,065**	**10,373,329**	**11,633,156**

SPECIFIC PROJECT

Key projects over the next three years funded by the Corporation's annual budget to assist its operations in the planned period 2024 -2027 are as follows.

Capital Budget for 2024-27 concerning amounts for Replacement of the computerized system, renovations & Salelologa land development.

1. New integrated Insurance system which was approved by the Board of Directors within the planning period. Funds approved by the Board to commence this project is SAT$500,000 assistance proposal under the Tautai program.
2. Samoa Life Building improvements (elevator) for a TA to conduct a feasibility study of the building structure, Implementation within the planning period to be funded by Samoa Life and/or possible financial assistance.
3. Building Fire Panel, funded by the Corporation SAT$90,000 as it is a requirement by FESA and the Insurance company, implementation within the planning period
4. Landscaping & Fence for the Savaii land leased from SLC by the Corporation for future developments at an approved budget of SAT$500,000 and implementation within the planning period
5. Preparations for SLAC 50th Anniversary which falls on the 1 July 2027 funded by Samoa Life
6. Possible proposal to the Insurance Commissioner for the review of the Insurance Act to expand Samoa Life's Insurance mandate during the planned period.

SUPPORT FOR GOVERNMENT POLICY

The Corporation supports Government policy indirectly in the following ways:

- Encourages long-term savings of members through their investment in life policies at the same time financial protection is guaranteed in case of untimely death of life assured.
- Conducts life business in profitable manners that meet the needs of its members and generates its own cash resources without relying on state funding.
- Injects funds into the economy, invest in secured and financially viable projects and also help development of members through policy loans and mortgages.
- Provide an opportunity for the general public as policyholders to share in the profits thereby improving their standard of living. This is realized in the provision of annual bonuses distributed monthly on active policies, at maturity or at untimely death.
- Assist the community (especially our policyholders) by providing possible assistance in times of natural disasters.
- Providing community financial support through sponsorship activities.

CONCLUSION

This is the three-year Corporate Plan incorporating the new period ending on the 30th June 2027. As life insurers there is no guarantee that policies will run its full duration because members have the freedom to decide on the fate of their investments during the term of the policy despite incentives introduced to minimize early termination. It is crucial therefore that the Corporation continue to focus on bringing in more quality new business each year to replace those policies going off the books from maturities, voluntary withdrawals and early cancellations in order to remain financially viable. It is equally important that every effort is made to convince policyholders to maintain their policies until matured to reap the full benefits. This is in addition to normal benefits credited annually to endowment and whole of life policies.