



Digicel
Foundation

**Annual
Report
2020–2021**





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Patron's Message

2020 was a difficult year for organizations and businesses around the world because of the Covid 19 global pandemic. Despite this, our Foundation was still able to deliver projects across the nation staying true to our vision to create a world where no one gets left behind.

We continue to remain committed to our work in Education, Health and Leadership across PNG. To date we have invested K139million into over 500 projects in every district of the country.

Despite the lock downs and disruption to our programs our team has continued to deliver vital education and health infrastructure to geographically challenging areas around the country. This year we rose to the challenge and ensured our schools were supported throughout the Covid 19 pandemic by partnering with the Department of Education to screen Education content on Television for students. I also challenged the Foundation team to increase our efforts in teacher training and I am delighted to see the new Literacy Enrichment and Educational Development (LEED) Program that was launched in September 2020.

Nation building in a country as geographically challenging as PNG is no easy feat. At the core of what we do is a firm belief that Papua New Guineans know how best to solve their problems and we are committed to ensuring that we support local solutions and change agents.

I hope you enjoy the stories in this annual report and we welcome your support as we continue our mission to ensure no one is left behind!

Denis O'Brien
Patron



Chairman's Message



Since we started work in 2008, Digicel PNG Foundation has had a remarkable impact on communities' right across Papua New Guinea. This annual report will provide a snapshot of the achievements for the 2020-2021 financial year and will attest to the tremendous work of the Foundation team with the wider support of our partners, contractors and our Digicel family.

Despite it being a very challenging year I am proud of the Foundation team as they were still able to deliver all the projects planned for this financial year. Through our Community Grants program, we awarded 20 local organizations with grants of up to K50,000 to fund projects in health, education, social inclusion and community safety. Through our staff grants program, 10 Digicel staff members received micro grants of up to K5,000 to roll out projects in their communities, which included books, medical supplies, a water tank donation, and a community learning hall.

This work reflects the ethos of our Patron, Denis O'Brien who has stated 'where Digicel as a business grows so too must the communities it operates in.'

I would like to take this time to thank my fellow board members for volunteering their time at board meetings, and driving the objectives of the Foundation. In addition, I would like to thank our contractors and partners for their invaluable support to the Digicel Foundation team, which ensured we were able to realize our goals this financial year.

Michael Henao
Chairperson

CEO's Message

2020 will always be remembered as the year that the world changed! With the onslaught of the Covid 19 pandemic we realized that even our best drafted plans would not be able to save us from the level of unpredictability that we experienced in this financial year. Despite this, we persevered!

I am proud of the efforts of our small team of ten (10) staff and all our partners who worked hard on the frontlines to ensure health and education services did not stop for PNG's remote and rural majority. In this Annual Report we try to capture the voices of our partners who enable us to do what we do.

This year we worked in partnership with the North Bougainville District Development Authority to roll out seven double classrooms and one market place valued at K1.7million. We looked critically at why PNG was lagging behind in terms of child literacy outcomes and designed a new program called the Literacy Enrichment and Educational Development Program. This program has impacted 1, 818 students.

We launched our 20for20 Community Grants Program, which was hugely successful. From safe houses that were built to health projects that were launched we were so excited to see the community mobilize and take action to implement projects that will have a lasting impact.

All of this would not have been possible without the dedicated staff of Digicel who allow us to do what we do. Through our Live.Love.Learn Program we saw them step up to become agents of change in their own communities. As one of them had said, "it's so inspiring that we get to work for a company who also believes in our community."

I acknowledge the leadership and vision of our Patron and Chairman for Digicel Group, Denis O'Brien who continues to be the driving force behind our work. I would like to thank and acknowledge our Foundation Global Chair Maria Mulcahy for her guidance and leadership. I thank the Board of Digicel PNG Foundation and all our partners who make all this work possible.

Together we will continue to create a world where no one gets left behind.

Serena Sasingian
Chief Executive Officer



A smiling man with a beard, wearing a white short-sleeved shirt. He has a colorful woven sash (pink, yellow, green, and blue) draped over his shoulders. Several green coconuts are hanging from the sash. The background is slightly blurred, showing a wooden structure and some greenery.

who we are

Our Vision

A nation where there is equal access to opportunities so that no one is left behind.

Our Goal

A connected, educated, safe and healthy PNG.

Our Mission

In partnership with others, we deliver vital infrastructure and social programs to connect Papua New Guineans and their communities to opportunities for sustainable development.

Our Board



Michael Henao
Chairman



Serena Sasingian
CEO



Colin Stone
Digicel PNG CEO



Helen Gegeyo
Board Member



Fr John Glynn
Board Member



Brian Malone
Board Member



Eunice Gware
Board Member



Janos Katter
Board Member



Calextus Simeon
Board Member



Ketan Mehta
Board Member

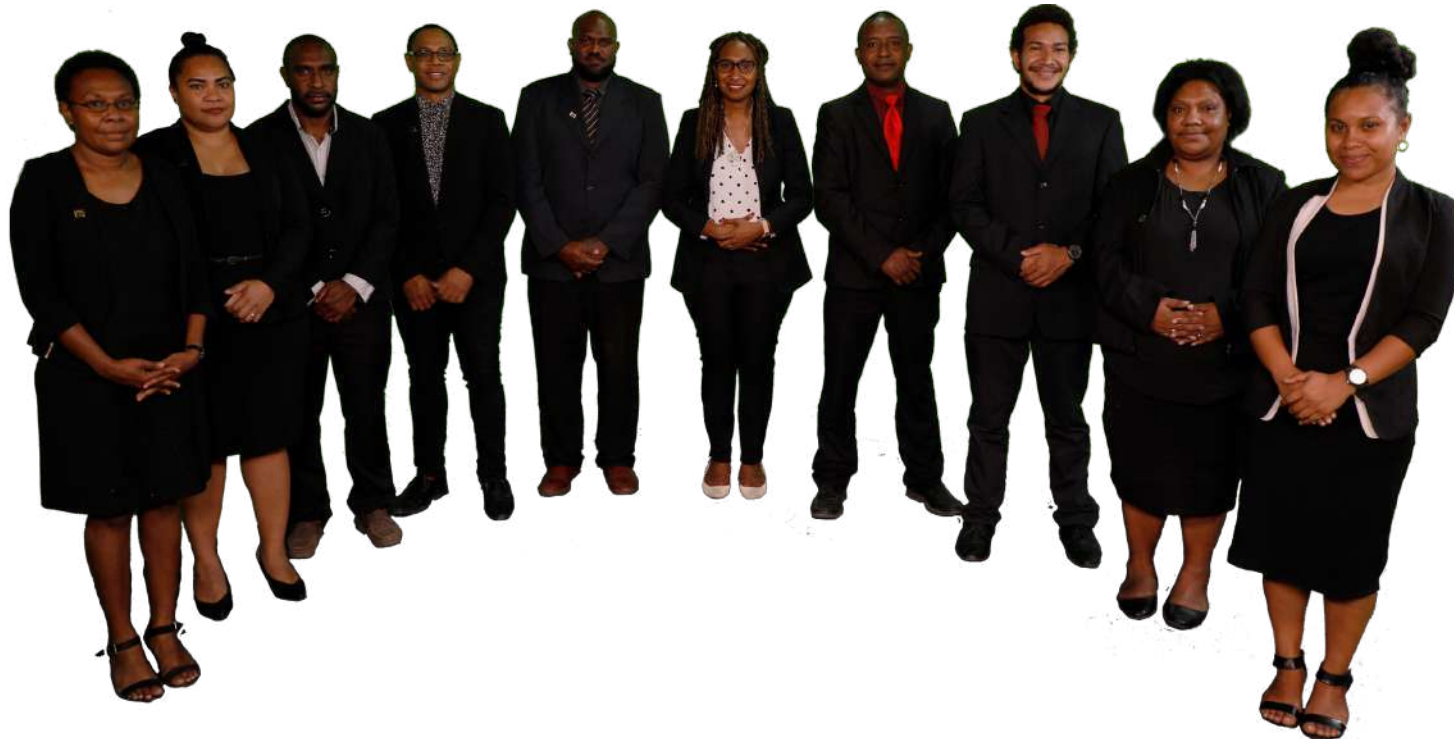


Justin Hallett
Board Member



Lorna McPherson
Board Member

Our Team

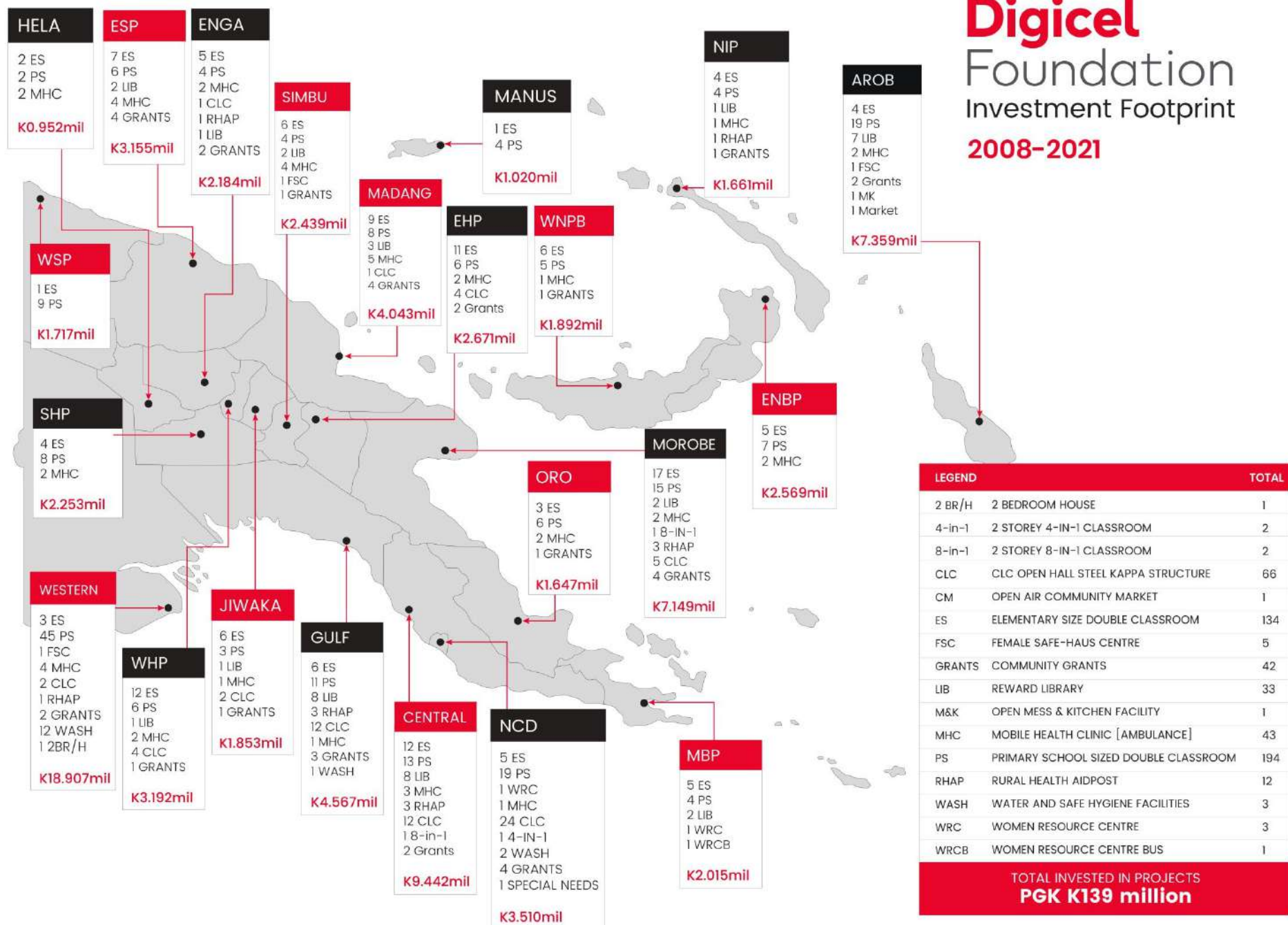


Left to right: Lorraine Asmann (Chief Operating Officer), Denise Wong (Administration Assistant), Jack Kulumbe (Project Officer), Quentin Chakumai (Marketing and Communications Manager), Joshua Sagati (Head of Infrastructure), Serena Sasingian (Chief Executive Officer), Ian Rove-Sahoto (Project Manager), Michael Aisi (Programs Officer), Helen Mela (Finance Manager), Jasmine Iru (Communications Officer)

The work of Digicel Foundation PNG is:

1. Inclusive, ethical and accountable
2. Fostering community capability and ownership
3. Working in partnership to deliver sustainable results
4. Based on evidence and global good practice

Our Investment





For 12 years, Digicel Foundation has served communities all over the country through its education, health and community building projects.

From 2008 to 2021, Digicel Foundation has invested PGK 139 million into infrastructure projects and social programs in marginalized communities in urban and rural areas. To date some of our achievements include:

- 680 classrooms in every District of PNG; • 66 Community Learning Centres
- 33 Libraries • 12 Rural Health Aid Posts • 43 Mobile Health Clinics

We believe in the power of education and have invested in an infrastructure and teacher training program focused on improving Early Childhood Education and literacy for children. We also promote leadership and local solutions for change through our Community Grants Program, Men of Honour Campaign and Staff Engagement Program. Our work has impacted over 901, 704 Papua New Guineans.



901, 704 impacted



553 projects



PGK 139m invested



**WELCOME TO
PINU PRIMARY SCHOOL
FOR THE OFFICIAL OPENING OF
DIGICEL FOUNDATION'S NEW
DOUBLE CLASSROOM-4 OF
AUGUST 2021**

Education

IS THE MOST POWERFUL WEAPON WE CAN USE TO CHANGE THE WORLD
~NELSON MANDELA

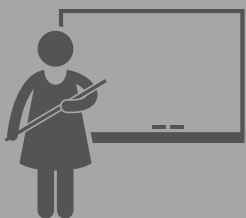
education

Digicel Foundation is committed to improving quality education outcomes for students in the nation through our education pathway program. It is a long established fact that better education is the key to societal and global productivity. Quality education opens opportunities for children and youth to escape poverty, enables communities to make informed choices about their future and unlocks the potential of people to develop enterprise and generate incomes. An educated and literate population strengthens, and contributes positively to improving livelihoods of individuals, families and communities which form the building blocks for a prosperous nation.

In this financial year we pioneered a number of new initiatives in the area of early childhood education, child literacy and our infrastructure program. Our main goal is to improve literacy outcomes for children in early grades to prepare them for their life long educational pursuits. Through our teacher training program that we rolled out in three provinces with our partner schools we are setting a firm foundation for the next generation to have a quality head start in life.



EDUCATION IMPACT



84 Teachers
Trained

STUDENTS
2,183 impacted



Laying strong foundations



In this financial year we rolled out our Early Learning Program in Western Province. We partnered with 4LTC and Buk Bilong Pikinini (BbP) to run the training. BbP has a well established literacy curriculum for children aged 3-6 that equips teachers with set lesson plans targeting literacy and numeracy. Under the program we trained a total of 22 teachers from 10 Early Learning Schools in both Daru and Kiunga. The team travelled by boats to schools in various locations to watch the teachers and provide guidance on how to better plan their lessons.

Through the literacy kits and training that was given to the schools the teachers had a range of resources to engage the minds of the children to play. The training components of role plays/scenarios and activities helped the teachers understand the content of the training better. Our Trainer, Mr Wape from 4LTC carried out assessments in the schools to see which ones were qualified to receive school infrastructure rewards. At the end of the program three schools were selected to receive open air halls.

!! I have seen a significant change in my students learning after the training. the Buk bilong Pikinini Early Childhood Curriculum comes with teaching resources which makes it simple for children to understand what they are learning. I'm grateful for the partnership between Digicel Foundation and Buk bilong Pikinini as some children have mastered the basics of phonics and have started to read at an early age. !!

Catherine Lyando, Agape Literacy Learning School (AOG Church) in Kiunga



Early Childhood Program Impact



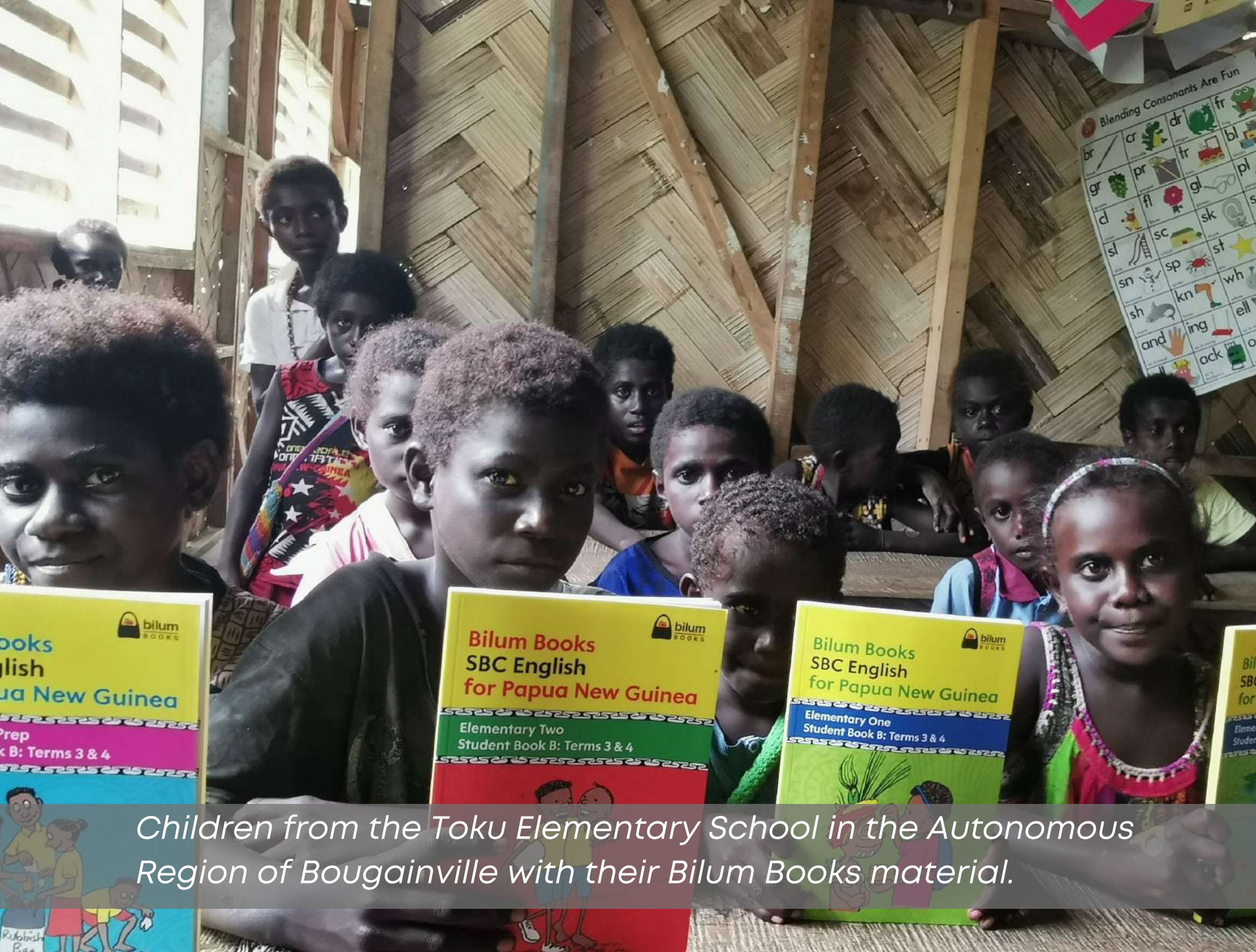
10 Early Learning Centres



22 Teachers



365 students



Children from the Toku Elementary School in the Autonomous Region of Bougainville with their Bilum Books material.

Lighting the Way



PNG has some of the lowest rates of literacy in the Asia Pacific Region with the adult literacy rate at 63%. To address this problem Digicel Foundation launched the Literacy Enrichment and Educational Development (LEED) program which combines teacher training and mentoring and the use of Bilums Books material in schools to complement the English Standard Based Curriculum (SBC). The training was rolled out to 62 teachers in 17 schools in the Autonomous Region of Bougainville and Central Province.

Bilum Books SBC English for Papua New Guinea is a comprehensive 'all-in-one' English language course for Elementary Grades Prep, One and Two. It covers speaking and listening, phonics vocabulary, reading and comprehension, and writing. Through the program a range of training videos were also developed by Bilum Books to support the teacher training program. A combination of in-class training, videos and online sessions were used to deliver a successful training event.

"Bilum books values the partnership with Digicel foundation at a number of different levels. The LEED Program works in a coordinated way with national and provincial stakeholders. Being part of such a program sets up the effective use of the Bilum books resources. The Digicel team, the Leed trainers and participating teachers are distinguished by a level of focus and dedication that gives us confidence about the success of the program and its effectiveness and sustainability in teaching children to read and write. "

—Ray o'Farrell, Author of Bilum Books



17 schools



10 LEED Trainers
62 Teachers



1, 818 Students benefitted



Children from St Martins Primary School in West Sepik at the launch of their new double classroom.

Building the future



The Foundation's Education Infrastructure Program continues to grow as we bring in new funding partners to help us in our goal to build more modern and conducive learning environments for students in Primary Schools across the country. Our education infrastructure projects come with a prefabricated steel kit double classroom which can seat up to 80 students. The classroom also has a teachers office, WASH facilities, solar lighting and tanks. In this Financial Year we partnered with the North Bougainville District Development Authority to build 7 classrooms in schools across North Bougainville. We also built six classrooms, one library and two open hall structures in different parts of the country. Our partner schools include:

- Pinu Primary School, Central Province
- Banak Primary School, East Sepik Province
- Tabale Primary School, Madang Province
- N'drolokou Primary School, Manus Province
- Tamba 3 SDA ES, WNB Province
- Tinputz Day High School, AROB
- Nusalava Primary School, New Ireland Province
- St. Martin's Elementary School, West Sepik Province
- Daru Seventh Day Adventist ELC, Western Province
- Boze Destiny ELC, Western Province
- Pateki Primary School, AROB
- Margarid Primary School, Central Province
- Hanahan Primary School, AROB
- Lonahan Primary School, AROB
- Hapan Primary School, AROB
- Kahule Primary School, AROB



13 Schools

2 Open hall
structures

1 Library



8 Provinces

1,200 Students
impacted



Health

Good health is the most important thing. More than success. More than money. More than power

~Lee Strasberg



HEALTH PARTNERSHIPS**Delivering Primary Health Care**

PNG continues to lag behind in critical health and social indicators. Providing and expanding access to health care in rural areas of Papua New Guinea is a major task, especially when 87% of the population live in rural and remote parts.

To address these health challenges Digicel PNG Foundation identifies partners who are delivering vital health services and helps them to roll out these essential services. This has become more pressing especially with the onslaught of Covid-19.

Our focus has been on delivering primary health care in rural areas and maternal health interventions to address PNG's very low maternal mortality rate.

**HEALTH PROGRAM IMPACT**

2 Mobile
Health Clinics
1 Maternity House



1 Air Ambulance



40,716 People
impacted

ST JOHNS PARTNERSHIP

Rural Ambulance network



“ Thank you Digicel Foundation for this generosity and donation ...it's one of two ambulances the Foundation is helping us to deliver this year. ”

Matt Canon, CEO of St. John Ambulance

For the last decade Digicel Foundation has assisted health centres around the country with the donation of Ambulances. This year we partnered with St. John Ambulance to improve the provision and coordination of pre-hospital care in Papua New Guinea by enhancing St John rural Ambulance services. With funding of K528,735 to St John's they were able to expand their rural ambulance network to Simbu and Central Province.

The funding also included training of the hospital and ground staff. This funding complements the support St. John Ambulance is receiving from the Digicel Business which includes a toll free emergency hotline for the public in the National Capital District.



Rural health partners

Ensuring rural and remote health centres are supported so that women receive maternal health services is a priority of our health program.

Saving lives through emergency flights

Digicel Foundation has been providing funding to Samaritan Aviation for the last 3 years to assist them with their work along the Sepik River. Samaritan Aviation are a Christian non-profit organization in East Sepik Province that provide medical and emergency related aviation services to nearly 400,000 people in this area. To date, Digicel Foundation has given K450,000 through the partnership to assist with emergency evacuations and an introduced Emergency Obstetric training for health workers who service the health centres along the Sepik River.



Building a Waiting House at Kompam District Hospital

We were proud to partner with the Kompam District Hospital to help address the problem of maternal deaths. Kompam District Hospital along with 10 other health centres and aid posts, is situated deep in the remote north of Papua New Guinea's Enga Province, an area listed as one of the most disadvantaged in PNG.

Through a Foundation grant of K70,000, the Hospital was able to build a 'Waiting House' for women travelling from long distances to deliver their babies. The 'Waiting House' can accommodate women for both pre and post-delivery from within the region and remote and isolated areas of East Sepik, Madang and Jiwaka.

"On behalf of Kompam District Hospital, we would like to say thank you for your support. We've increased our deliveries by more than 100 percent...We really appreciate this and I'm really looking forward to seeing more mothers use the rooms while they are waiting to deliver their baby, thank you Digicel Foundation."

~ Dr. Rebecca Williams, Kompam District Hospital



COVID 19 RESPONSE

Helping Frontline Workers

2020 was a difficult year for the nation and world as a whole. We knew we needed to respond to the Covid 19 Pandemic so our strategy was two pronged; Awareness and Assistance. We helped with the NCD Food Bank, we supported St John's to carry out Awareness and have donated over K100,000 worth of PPE to health centers around the country. In March 2020 during the second wave of Covid 19, the team dispatched 100 Covid-19 Donation Kits to 12 Digicel Regional Offices all around the country.

Each office was given a Covid-19 Kit that consisted of one carton of surgical face masks and Gloves, and six cartons of sanitizer to present to local clinics in their area.

Donations were issued to Bogia (2 health facilities), Karkar (2 health facilities) and Southwest Ramu (1 health facility) ...we received a lot of appreciation feedback from all recipients, thank you Digicel Foundation.

General Manager for Madang Digicel Office - Belinda Kanau





Leadership

is about vision and responsibility, not power
~ Seth Berkley

leadership

Digicel Foundation continues to support local leaders and community based organizations who are serving some of Papua New Guinea's most marginalized communities. We believe that Papua New Guineans know best how to solve their problems and it is our role to be supporting change agents in their community! We do this through three of our key programs, the 20for20 Community Grants Program, our Digicel Staff Engagement Program and the Men of Honour Campaign.

LEADERSHIP PROGRAM IMPACT



30 Grants
Awarded
K1.05 million
invested



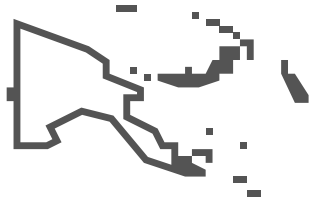
5, 560 people
impacted





Hope World Wide donating Clean Water Filters to a community in Angoram District, East Sepik Province

Local Solutions to local problems



This year we received hundreds of applications from around the country and were able to successfully award 20 local organizations with grants of K50,000. A total of K1 million was awarded to these 20 local organizations working in the areas of health, education and sustainable livelihoods. These organizations included:

- Baktaman Area Association
- Bougainville Youth in Agriculture
- Community Development Agency
- Help Resources
- Hope Worldwide
- ICARE4U Association
- Kanamanda Resource Centre
- Madang Country Womens Association
- Morobe Mission SDA Church
- MSC Hope Incorporated
- New Guinea Binatang Research Centre
- Northern Coalition for Disability Rights
- Rotary Club of Goroka
- Salapiu Womens Fellowship
- SAVE PNG
- Sesepewa Development Association
- Susu Mamas
- Vabukori Womens Development Association
- Vision for Homes
- Voices for Villages Foundation

“ Major thanks to Digicel PNG Foundation for funding this project under the 20for202 Community Grants Program to the remote and rural areas. These grants helps to accomplish and fulfil Digicel Foundation's mission! ”

Community Grants Recipient
- Priscilla Sine Mal





Servicing the unreachable

Outreach International of PNG (OIPNG) received a grant of K50,000 to complete the Maternity ward at the Samban Health Centre in Angoram District East Sepik Province.

The project was successfully implemented with the launch of the building in the presence of the Governor for East Sepik, Allan Bird and local Member for Angoram, Salio Waipo. Building materials for the maternity and TB inpatient wards were procured and construction successfully completed despite difficulties faced with the Covid-19 restrictions. The maternity and TB inpatient ward is now in operation serving approximately 500 people in the villages that access the facility.

leadership

MEN OF HONOUR Taking the Lead



The Men of Honour Campaign continues to grow from strength to strength. This year we were not able to host the sixth Men of Honour Awards due to the Covid 19 pandemic so we invested in Advocacy events.

We supported our network of Men of Honour who were initiating projects in their communities and distributed over 1,000 MoH Shirts to support the black Thursday Campaign!

Digicel Foundation Board Member Brian Malone and the Digicel staff in Wewak, participated in the Black Thursday walk in their Men of Honour shirts. Brian also presented Men of Honour shirts to the Village Inn staff and to the young men of the Cycling Movement Association who cycle throughout the province conducting awareness under the theme "senisim tingting, senisim pasin, senisim ples."

As a Foundation, we stand with these outstanding role models by providing awareness materials to support their efforts to reach their people with messages of non-violence.

Vincent Kumura, our 2016 Man of Honour, led a group of 10 men who embarked on a "Travel2Change" initiative to conduct Covid-19 awareness and basic medical treatment to the people along the 68.5km Central Bismarck Range corridor from Bundi to Jimi in the Simbu Province. They were given Men of Honour shirts and provided much needed advocacy materials.

Digicel PNG Foundation is proud to support the Kumura Foundation and these Men of Honour in their efforts.



87 Men of Honour
5 Seasons of the
MoH Awards



Mune Igo, 3L Staff Grant Recipient in front of her newly built water well at Maopa Village, Abau District, Central Province.

leadership



“Thank you Digicel PNG Foundation and Digicel PNG Ltd for giving us staff the opportunity to access grants that allow us to support champions in our communities who strive to deliver basic health service with very little resources but bucket loads of passion. ”

Staff Grant recipient Hane Toua



STAFF ENGAGEMENT PROGRAM

Live Love and Learn



Through our Live. Love. Learn Program we encourage the staff of Digicel to live out the values of the company, love the work they do and learn through volunteering. We believe the staff of Digicel are powerful Ambassadors of our message in their community so this year we awarded 10 staff of Digicel Foundation with micro grants to roll out projects in their community. In January 2021 we hosted a workshop on Project Management facilitated by Info Comm for all successful 10 Grant Recipients who were awarded grants of up to K5000 to implement a small community project. The outcome of the workshop was that they completed project plans for their respective projects.

Their projects included donating medical equipment to health centres, library books to schools, water tanks to communities and assisting people with special needs.



Financial Statements

Digicel Foundation

Digicel PNG Foundation Inc.

Financial Statements
31 March 2021

Digicel Foundation
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For the year ended 31 March 2021

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Digicel Foundation
Annual report of the board of directors
For the year ended 31 March 2021

The board of directors have pleasure in submitting the financial statements of Digicel PNG Foundation Inc. ("Foundation") for the year ended 31 March 2021.

Objective and Purpose

- To foster, promote and assist the care and well-being of the people of Papua New Guinea through the promotion of education, health and related services for the betterment of their lives;
- To seek assistance from persons and private and public corporations to further promote and enhance its objectives;
- To seek assistance and/or affiliation with other international organisations having similar objectives to further enhance and promote its objectives;
- To apply its profits (if any) or other income of the Foundation in promoting its objectives; and
- To do all such other things as are incidental or conducive to the attainment of the objectives of the Foundation.

Financial results

The Foundation made a profit (total comprehensive income) of K Nil for the year ended 31 March 2021 (2020 : K Nil).

The Foundation is not-for-profit organisation and all projects and expenditures are fully covered from grants, contributions and other donor funding.

Board of directors

The following persons were directors of the Foundation for the year ended 31 March 2021 and as of the date of this report unless indicated otherwise:

Chairman	Michael Henao
Chief Executive Officer	Serena Sasingian

Directors	
Colin Stone	Helen Gegeyo
Lorna McPherson	Eunice Gware
Ketan Mehta	Justin Hallett
Janos Katter	John Glynn
Brian Malone	Calexus Simeon

Dividends

The Foundation will prohibit the payment of any dividend or payment in nature of a dividend to its members.

Employees

The Foundation had an average number of employees of 9 (2020: 10).

The Foundation is incorporated in Papua New Guinea, and its registered office is at Level 1, Investwell Building, New Hohola Commercial Estate, Gordons, Port Moresby.

For, and on behalf of, the Directors


Michael Henao
Foundation Chairman


Serena Sasingian
Foundation Chief Executive Officer


Ketan Mehta
Foundation Treasurer / Chief Financial Officer Digicel PNG Limited

This, the 18th day of October 2021



Independent auditor's report

To the Board of Directors of Digicel PNG Foundation Inc.

Report on the audit of the financial statements

Our opinion

We have audited the accompanying special purpose financial statements of Digicel PNG Foundation Inc. (the Association), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory information. These financial statements have been prepared in accordance with the accounting policies set out in Note 2.

In our opinion, the accompanying special purpose financial statements present fairly the financial position of the Association as at 31 March 2021 and its financial performance and cash flows for the year then ended in accordance with the accounting policies as set out in Note 2.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the {Company/Trust/Partnership/Association} in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor we have no relationship with, or interests in, the Association.

Information other than the financial statements and auditor's report

The directors are responsible for the annual report which includes other information. Our opinion on the financial statements does not cover the other information included in the annual report and we do not and will not express any form of assurance conclusion on the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to

the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible, on behalf of the Association, for the preparation of special purpose financial statements that present fairly the matters to which they relate in accordance with the accounting policies set out in Note 2 to the special purpose financial statements and that are appropriate to meet the requirements of the Association's constitution and the needs of the members, and for such internal control as the directors determine are necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting estimates and the application of the accounting policies set out in Note 2 and the related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our report. Our conclusions are based on our audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with the accounting policies set out in Note 2.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during our audit.

Who we report to

This report is made solely to the Board of Directors of the Association, as a body, in accordance with the Association constitution. Our audit work has been undertaken so that we might state to the Board of Directors of the Association those matters which we are required to state to them in an auditor's report and for no other purpose. We do not accept or assume responsibility to anyone other than the Board of Directors of the Association, as a body, for our audit work, for this report or for the opinions we have formed.

PricewaterhouseCoopers

PricewaterhouseCoopers

By:



Jonathan Seeto
Partner
Registered under the Accountants Act 1996

Port Moresby
20 October 2021

financial statements

Digicel Foundation Statement of comprehensive income For the year ended 31 March 2021

	Notes	2021 K	2020 K
Income			
Grants from Digicel (PNG) Limited		5,289,950	7,028,109
Management Fee Income from PNG Sustainable Development Program (SDP)		3,844,925	-
Grants from North Bougainville Electorate		1,534,140	-
Grants from PNG Sustainable Development Program (SDP)		134,365	13,098,041
Grants for Jubilee Catholic Secondary School		-	260,000
Grants from Madang District Development Authority		-	188,000
Grants from Ijivitari Open Electorate		-	94,000
Man of Honour Gala Night		-	203,250
		10,803,380	20,871,400
Expenditures			
Projects and donations	3	(10,794,567)	(20,729,916)
Other expenses	4	(8,813)	(141,484)
		(10,803,380)	(20,871,400)
Net surplus		-	-
Other comprehensive income		-	-
Total comprehensive income		-	-

Digicel Foundation Statement of financial position As at 31 March 2021

	2021 K	2020 K
ASSETS		
Current assets		
Other receivables	6	1,320,779
Cash and cash equivalents	5	3,988,501
Total current assets	5,309,280	6,878,664
Total assets	5,309,280	6,878,664
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	7	5,309,280
	5,309,280	6,878,664
Total liabilities	5,309,280	6,878,664
Equity		
Accumulated surplus	-	-
Total liabilities and equity	5,309,280	6,878,664

Approved for issue by the Board of Directors on the 18th day of October 2021 and signed on its behalf by:


Michael Henao
Foundation Chairman


Serena Sasingian
Foundation Chief Executive Officer


Ketan Mehta
Foundation Treasurer / Chief Financial Officer Digicel PNG Limited

financial statements

Digicel Foundation

Statement of changes in equity

For the year ended 31 March 2021

	Accumulated Surplus	Total
	K	K
Balance as at 1 April 2019	-	-
Net surplus for the year	-	-
Balance as at 31 March 2020	-	-
Balance as at 1 April 2020	-	-
Net surplus for the year	-	-
Balance as at 31 March 2021	-	-

Digicel Foundation

Statement of cash flows

For the year ended 31 March 2021

	2021 K	2020 K
Cash flows from operating activities		
Grants and contributions received	6,246,119	10,060,338
Project expenditures and operating costs	(8,426,931)	(20,348,969)
Net cash flow used in operating activities	(2,180,812)	(10,288,631)
Net decrease in cash and cash equivalents	(2,180,812)	(10,288,631)
Cash and cash equivalents at beginning of year	6,169,313	16,457,944
CASH AND CASH EQUIVALENT AT END OF YEAR	3,988,501	6,169,313

Non-cash transactions include grants from Digicel (PNG) Limited of K1,111,908 and related project expenditures and operating costs.

Digicel Foundation Notes to the financial statements For the year ended 31 March 2021

1. Identification and activities

Digicel PNG Foundation Inc. ("Foundation") is a not-for-profit association incorporated in Papua New Guinea on 30 September 2008 under Section 7 of the Associations Incorporation Act. The registered office is at Level 1, Investwell Building, New Hohola Commercial Estate, Gordons, Port Moresby.

The principal activity of the Foundation comprises the distribution and utilisation of funds on a charitable basis for the purpose of building and developing communities across Papua New Guinea.

These financial statements were authorised for issue by the Board of Directors on 18th October 2021. The Directors have the power to amend the financial statements after their issue.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Foundation have been prepared in accordance with International Financial Reporting Standards ("IFRS") and other generally accepted accounting practices in Papua New Guinea. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities. The financial statements are prepared in PNG Kina.

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. Judgements that have the most significant effect on the amounts recognised in the financial statements include:

Going concern

The Foundation's management prepared these financial statements on a going concern basis. In making this assessment, management considered the impact of Covid-19 pandemic on the operations, financial performance and cash flows of the Foundation, as well as its related parties. As a result of this pandemic, the Foundation has experienced delays in the execution of agreed programs and projects, resulting in reduced level of operations, income and expenses, and cash flows for the year ended 31 March 2021 compared to the previous financial year. The management takes all necessary steps to ensure the Foundation's normal operations and sufficient future income in the form of contributions to maintain going concern. Further, the Foundation is not exposed to liquidity risk, as projects are financed only after the receipt of contributions and grants.

New and amended standards, and interpretations mandatory for the first time for the financial year ended 31 March 2021

- Amendments to IFRS 3 – definition of a business
- Amendments to IAS 1 and IAS 8 on the definition of 'material'
- Amendments to IFRS 9, IAS 39 and IFRS 7 – interest rate benchmark reform - Phase 1
- Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions.

These changes did not have any material impact on the Company.

New standards, amendments and interpretations issued but not effective for the financial year ended 31 March 2021 and not early adopted

- Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions (extension of time period)
- Amendment to IFRS 4, 'Insurance contracts' – Deferral of IFRS 9
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Amendments to IAS 1, 'Presentation of financial statements' on classification of liabilities
- A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16
- Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8
- Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction
- IFRS 17: 'Insurance contracts'.

The Foundation has conducted investigations and does not consider that there are any measurement or recognition issues arising from the release of these new pronouncements that will have a significant impact on the reported financial position or financial performance of the entity.

Digicel Foundation Notes to the financial statements For the year ended 31 March 2021

2. Summary of significant accounting policies (continued)

(b) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand, deposits held at call with banks, and other short term highly liquid investments with maturities at acquisition of three months or less, excluding amounts held in debt reserve or interest escrow.

(c) Foreign currency translation

(i) Presentation and functional currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the company is the Papua New Guinean Kina which happens also to be the presentation currency. The functional currency reflects the economic substance of the underlying events and circumstances of the Foundation and is determined in accordance with the requirements of IAS 21.

(ii) Transactions and balances

In the financial statements of the Foundation, transactions denominated in currencies other than the functional currency are recorded in the functional currency at the actual exchange rate existing at the date of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are reported at the exchange rates prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

(d) Related party relationships and transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholder. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

(e) Good and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. GST is included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Trade and other payables and accruals

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of financial year which are unpaid. The amounts are unsecured and are paid within 30 days of recognition. These are recognized initially at fair value and subsequently measured at amortised cost using effective interest rate method.

Accruals represent liabilities for goods and services provided to the Foundation prior to the end of financial year which were not invoiced. The amounts are accrued for the period and are recognized at fair value.

(g) Financial assets

The Foundation classifies all of its financial assets in the measurement category 'Financial assets at amortised cost' (previously classified as loans and receivables). The principal financial asset held by the Foundation is cash, as other receivables are immaterial. The Foundation classifies its financial assets at amortised cost when the asset is held within a business model whose objective is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest ("SPPI"). As of 31 March 2021, the Foundation had no financial instruments classified as financial assets at fair value through other comprehensive income ("FVOCI") or financial assets at fair value through profit or loss ("FVTPL").

At initial recognition, the Foundation measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains and losses together with foreign exchange gains and losses.

Digicel Foundation
Notes to the financial statements
For the year ended 31 March 2021

2. Summary of Significant Accounting Policies (continued)

(g) Financial assets (continued)

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Foundation commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Foundation has transferred substantially all the risks and rewards of ownership.

The Foundation recognises an allowance for expected credit losses ("ECLs") for all debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Foundation expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. To measure ECL, for the purposes of collective assessment, financial assets have been grouped based on shared credit risk characteristics, such as days past due. Financial assets which are in default or credit-impaired are assessed individually.

(h) Financial liabilities

Financial liabilities that are not classified as at fair value through profit or loss fall into this category and are measured at amortized cost. In both the current and prior period, all financial liabilities are classified as subsequently measured at amortized cost. These include trade and other payables.

Financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities are derecognized when extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

(i) Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest Kina.

(j) Projects costs

Project costs are recorded when incurred i.e. in the period in which service is provided. These costs are disbursed after they have been approved by the Board of Directors.

(k) Income recognition

Income is mainly comprised of grants and contributions transferred from a related party, Digicel PNG Limited and other private companies (donors).

Grants and contributions without specified purpose are recognised in the income statement on receipt of the funds from donors.

Where there are conditions attached to the grant or contribution relating to their use for specific purposes, received funds are recognised in the statement of financial position as a liability until such conditions are met or services provided. Grants or contributions with specified purpose relating to the Foundation's projects occurring in the following accounting periods are therefore recorded on the statement of financial position as deferred income. Grants and contributions initially recorded as deferred income in the balance sheet are subsequently recognised in the income statement as the expenditure on the specific project is incurred. All grants and contributions received during years ended 31 March 2021 and 31 March 2020 had specified purpose or conditions attached, resulting in nil surplus / (deficit) and nil equity position.

On certain situations where there is a delay in the receipt of funds for a specific project, the funds of the Foundation are utilized in order to carry out the project until such time the remaining funds are settled by the donor. Receivables due from donors are recognised in such situations.

The Foundation earns management fee income on projects being managed on behalf of the donors. Management fee income is recognized upon completion of the project i.e. in the period when donor confirms that the project is satisfactorily completed. The use of related funds is at management's discretion.

Digicel Foundation
Notes to the financial statements
For the year ended 31 March 2021

2. Summary of Significant Accounting Policies (continued)

(l) Comparatives

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

Income and expenditures in relation to grants from Digicel (PNG) Limited for the year ended 31 March 2020 of K829,974 were disclosed within Grants from PNG Sustainable Development Program in the Foundation's financial statements for the year ended 31 March 2020. Accordingly, comparatives in the Statement of comprehensive income and Note 3 were adjusted in these financial statements. These adjustments do not have any impact on the comparative figures in the Statement of financial position, and the Statements of changes in equity and cash flows reported in the Foundation's financial statements for the year ended 31 March 2020.

Revenue and project expenditure for the year ended 31 March 2019, presented as comparative figures in the Foundation's financial statements for the year ended 31 March 2020, are based on the trial balance of the Foundation covering period from 1 January 2019 to 31 March 2019. Revenue and project expenditure for the annual period from 1 April 2018 to 31 March 2019 are presented below.

	Year Ended 31 March 2019 As previously reported	Adjustments	Year Ended 31 March 2019 As adjusted
Statement of Comprehensive Income	K	K	K
Income			
Grants from Digicel (PNG) Limited	411,793	5,850,282	6,262,075
Grants from PNG Sustainable Development Program	1,146,868	6,312,407	7,459,275
	1,558,661	12,162,689	13,721,350
Expenditures			
Projects and Donations	1,466,738	12,162,689	13,629,427
Administration Expense	91,923	-	91,923
	1,558,661	12,162,689	13,721,350
Net Surplus	-	-	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income	-	-	-

The above adjustments do not have any impact on the comparative figures in the Statement of financial position, and the Statements of changes in equity and cash flows reported in the Foundation's financial statements for the year ended 31 March 2020. As a result, the above adjustments do not have any impact on the amounts reported in the Foundation's financial statements for year ended 31 March 2021, including comparative figures.

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Digicel Foundation Notes to the financial statements For the year ended 31 March 2021

3. Projects and donations

	2021 K	2020 K
DPNG Projects and Program Costs		
Remuneration		
Salaries	1,025,081	1,730,993
Contributions	86,828	88,639
Administrations	81,899	69,427
	1,193,808	1,889,059
Education		
Early Childhood Learning Program	660,102	372,278
Primary School Program	1,775,234	1,241,683
High School Program	2,736,256	1,109,052
	5,171,592	2,723,013
Health		
Health infrastructure	521,334	354,107
Maternal Health Program	155,805	256,364
Optical Health Program	-	200,000
Community Based Rehabilitation	210,000	357,402
	887,139	1,167,873
Leadership for Change		
Men of Honour Anti-violence Campaign	58,857	522,921
Live Love Learn	60,280	110,278
Partner Training and Development	-	59,474
Grants Program	1,022,596	465,994
	1,141,733	1,158,667
Communications		
Public Relations and Marketing Program	212,103	94,167
Digicel Foundation Episodes	54,441	19,436
	266,544	113,603
Strong Smart Sustainable Organisation		
Monitoring, Learning and Evaluation	16,496	11,636
	16,496	11,636
Logistics and Contingency		
Staff Travel and Accommodation	448,750	121,362
	448,750	121,362
Total DPNG Projects and Programs	9,126,062	7,185,213

The management of Foundation has decided to use funds related to earned management fee on DPNG projects and programs. Refer to Note 3(k).

Digicel Foundation Notes to the financial statements For the year ended 31 March 2021

3. Projects and donations (continued)

	2021 K	2020 K
Partnership with Total Energy		
Infrastructure program	-	372,807
Total WAS component – SAGO network	-	73,855
Total Energy Projects and Programs	-	446,662
Partnership with North Bougainville Electorate		
Engineering & Installation	814,241	-
Materials	523,880	-
Logistic	126,414	-
Project Support	69,605	-
Total North Bougainville Electorate Projects	1,534,140	-
The total expenditures (excluding GST) of K1,534,140 spent for the North Bougainville Electorate Projects include K449,140 (excluding GST) which were financed using the funds of the Foundation. Subsequent to 31 March 2021, this amount has been settled by North Bougainville Electorate to the Foundation. Related receivable (including GST) is disclosed in Note 6.		
Partnership with PNG Sustainable Development Program Limited (SDP)		
Engineering and installation	-	4,784,784
Materials	69,772	4,303,148
Logistics	-	3,654,672
Project support	64,593	355,437
PNG Sustainable Development Program Limited Projects and Programs	134,365	13,098,041
Total	10,794,567	20,729,916
4. Other expenses		
Bad debts expense	-	138,000
Other expense	8,813	3,484
	8,813	141,484
5. Cash and cash equivalents		
Cash in bank	3,988,501	6,169,313
	3,988,501	6,169,313
6. Other receivables		
Receivable from North Bougainville Electorate	494,054	-
GST receivable	826,725	704,351
Other receivables	-	5,000
	1,320,779	709,351

Receivable from North Bougainville Electorate represents the excess amount of expenditures incurred and paid for by the Foundation in carrying out the related project. The related receivable balance has been settled subsequent to 31 March 2021.

Digicel Foundation
Notes to the financial statements
For the year ended 31 March 2021

7. Trade and other payables

	2021 K	2020 K
Trade payables	1,352,425	47,363
Accrued expenses	1,026,690	949,836
Deferred revenue	2,930,165	5,881,465
	5,309,280	6,878,664

8. Financial risk management

The Foundation is not exposed to any financial risk given that it is a not-for-profit entity and the nature of its operations, and there are no significant differences between the fair value and the carrying value of the Foundation's financial assets and liabilities.

9. Commitments

There are no capital commitments outstanding as at year end (2020: Nil). Further, the Foundation has no operating lease commitments or other commitments (2020: Nil).

10. Related party transactions and balances

As an association incorporated under Associations Incorporation Act, the Foundation has no registered shareholders or owners. The ultimate controlling party is Denis O'Brien, the controlling shareholder of Digicel Group Holdings Limited, and therefore ultimate controlling party of Digicel (PNG) Limited and its subsidiaries.

As a result, Digicel (PNG) Limited and its subsidiaries and the Foundation are entities under common control and related parties. For transactions with Digicel (PNG) Limited, refer to the Note 3.

i. Key management personnel costs

The remuneration of key members of management during the year was as follows:

	2021 K	2020 K
Salaries and short term benefits	280,000	303,520
	280,000	303,520

No fees were paid to the board members in the current year (2020: Nil).

11. Contingent liabilities

The directors are not aware of any current actions against the Foundation. The directors believe that there are no contingent liabilities relating to legal or other claims existing for the period ended 31 March 2021 (2020: Nil) which would result in material loss to the Foundation.

12. Events after balance date events

No events occurred after the balance date that would require and adjustment to or a disclosure in the financial statements.

THANK YOU



Digicel Foundation

Digicel PNG Limited, Kennedy Road Gordons
PO Box 1618, Port Moresby, NCD, Papua New Guinea
Phone: +675 7222 2601
Email: digicelpngfoundation@digicelgroup.com
www.digicelfoundation.org/png



<https://www.facebook.com/digicelpngfoundation>



[@digicelpngfoundation](https://www.instagram.com/digicelpngfoundation)



<https://www.linkedin.com/in/digicel-png-foundation/>