

# ANNUAL REPORT APRIL 2010 TO MARCH 2011

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# VISION OF THE BROADCASTING COMMISSION (BCJ)

The Commission contributes to the development of Jamaica by enabling a competitive, flourishing, co-regulated electronic communications sector that delivers high quality service and variety, including indigenous expression, is a responsible partner in the regulatory process and operates within the broad parameters administered by the Broadcasting Commission.

#### **MISSION STATEMENT**

The mission of the Broadcasting Commission of Jamaica is:

To enable the orderly development of the electronic communications sector in order to serve the interests of the Jamaican public by regulating and monitoring licensees and by advising government in a manner that is transparent, fair, efficient, effective, facilitative and consultative.

# THE ROLE, COMPOSITION AND MANDATE OF THE BROADCASTING COMMISSION

The Broadcasting Commission (BCJ) is a body corporate established under The Broadcasting and Radio Re-Diffusion Act (BRRA). It is the successor to the

Broadcasting Authority following the 1986 amendment of the BRRA, making the Commission the Caribbean region's most well established communications regulator.

In June 2011 the Commission commemorates its 25th anniversary. It will do so focused on the digital future, under the theme "People-Transitioning-Digital"



The Commission's principal functions may be classified as:

- Advisory;
- Monitoring;
- Research/information-gathering;
- Administrative; and
- Legislative.

The prescribed *advisory* functions include the following areas of advice to the Minister:

- Whether or not a licence should be granted S. 11E (1);
- The terms and conditions on which licences should be granted S 16 (a) (i);
- Whether a licence should be suspended or cancelled for non-compliance with the Commission's directives following a contravention of the licence S 22; and
- The allocation of broadcast time to programmes of Jamaican origin, performed by Jamaicans or programmes significant to Jamaica S 16 (a) (ii).

The *monitoring* powers and duties include:

Monitoring the operations of licensees S 16 (e);

- Receiving and investigating complaints in relation to any matter under the BRRA S 16 (f);
- Establishing a system of monitoring transmissions by licensees S 16 (d);
- Requiring licensees to submit information relating to their programming and operations \$ 17;
- Giving licensees written notice (copied to the Minister) of any contravention of licence, and requiring justification of the offending act and/or remedial action
   \$ 20 (1);
- Giving written notice to the Minister of any failure by a licensee to justify any offending act or take remedial action \$ 20 (3);
- Directing a licensee to transmit an apology for any action in contravention of its licence S 20 (3); and
- In relation to political broadcasts, ensuring rights of reply under certain circumstances, and in general ensuring impartiality in political broadcasts \$ 21.

#### The *information-gathering* duties include:

- Conducting surveys to ascertain whether matter transmitted or relayed by licensees is capable of being received in Jamaica S 16 (b); and
- Undertaking, sponsoring or assisting in research on any type of operation regulated under the Act S 16 (c).

#### The *administrative* functions relate to:

- Processing all licence applications under the Act to determine whether prescribed requirements are satisfied S 11E;
- Receiving application fees S 11 F (2);
- Receiving licence fees S 11 G (5);

- At the direction of the Minister, notifying licensees before licenses are suspended or cancelled that they have an opportunity to be heard by the Minister S 22 (2); and
- Where a licence to provide STV service becomes void for non-performance, notifying the licensee and requiring the return of the licence S 11G (7).

The Commission's *legislative* power is to recommend regulations under the **Act**, after consultation with the Minister. Approval is subject to a negative resolution in the House of Representatives.

#### **COMMISSIONERS**

Commissioners are appointed by the Governor General after consultation with the Prime Minister and the Leader of the Opposition, pursuant to Section 1 of the Schedule to the **BRRA**. The appointments are for a period of five years.

The following persons served during the period under review:



Professor Hopeton S. Dunn, *JP*, Ph.D., M.A., B.A. (Hons.), Dip. (Mass Comm.) Chairman

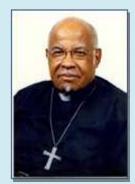
Professor of Communications Policy and Digital Media, UWI, and Director, Telecommunications Policy and Management Programme, Mona School of Business, , U.W.I.

Re-appointed November 1, 2006



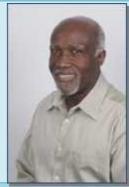
Mrs. Rosemarie Vernon, C.D., M.Sc., B.A., Cert. Ed. Educator, Former Principal, Alpha Primary School, Former President of The Jamaica Teachers' Association

Re-appointed November 1, 2006)



Rev. Canon Peter Mullings O.D., J.P., B.A. Th. Cleric, Rector Church of the Ascension

Re-appointed November 1, 2006



Mr. Claude Robinson, O.D., B.J., B.A. (Hons.) Journalist, Lecturer and Communications Consultant

Re-appointed November 1, 2006



Mrs. Elaine Foster-Allen, M.Phil, B.ED Educator, Principal – Shortwood Teachers' College

Re-appointed November 1, 2006



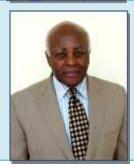
**Dr. Elaine Wallace, Ph.D., M.B.A.**Communications Specialist, Academic Adminstrator and Lecturer - UTECH

Re-appointed November 1, 2006



Mrs. Hyacinth Lindsay, Q.C., C.D., LL.B., B.A. Attorney at Law and Former Chief Parliamentary Counsel

Appointed November 1, 2006



Mr. Neville James, B.A., Dip. Public Admin. Communications Consultant

Appointed: September 5, 2008

#### **EXECUTIVE STAFF AND PRINCIPAL OFFICERS**

The Commission is supported by a Secretariat, headed by the Executive Director, which has responsibility for its day to day operations. The executive staff members are:



Mr. Cordel Green, M.B.A., LL.M (Dist.), LL.B (Hons.), B.A. (Hons.)

Executive Director, Attorney-at-Law



Mrs. Karlene Salmon-Johnson, M.Sc., B.A. (Hons.)
Assistant Executive Director and Media Industry Specialist

There are also seven Principal Officers, namely:

| Miss Teisha Mattison<br>LL.M;LL.B<br>Legal Officer        | Mr. Richard Myers, M.Sc.,<br>B.Sc. (Hons.)<br>Human Resource & Office<br>Manager              | Mr. Donovan Campbell,<br>M.Sc.<br>Technical Officer                          |
|---|---|--|
| Ms. Juliet Anderson, MAAT, Fellow (ACCA), Finance Officer | Mrs. Michelle Jones-Francis Monitoring and Customer Service Manager (Appointed March 10, 2008 | Ms. Nicole R. Morrison,<br>B.A.<br>Information & Public<br>Relations Officer |
| Mr. Dwaymian Brissette,<br>B.A., M.A.<br>Registrar        |   |  |

#### **STANDING COMMITTEES**

Thematic oversight of the Commission's work is conducted through four Standing Committees (See Appendix A). The results of Committee deliberations are brought to the full Commission for discussion, revision, approval or ratification. The Standing Committees are:

- (a) Legislative and Policy
- (b) Monitoring, Content and Compliance
- (c) Finance and Administrative
- (d) Audit

#### INTRODUCTION

The broadcast media landscape in Jamaica is one characterized by plurality and diversity in the number of players in the sector, and various forms of broadcasting, including public service commercial, and community media. It also involves an ever changing and dynamic environment embracing a number of important global trends, of which Convergence, Web 2.0 and the issue of Open Access are of particular interest. As with telecommunications, broadcast regulation is therefore changing and evolving to foster this new landscape.

In such a dynamic broadcast/media environment, the role of effective regulation becomes crucial. The BCJ has been delivering effective regulatory service to the sector and is on a path to re-creating itself to even more effectively deal with the new regulatory framework. Improved, leaner processes and systems, a capacity to communicate better with a wider audience of industry players, policy makers and consumers, and a more proactive, evidence based (research and development) regulatory practice, are all elements of the reform process in continuing to make the BCJ a model 21st century regulator in Jamaica and the region.

To that end, the Commission has identified and aligned itself with the best practices for electronic media regulation, including:

On-going Consultation
 Fairness and Inclusiveness
 Innovation in Policy and Technology
 Technology Neutrality

Transparency and Accountability

J Proactive and Flexible Management

Guided by these principles, the Commission is positive about the process of dynamic evolution which is underway in the electronic media sector. From changes in the technology, the delivery platforms and applications to the personalization and ubiquity of

media, there are no boundaries to the potential of the industry's growth and to the dynamism of media experience of users and citizens.

#### **OVERVIEW OF PERFORMANCE IN 2010 - 2011**

#### **DEFINING THE COMMISSION'S STRATEGIC FRAMEWORK**

Having identified the general media trends and broad principles which define the regulatory framework over the past year the BCJ focused on the following key strategic areas:

- Regulating new technologies and services
- Transitioning from analogue to digital television
- Content Regulation and Development
- Public Broadcasting and Indigenous Content
- Media Literacy
- Legislative and Regulatory Reform
- Consultation and Public Education
- Research and Development
- Human Resource Development
- Regional Policy Harmonisation in Broadcasting

#### REGULATING NEW TECHNOLOGIES AND SERVICES

It is the duty of the Regulator to promote equity, fairness and competition to facilitate the development of the industry. However, in this new environment, a redefinition of industry to be regulated is imperative. The Electronic Media policy report recognises<sup>1</sup> that in addition to the traditional broadcast media players, regulation should cover distributors; internet broadcast providers; IPTV and mobile TV as well as electronic audio visual billboards. No doubt, this definition will change with time and new developments, but as the regulator, the BCJ has positioned itself to employ flexible and proactive regulatory leadership. During the period under review, the Commission was instrumental in finalizing the licensing

<sup>&</sup>lt;sup>1</sup> Jamaican Electronic Media Regulatory and Policy Framework Consultation, Final Report. The Nordicity Group.

arrangements for LIME's mobile TV service in Jamaica. Plans were also underway for treating with IPTV services.

These newer technologies and services will spawn new business models and give rise (as with the telecommunication sector) to significant opportunities for local and foreign investments. These bring to the fore issues related to ownership, mergers and acquisitions to which the BCJ will again have to play a significant role to ensure that the sector is able to attract the necessary investments (local and foreign) whilst protecting the industry and ultimately the consumers from negative outcomes which could arise. These could include the pervasiveness of foreign content at the expense of the growth of indigenous media content and culture and issues of concentrated ownership through mergers and acquisitions which impact on the overall competitiveness of the industry.

#### **DIGITAL SWITCHOVER**

The issue of Digital transition continued to receive policy attention. It is an issue on which the BCJ provided leadership and ensured inclusiveness of all with respect to the guidance provided for critical decisions and programmes. Though switchover is proceeding at a rapid pace in Europe and other regions, the BCJ is concerned that the pace in Jamaica, although ahead of most Caribbean counter-parts, is slower than desirable. On the other hand, the Commission tempers impatience with the appreciation that throughout the process in Jamaica, the peculiarities and needs of the local sector must be adequately taken account of and that the process focuses not only on the technical transition, but economic, human resources and other implications. During the period of review, the most significant development was that the National Committee on Digital Switchover agreed to recommend the date of 2015 for the full transition.

The National Digital Switch-over Steering Committee is chaired by the Minister with responsibility for Information and Telecommunications. The co-chairs for the Committee are Professor Hopeton Dunn, Chairman of the Broadcasting Commission, Mr. Lester

Spaulding, Executive Chairman of RJR Communications Group and Mr. Wesley Anderson from the Subscriber Television sector. Other members of the Committee are drawn from entities within the main sectors to be affected by or involved with the switch-over.

#### **CONTENT REGULATION AND STANDARDS**

The BCJ made strides in the areas of content regulation and the development of standards in the traditional media, particularly in regulating the quality of content on the airwaves. This included the extra-ordinary measure of directing that a radio broadcast licensee discontinue airing a programme which was considered unsuitable for broadcast. However, there is still a lot of work to be done regarding questionable content, lack of diversity and generally poor quality of aired content. Furthermore, there is the challenge of the new media, which is still emerging in Jamaica, where there is a proliferation of content, anywhere, any time and created by anyone and the concept of open data which is rapidly gaining popularity. These developments received much attention from the Commission in its ongoing deliberations on electronic media policy and various engagements with stakeholders.

On March 21, 2011 the Commission hosted a one-day seminar on "Payola and Anti-Piracy" which brought together experts and stakeholders from a variety of backgrounds who brought insights about the impact of these issues on the livelihood concerns of recording and performing artistes, radio announcers/VJs, and broadcasting and cable operations. They also discussed measures which could be implemented to prevent or mitigate those problems.

The practice of payola is of particular concern for the Commission because of a correlation between payola and the output on Jamaica's airwaves. It is believed payola, in some measure, is responsible for the decline of Jamaican music to the extent that up to two years ago, before the Commission issued its February 2009 Directives, disc jockeys were heard on Jamaican airwaves actively trying to edit violent, sexually explicit and expletive laden

songs in an effort to sanitise them for airplay. The result was a cacophony of bleeps and beeps and very little of the original content.

The seminar also arose in response to the dearth of empirical evidence around the issues and a call from both the media and music industries for assistance. The deliberations formed part of the Commission's evidence-based approach and lent additional support to recommendation to the Jamaican government that payola be criminalised.

Piracy in the cable sector began to receive closer attention much earlier in the year when the Commission became aware that unscrupulous persons and criminal gangs were engaged in tampering with cable boxes of licensed providers and offering illegal cable services on a wide scale, hitherto unknown. The Commission's initial response was to alert the police and launch a series of public service announcements to educate and warn the public about this illicit activity. Those initiatives were buttressed by the seminar.

#### PUBLIC BROADCASTING AND INDIGENOUS CONTENT

Even as there is the effort to promote a market based, competitive media environment, it is recognized that market deficiencies will occur, requiring the continued and concurrent provision of Public service and Community Broadcasting. The Broadcasting Commission recognizes that it has a role in ensuring that these non-commercial services are maintained. Apart from continuing its lobby for quick action on pending changes to the legislation, the Commission also promoted the idea of a Production Fund which would be used to support the development of local content, in keeping with the BCJ's mandate.

#### **MEDIA LITERACY**

It has become increasingly obvious that the "digital divide" is not only about access to technology but also about the gap between those who know how to use and those who do not. With the convergence of broadcasting platforms and the emergence of smaller, mobile outlets and increased access to the internet, media regulation must continue to focus on educating persons not only to gain access but also on how to use both new and traditional media. The role of the regulator in promoting media literacy is to assist the citizen in achieving digital literacy. The BCJ continued its collaboration with UNESCO and the Joint Board of Teacher Education to develop a programme on media/digital literacy. This programme aims to ensure that the average population can participate in this new convergent media culture, discern the impact of media on their lives and make informed judgements about their practices.

#### LEGISLATIVE AND REGULATORY REFORM

In the Jamaican context, reform of the legislative and regulatory framework required to facilitate an independent, responsive, transparent and accountable BCJ is of the utmost

importance. The Commission continued its call for a distinct separation of powers between policy makers and regulator, with the latter having the necessary powers to enforce regulations. In addition, the Commission continued its engagement stakeholders on the wide-ranging recommendations, including for repeal of the Broadcasting and Radio Re-Diffusion Act and enactment of a modern electronic broadcasting law.



From left: Speaker of the House of Representatives, Delroy Chuck greets BCJ Chairman, Prof. Hopeton Dunn and Executive Director, Cordel Green before a meeting at Gordon House

The recommendations cover a modern definition of broadcasting, equitable regulatory fees for all players, recognition and support for indigenous programming content, broadcasting content standards, digital transition, media response to emergencies and disasters, and dispute resolution.

The Broadcasting Commission has also recommended the criminalisation of the practice of pay-for-play, more commonly known as payola. This practice is of particular concern for the

Commission because of a correlation between payola and the output on Jamaica's airwaves.

A raft of other proposed counter-measures related to the management of airplay within broadcasting stations have also been developed. These measures include: mandatory playlists for broadcasters, a requirement that radio stations be required to have a programmes manager whose responsibilities would include the approval of playlists prior to transmission and the management of all music played on air through a central music library. It has also been recommended that there be a standardisation of music charts, the mechanics of which are transparent and available for review upon request by the regulator.

These changes in law are expected to result in direct and serious management of content by broadcast licensees.

#### CONSULTATIONS AND PUBLIC EDUCATION



Service Association Exposition

of the Senate and Speaker of the House.

Fifteen (15) island wide stakeholder meetings were held during the year, one in each parish and an additional one in the municipality of Portmore. The purpose of these meetings was to update the public on significant

The period under review saw an intense and wide-ranging engagement of stakeholders. Citizens from all walks of life and sectors dialogued with the Commission. This included the President



A representative from the UTECH Student Union shares her view at the BCJ Stakeholders' Meeting held in Kingston

initiatives including: broadcast content standards, digital television switchover, upcoming legislative changes for the industry and to garner feedback on public perception of the Commission's work.

#### **Media Campaign**

The Commission launched a very successful media campaign centred on the theme, "Choice comes with responsibility". This included features in the print media, television and radio advertising, video-board advertising islandwide, a social media campaign on Youtube, Twitter, and Facebook, media interviews, public speaking engagements, town meetings and expositions.

#### **Youth Newspaper Feature**

The Commission continued in its thrust to engage the youth with two new newspaper features: "The BC 2.0" targeting high school and college students and the "The Junior Commissioners" for preparatory and primary schools.





The "The BC 2.0" and "The Junior Commissioners" are youth fora created to

infuse the energy, creativity, views and ideas of young people into the work of the Broadcasting Commission. "*The BC 2.0*" was published monthly in the Youth Magazines of both national daily newspapers and explored issues such as digital switchover, regulating the electronic media, media monitoring and the Children's Code for Programming.

#### **Child Month Video Competition**

In celebration of Child Month, the Commission launched the "Choice comes with responsibility" Video Competition. Young people between the ages of 11 and 17 years old submitted 30 second videos on the theme, "Choice comes with responsibility".



"Choice comes with responsibility" Video Competition winner, 16 year old, Lutchshane Blackwood.

16 year old, Lutchshane Blackwood, a student of St. Elizabeth Technical High School, emerged the winner. He was awarded a prize of Fifty Thousand Dollars (\$50,000). His video is featured on the BCJ Website, YouTube page and Facebook page.

#### **Citizen-based Media Monitoring**



The Citizen-based Media Monitoring Programme, initiated in February 2009, continued its growth in 2010/2011 with the total number of trained volunteers standing at **Two hundred and fifteen (215)**. During the period under review, recruitment and training of volunteers was done in St. James and Manchester.

#### **Research and Development**

The BCJ began its engagement with relevant partners for building its research capacity and regional and global linkages to take advantage of existing research opportunities. Approval was sought for the engagement of a internal economist and researcher, and preliminary work began for MOUs with the Caribbean Research Network. RFPs were also issued for research projects with universities and other institutions. The



research areas include audience needs, media output, and viability of the electronic communications sector.

## FACILITIES, RISK MANAGEMENT & HUMAN RESOURCES MANAGEMENT

The BCJ continued the implementation of plans to streamline its operations. This included upgraded financial and accounting systems as well as re-engineered business processes and systems for licensing and monitoring of licensees.

#### **Facilities and Risk Management**

To maximize on available space and improve efficiency through a more streamlined floor plan, the Technical Department was relocated. The relocation provided a dedicated server-room in close proximity to the office of the Systems Administrator/Webmaster.

The Commission continued its thrust to operate in an environmentally friendly manner by reducing use of paper. Its greening initiative includes the use of laptop computers by commissioners in meetings and the use of digital tape recordings.

Desktop computers were replaced in accordance with the Commission's policy on obsolescence. Quarterly Operational Efficiency reports were used to record the frequency of malfunctioning office equipment, repairs, replacements and servicing.

Logbooks were consistently used to record the mileage of Commission vehicles and fortnightly reports from Manufacturers Credit & Info. Systems (MCIS) used to reconcile fuel uptake. Vehicles were serviced based on mileage or time, in accordance with respective maintenance schedules.

An electronic swipe card system restricted unauthorized entry to the office, and recorded dates and times of entrance of all staff via programmed cards.

Office equipment and furniture were insured with the Insurance Company of the West Indies, with the "all-risk" premiums paid-up for the period. In accordance with procurement rules, the Ministry of Finance and the Public Service provided directives regarding the renewal of insurance tender, which is now scheduled for the third quarter of 2011.

During the period, CGM Gallagher Insurance Company assumed control of Zenith Insurance Brokers and provided brokerage services for the Commission's fleet of vehicles (2009 Honda motorcycle; 2009 Landcruiser Prado; 1999 Mitsubishi L300).

#### **Procurement**

A standing procurement committee provided oversight of procurement activities. Regular reports to the Office of the Contractor General (OCG) were submitted in accordance with government policy. During the period of review, the Commission's standing with the OCG was at the level of an 'A-rating' .During the period, the Commission disposed of a 2003 Loncin delivery motorcycle and a 1997 Toyota Corolla in accordance with guidelines from the Ministry of Finance and the Public Service. Those vehicles had become uneconomical to maintain, due to age.

#### **Information Management**

The Commission's information management is guided by the recommendations of ISO 15489:1 on Records Management Best Practices and Procedures. In that regard, continuing improvements have been made



in operating the Commission's documentation centre, viz.:

- Acquisition of specialized journals and publications;
- Linking the centre to a page on the Commission's website;
- Revision of Records Management Policies & Procedures Manual; and
- Membership in the International Records and Information Management Association (ARMA), Library and Information of Association (LIAJA), the Socioeconomic Information Network (SECIN), and Records and Archives Management Network (ARMN)...

#### Access to Information

The Commission did not receive any requests under the **Access to Information Act** during the year.

#### Interdisciplinary Transformation Team (IDTT)

A standing IDTT committee consisting of a categorical cross-section of employees considered implications of the Public Sector Modernisation initiative and submitted reports to the Public Sector Transformation Unit (PSTU), as required.

#### **Training and Development**

The Technical Department benefitted from a three (3) day in-house training programme by the manufacturers of the Trilithic test equipment.

The Senior Technician and the Monitoring and Customer Service



Training group led by Applications Engineer from Trilithic Inc. in USA, Tony Holmes (2<sup>nd</sup> left).

Department were trained in Database Management.

The Executive Director and Assistant Director participated in the UNESCO Working Group on Media Statistics, in Paris, and the Digital Switchover & Communication Policy Conference, in Korea, respectively. All expenses were covered by the sponsoring organisations.

The Commission's Legal Officer and Monitoring & Customer Service Manager benefitted from an Alternative Disputes Resolution seminar and a Commonwealth Broadcasting Association's distance learning course, online.

Staff members also attended several other seminars, workshops, and short courses designed to improve skills. These included QuickBooks Financial Software, Crystal Reports, Designing and Writing Queries –SQL, Introduction to GOJ Procurement, Microsoft Excel, Budgeting for H.R., Project Management, Report Writing and Presentation, Business Communication, and the RO Communications Corporate Communicators Conference hosted by the Public Relations Society of Jamaica.

#### **Performance Assessment**

The Commission continued to evaluate employee performance using annual performance assessments and informal interim evaluations, in accordance with the GOJ performance management and appraisal system (PMAS). The average performance rating was 83.6%.

#### **Relationship Building**

The Commission continued to spearhead cross agency collaboration through an Inter-Regulators Forum. Members of the forum were afforded the opportunity to engage with

Caribbean counter-parts at a special regulators caucus which was organised by the Broadcasting Commission in July 2010.



Internally, the human resources development plan for the period included team building which was enhanced by an Employee -of-the-Year award to a peer-nominated staff member in December 2010. In January 2011 the Commission's staff participated in a team-building exercise, and during the operational year presentations were made to staff on various human resource development issues. These included an educational session with Sagicor on GEASO health plan, team dynamics sessions, conflict management workshops, workshop with the Heart Foundation of Jamaica and sessions on pension planning, health and well-being, and money management. There were also regular staff meetings

## REGIONAL POLICY HARMONIZATION IN BROADCASTING

Several of the significant regulatory issues with which the Commission is contending also affect Caribbean counter-parts and could benefit from a common, harmonised or coordinated regional approach. These include Digital Switchover and the attendant spectrum issues, and regulation of new platforms and services.

In July 2010 the Broadcasting Commission took the initiative to bring together regulators and other industry stakeholders from across the region to examine the challenges and opportunities posed by the transition from analogue to digital. This regional meeting was held on on July 5-6, 2010 under the theme "Regional Forum on Policy and Regulation in the Electronic Media Sector".

The forum had a wide cross-section of distinguished participants representing local and regional media organisations, academia, regulators in the communications sector and other interest groups. There were fifty eight (58) participants, drawn from Trinidad and Tobago, Belize, Suriname, Jamaica, Barbados, St. Lucia, Turks and Caicos, Chile, the United States and Canada.

The programme covered the following topics:-

1. Media Policy for the Digital Age

- 2. The Digital Communications Market The Challenges and Opportunities
- 3. Broadband and Digital Futures
- 4. Media Content Standards and
- 5. Regional Harmonization: Digital Switch-over and the Regionalization of Regulation.

## OPERATIONAL PLAN 2010/2011 PERFORMANCE INDICATORS AND TARGETS

The planned programmes/major tasks, achievements and constraints are set out in the following table.

**Objective: Authoritative evidence based regulator** 

| PL | ANNED PROGRAMMES                             | STAGE OF<br>COMPLETION<br>4TH QTR | NARRATIVE   |
|----|--|-----------------------------------|---|
| 1  | Licensing of IPPs                            | N/A                               | This objective is pending changes to the TSBR   |
| 2  | Relicensing of STVOs                         | 100%                              |   |
| 3  | Redesign of Licensee inspection system       | 100%                              | Redesigned licensee inspection system submitted to and approved by Commission.  |
| 4  | Design of Licensee Case<br>Management System | 100%                              | <ul> <li>Licensee Case Management<br/>system submitted to and<br/>approved by MCCC.</li> </ul>  |
| 5  | Seminar programme for licensees              | 100%                              | <ul> <li>Financial management seminars, conducted in collaboration with Jamaica Business Development Centre.</li> <li>Payola &amp; Anti-Piracy Seminar conducted with participants from broadcast, cable, music and and security industries, academia, copyright sector, legal fraternity and othersdrawn from Jamaica, USA and a global online community.</li> </ul> |

|   | PLANNED<br>PROGRAMMES                                   | STAGE OF COMPLETION | NARRATIVE  |
|---|---|---------------------|--|
|   | T ROOM WINDES   | 4TH QTR             |  |
| 6 | Finalize time-line for transition to Digital            | 80%                 | <ul> <li>DSO focus at Regional Forum in Q2</li> <li>DSO Steering Committee meeting held in Q3.</li> <li>Proposal for funding DSO study, submitted to CIDA.</li> <li>RFP for Switchover Study rescoped.</li> <li>Participation in regional/CARICOM ICT 4D Consultation.</li> <li>Participation in regional/CARICOM expert group consultation by Office of Trade Negotiation (OTN) - CARICOM/Canada Free Trade Agreement: DSO flagged for action.</li> </ul> |
| 7 | Citizens based Monitoring<br>System Incentive Programme | 80%                 | <ul> <li>Programme expanded to 215 trained volunteers.</li> <li>Incentive programme developed and proposals submitted to Commission</li> </ul>   |

|   | DI ANNED   | CTACE OF            | NADDATIVE -  |
|---|--|---------------------|--|
|   | PLANNED<br>PROGRAMMES  | STAGE OF COMPLETION | NARRATIVE  |
|   | T TOOTO WIIVIED  | 4TH QTR             |  |
| 8 | Develop acquisition plan for comprehensive automated content monitoring system | 100%                | Research completed and acquisition plan approved.  |
| 9 | Public Education Programme   | 100%                | <ul> <li>Public/stakeholder meetings completed in all parishes;</li> <li>Completion of second round consultations on Electronic Media Policy.</li> <li>Anti-piracy and "Choice Comes with responsibility" media campaign.</li> <li>Several presentations at local fora; radio and TV appearances; newspaper articles, web publications and journal articles (e.g. NEX Generation and Commonwealth Broadcaster).</li> <li>Publications of "BC 2.0" in Youth Observer and "Junior Commissioners" in the Children's Own.</li> <li>Schools outreach - UWI and Knox College expos.</li> <li>BCJ Youth Video Competition</li> <li>BCJ website enhanced, including permanent streaming portal.</li> </ul> |

### Objective: To be a responsive innovative regulator

|   | PLANNED<br>PROGRAMMES                                     | STAGE OF<br>COMPLETION<br>4TH QTR | NARRATIVE  |  |
|---|---|-----------------------------------|--|--|
| 1 | Complete Research MOU with Caribbean ICT Research Network | 100%                              | ) MOU signed   |  |
| 2 | Regional Forum  | 100%                              | <ul> <li>Regional Forum on Policy and<br/>Regulation in the Electronic<br/>Media Sector held, with<br/>support from the<br/>Communications Research<br/>Centre, Canada (CRC)</li> <li>Attendees from Surimane,<br/>Cayman, Trinidad, Belize,<br/>Canada, USA, Chile, Antigua,<br/>Jamaica, St. Lucia, Barbados<br/>and Turks &amp; Caicos</li> </ul> |  |
| 3 | BCJ Research Programme                                    | 80%                               | <ul> <li>Secondary research completed on         ✓ IPTV and Mobile TV         Regulation         ✓ Global practice on the treatment of high value content.</li> <li>RFP issued, proposals evaluated and researcher recommended for conducting audience needs analysis and research on Media Output</li> </ul>  |  |

|   | PLANNED PROGRAMMES     | STAGE OF<br>COMPLETION<br>4TH QTR | NARRATIVE  |
|---|------------------------|-----------------------------------|--|
| 4 | Media Literacy Project | 100%                              | <ul> <li>UNESCO funding obtained in the sum of US \$15,000.</li> <li>MOU 2 executed with Joint Board of Teacher Education (JBTE).</li> <li>Media literacy curricula completed for students and teachers at grades 1-3, and 7-9.</li> <li>Media training curriculum for 150 grade 7-9 students completed.</li> <li>Scripting of three 12-minute videos completed.</li> <li>Terms of Reference for Mentorship Programme completed.</li> <li>Final report on Phase 2 completed and submitted UNESCO.</li> <li>Funding proposal inclusive of implementation plan for phase 3 completed and submitted to UNESCO.</li> <li>MOU 3 prepared and under review by JBTE.</li> </ul> |

|   | PLANNED PROGRAMMES   | STAGE OF<br>COMPLETION<br>4TH QTR | NARRATIVE  |
|---|--|-----------------------------------|--|
| 5 | To develop media policy through research and legislative review                | 95%                               | <ul> <li>Media Policy research completed and final report submitted to Minister.</li> <li>Additional public Consultations on Media Policy Report undertaken.</li> <li>Responses to Ministry on Drafting Instructions for amendments to BRRA and TSBR, completed.</li> </ul>  |
| 6 | Inter-regulators platform for information sharing                              | 80%                               | <ul> <li>Links on BCJ website to         Caribbean region regulators,         Ministries responsible for         information and         communications, and other         related bodies.</li> <li>BCJ component of information         platform (comprehensive         database) finalised with         guidance from CITO.</li> </ul>   |
| 7 | To create a funding mechanism to support local and public broadcasting content | 100%                              | Description of the second of t |

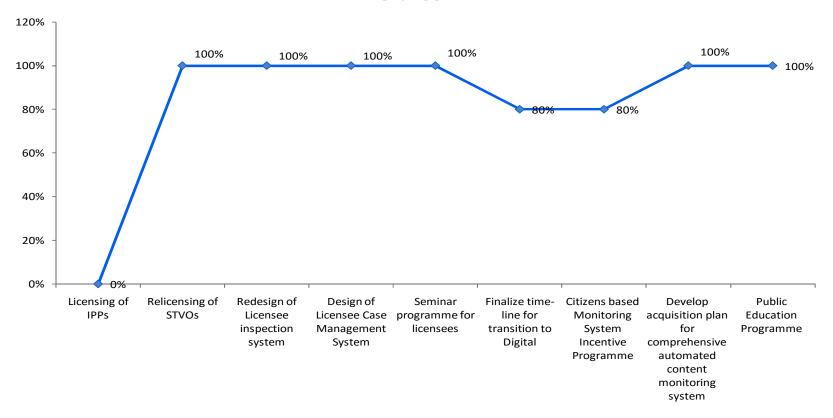
## **Objective: To build internal capacity**

|   | PLANNED PROGRAMMES   | STAGE OF<br>COMPLETION<br>4TH QTR | NARRATIVE  |
|---|--|-----------------------------------|--|
| 1 | To acquire an integrated/<br>comprehensive data base<br>system | 80%                               | <ul> <li>Further research on systems completed</li> <li>TOR for integrated/ comprehensive data base system completed and put to tender</li> </ul>  |
| 2 | To create a Resource Centre                                    | 90%                               | <ul><li>J 100 % of BCJ's vital records digitized.</li><li>J RFP issued and evaluations completed for remote storage</li></ul>  |
| 3 | To improve human resource capacity                             | 90%                               | <ul> <li>Recommendations for changes to the establishment/Business Process Review submitted for Cabinet Office approval.</li> <li>MOFP approval obtained for temporary recruitment of Systems Administrator, Economist and Internal Auditing services.</li> <li>Specialised training on:         <ol> <li>Accounting software.</li> <li>Database management for monitoring and compliance.</li> <li>Technical (test) equipment.</li> </ol> </li> <li>Team Motivation programme developed and conducted.</li> </ul> |

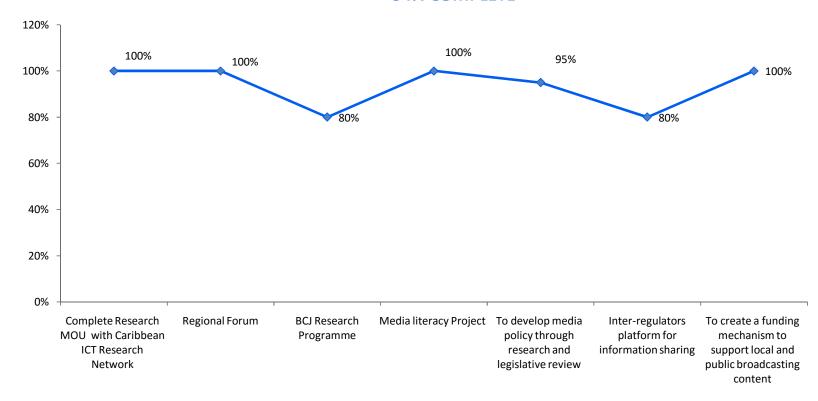
|   | PLANNED PROGRAMMES                                 | STAGE OF<br>COMPLETION<br>4TH QTR | NARRATIVE   |
|---|--|-----------------------------------|---|
| 4 | To improve financial management and accountability | 80%                               | TOR for integrated/     comprehensive data base     system completed.                                     |
| 5 | Improve internal financial management              | 100%                              | <ul><li>New accounting software acquired.</li><li>Operational efficiency reporting implemented.</li></ul> |

#### Strategic Objective #1: To be an Authoritative Evidence-Based Regulator

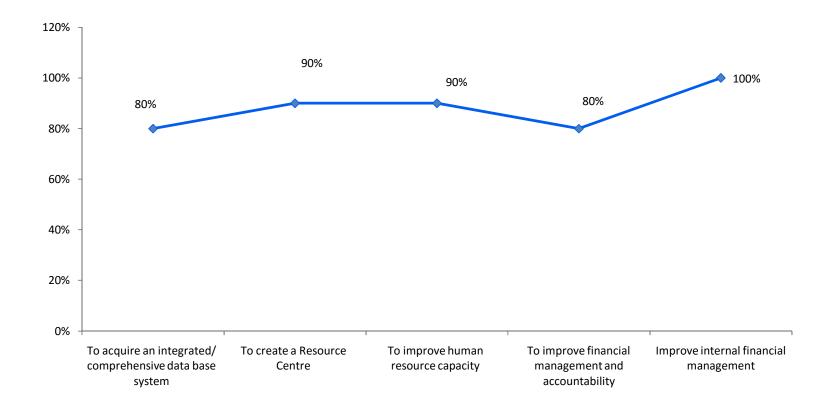
#### **84% COMPLETE**



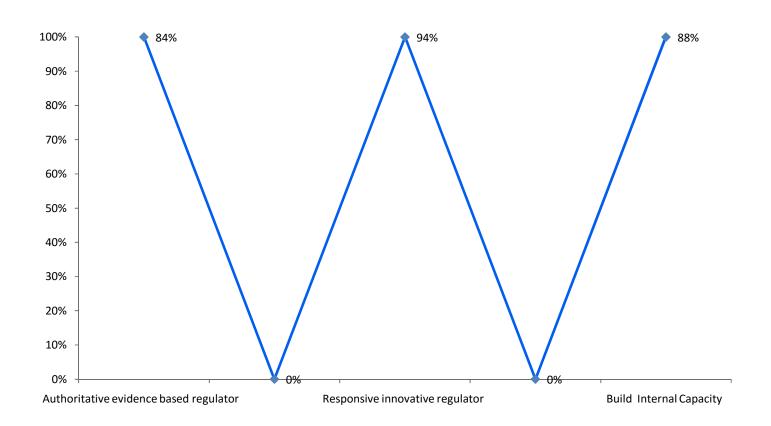
## Strategic Objective #2: To be a Responsive, Innovative Regulator 94% COMPLETE



# Strategic Objective #3: To build internal capacity (human, technical, technological) 88% COMPLETE



# **Summary of Strategic Objectives AVG. OVERALL COMPLETION: 89%**



#### +

### **DETAILS OF REGULAR, KEY OPERATIONAL ACTIVITIES**

#### MONITORING, COMPLIANCE AND CUSTOMER SERVICE

#### **Contacts with the Commission**

Seven hundred and eighty-nine (789) contacts were recorded for the period under review. This was a two percent (2%) increase over the previous year. The contacts resulted in seventy-one (71) investigations and the issuing of thirty-five (35) Notices of Breach.

Table 1 - Total Contacts recorded

| APRIL '10 - JUNE '10       | 224 |
|----------------------------|-----|
| JULY '10 - SEPTEMBER '10   | 231 |
| OCTOBER '10 - DECEMBER '10 | 192 |
| JANUARY '11 - MARCH '11    | 146 |
| TOTAL                      | 793 |

Table 2 provides further details on the nature of contacts with the public.

**Table 2: BREAKDOWN OF CONTACTS** 

|   | Apr-<br>June<br>2010 | Jul-<br>Sept<br>2010- | Oct-<br>Dec<br>2010 | Jan-<br>Mar<br>2011 | TOTAL |
|---|----------------------|-----------------------|---------------------|---------------------|-------|
| Information Requested:  | 160                  | 159                   | 137                 | 85                  | 541   |
| Complaints received   | 8                    | 22                    | 13                  | 28                  | 71    |
| Flow Sports package on intl. channel  |                      | 16                    |                     |                     | 16    |
| Inability to watch world cup football on ESPN   | 7                    |                       |                     |                     | 7     |
| Zoning Information  | 30                   | 22                    | 16                  | 20                  | 88    |
| Airing of song "Blood Clot" performed by Lloyd Lovindeer  | 3                    |                       |                     |                     | 3     |
| Flow on Demand  |                      |                       | 6                   |                     | 6     |
| Procedure for acquiring Broadcast licence   |                      | 7                     |                     |                     | 7     |
| Ragashanti Live programme   | 8                    | 3                     | 20                  | 3                   | 34    |
| Interference with BBC frequency   |                      | 2                     |                     |                     | 2     |
| Regulation of IPPS  | 2                    |                       |                     |                     | 2     |
| Airing of song 'Hold You" performed by Gyptian  | 4                    |                       |                     |                     | 4     |
| HIV awareness advertising campaign  |                      |                       |                     | 3                   | 3     |
| Commendation for BCJ Directive for removal of Ragashanti Live programme from current daytime slot |                      |                       |                     | 7                   | 7     |
| Comments made on the 'Perkins on Line' programme  | 2                    |                       |                     |                     | 2     |
| TOTAL   | 224                  | 231                   | 192                 | 146                 | 793   |

#### **Complaints Received**

Section 16 (f) of The Broadcasting and Radio Re-Diffusion Act requires the Commission to "receive and investigate complaints in relation to any matter under the Act".

During the period under review, the Commission received seventy-one (71) complaints. This was an increase of three percent (3%) when compared to the previous period. **Table 3** is a breakdown of the complaints on a quarterly basis.

Table 3 - QUARTERLY BREAKDOWN OF COMPLAINTS RECEIVED

| APRIL '10 - JUNE '10       | 8  |
|----------------------------|----|
| JULY '10 - SEPTEMBER '10   | 22 |
| OCTOBER '10 - DECEMBER '10 | 13 |
| JANUARY '11 - MARCH '11    | 28 |
| TOTAL                      | 71 |

Table 4: COMPLAINTS RECEIVED APRIL 2010- MARCH 2011

|                                      | Apr-Jun<br>2010 | Jul-Sep<br>2010 | Oct-Dec<br>2010 | Jan-Mar<br>2011 | TOTAL | (%)  |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-------|------|
| Subscriber                           |                 |                 |                 |                 |       |      |
| Television                           |                 |                 |                 |                 |       |      |
| <ul><li>Technical</li></ul>          | 3               | 4               | 1               | 1               | 9     | 13%  |
| <ul><li>Customer</li></ul>           |                 |                 |                 |                 |       |      |
| Service                              | 0               | 3               |                 |                 | 3     | 4%   |
| <ul><li>Content</li></ul>            |                 |                 |                 |                 |       |      |
| Standards                            | 0               | 0               | 0               | 0               | 0     | 0%   |
| <ul> <li>Unlicensed</li> </ul>       |                 |                 |                 |                 |       |      |
| Service                              |                 |                 |                 |                 |       |      |
| <b>Broadcast Television</b>          |                 |                 |                 |                 |       |      |
| <ul><li>Technical</li></ul>          | 0               | 0               | 0               | 0               | 0     | 0%   |
| <ul><li>Content Standard</li></ul>   | 2               | 3               | 2               | 4               | 11    | 15%  |
| <ul> <li>Customer Service</li> </ul> |                 |                 |                 |                 |       |      |
| Broadcast                            |                 |                 |                 |                 |       |      |
| Radio                                |                 |                 |                 |                 |       |      |
| <ul><li>Content</li></ul>            | 3               | 12              | 10              | 23              | 48    | 68%  |
| Standards                            |                 |                 |                 |                 |       |      |
| <ul><li>Technical</li></ul>          |                 |                 |                 |                 |       |      |
| Total                                | 8               | 22              | 13              | 28              | 71    | 100% |
| Percentage (%)                       | 12%             | 31%             | 18%             | 39%             |       | 100% |

#### **Complaints Investigated**

The Commission investigated one hundred and sixteen (116) complaints. Seventy-one-(71) of those arose during the period under review and forty-five (45) were carried over from the previous year. The total number of complaints investigated was a twelve percent (12%) increase over the previous period.

Table 5 is a breakdown of the complaints investigated on a quarterly basis

# Table 5: COMPLAINTS INVESTIGATED FOR THE PERIOD APRIL 2010-MARCH 2011

Complaints Investigated for the period April 2010- March 2011

| APRIL '10 - JUNE '10       | 18  |
|----------------------------|-----|
| JULY '10 - SEPTEMBER '10   | 40  |
| OCTOBER '10 - DECEMBER '10 | 17  |
| JANUARY '11 - MARCH '11    | 41  |
| TOTAL                      | 116 |

**Table 6 is a breakdown of** all complaints investigated, including those brought forward from the previous period.

Table 6: TOTAL COMPLAINTS INVESTIGATED APRIL 2010 - MARCH 2011

|                       | Complaints<br>Brought forward<br>From April 2009-<br>March 2010 | Complaints<br>Received<br>April 2010-March<br>2011 | Total |
|-----------------------|---|--|-------|
| Subscriber Television | 11  | 12   | 23    |
| Broadcast Television  | 9   | 11   | 20    |
| Broadcast Radio       | 25  | 48   | 73    |
| TOTAL                 | 45  | 71   | 116   |

Tables 7 to 10 detail the complaints on a quarterly basis:

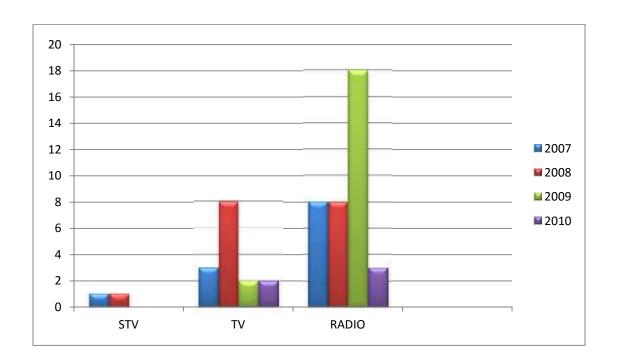
**Table 7: CONTENT STANDARDS COMPLAINTS: APRIL- JUNE 2010** 

|                                      | Alleged transmission of material promoting use of illegal drugs (insufficient info. To proceed with investigation) | Sexually suggestive language/lyrics | Alleged Use of editing techniques | Alleged transmission of<br>material with inappropriate<br>language | Alleged transmission of material containing expletive | Alleged transmission of adult themed programme before watershed | Alleged transmission of material in breach of scheduling requirements | TOTAL |
|--------------------------------------|--|-------------------------------------|-----------------------------------|--|---|---|---|-------|
| CVM Television Ltd                   |  |                                     |                                   |  | 1   |   |   | 1     |
| Radio Jamaica Limited-<br>Fame 95 FM |  |                                     |                                   |  |   |   | 2   | 2     |
| Television Jamaica                   |  |                                     |                                   | 1  |   |   |   | 1     |
| NewsTalk 93 FM                       |  |                                     |                                   |  |   | 1   |   | 1     |
| TOTAL                                |  |                                     |                                   | 1  | 1   | 1   | 2   | 5*    |

The Commission received five (5) complaints relating to the transmission of problematic content. This represented a reduction of forty-four percent (44%) when compared to the previous quarter, January-March 2010

<sup>\*</sup>Complaints listed above include allegations that may not have necessarily resulted in findings of breach.

Figure 1: CONTENT STANDARD COMPLAINTS TRENDS FOR QUARTER APRIL- JUNE 2007 TO APRIL- JUNE 2010



|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 1    | 1    | 0    | 0    |
| TV    | 3    | 8    | 2    | 2    |
| RADIO | 8    | 8    | 18   | 3    |

Table 8

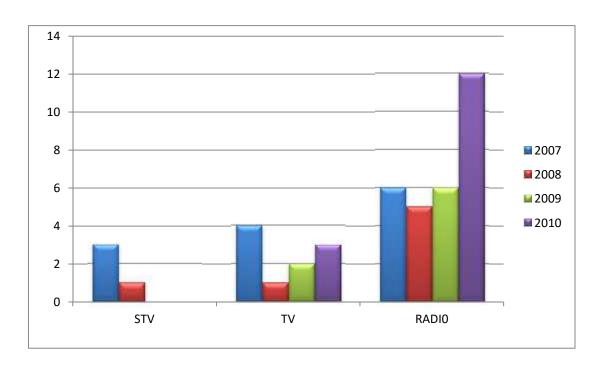
Content Standards Complaints: July - September 2010

|   | Inappropriate content | Sexually suggestive language/lyrics | Use of editing<br>techniques | Scandalous remarks by host | Alleged false &<br>misleading news | Profane Language | Alleged breach of<br>broadcast standards | TOTAL |
|---|-----------------------|-------------------------------------|------------------------------|----------------------------|------------------------------------|------------------|--|-------|
| Grove Broadcasting Company Ltd (Zip 103 FM)     |                       |                                     |                              | 1                          |                                    | 1                |  | 2     |
| CVM Television Ltd                              | 2                     |                                     |                              |                            |                                    |                  |  | 2     |
| Radio Jamaica Limited (FAME 95 FM)              |                       | 5                                   | 1                            |                            |                                    |                  |  | 6     |
| Nationwide Radio 90 FM                          |                       | 1                                   |                              |                            |                                    |                  |  | 1     |
| Television Jamaica Limited                      |                       |                                     |                              |                            |                                    |                  | 1  | 1     |
| Radio Jamaica Limited (RJR 94 FM))              |                       | 2                                   |                              |                            |                                    |                  |  | 2     |
| Universal Media Company Ltd<br>(NewsTalk 93 FM) |                       |                                     |                              |                            |                                    |                  |  | 1     |
| TOTAL   | 2                     | 8                                   | 1                            | 1                          |                                    | 1                | 1  | 15*   |

The Commission received fifteen (15) complaints pertaining to the broadcast of problematic content. This represented an increase of two hundred percent (200%) when compared to the period April - June 2010

<sup>\*</sup> Complaints listed above include allegations that may not have necessarily resulted in findings of breach.

Figure 2: CONTENT STANDARDS COMPLAINTS TRENDS FOR QUARTERS JULY – SEPTEMBER 2007 TO JULY – SEPTEMBER 2010



|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 3    | 1    | 0    | 0    |
| TV    | 4    | 1    | 2    | 3    |
| RADIO | 6    | 5    | 6    | 13   |

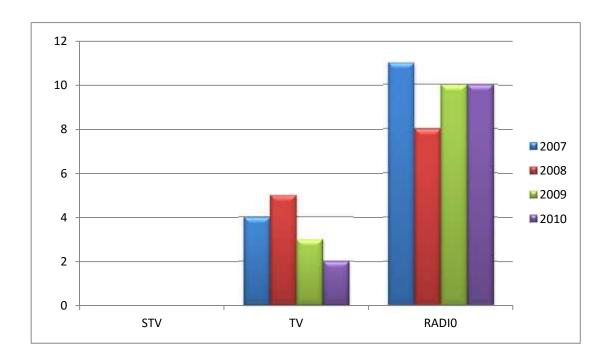
Table 9: CONTENT STANDARDS COMPLAINTS INVESTIGATED: OCTOBER - DECEMBER 2010

|                                      | Transmission of content containing mildly offensive language | Transmission of expletive during OB | Transmission of song promoting violence | Transmission of<br>material containing<br>profane language | Transmission of sexually explicit content | TOTAL |
|--------------------------------------|--|-------------------------------------|---|--|---|-------|
| CVM Television Ltd                   | 1  |                                     |   |  |   | 1     |
| Radio Jamaica Limited (FAME 95 FM)   |  |                                     |   | 1  | 2   | 3     |
| Nationwide News Network              | 1  | 1                                   |   | 2  | 1   | 5     |
| Television Jamaica Limited           | 1  |                                     |   |  |   | 1     |
| Hitz 92 FM                           | 1  |                                     |   |  |   | 1     |
| Grove Broadcasting Company (IRIE FM) |  |                                     | 1                                       |  |   | 1     |
| TOTAL                                | 4  | 1                                   | 1                                       | 3  | 3   | 12*   |

The Commission investigated twelve (12) complaints about the broadcast of problematic content. This represented a reduction of twenty- percent (20%) when compared to the period July – September 2010.

<sup>\*</sup> Complaints listed above include allegations that may not have necessarily resulted in findings of breach.

Figure 3: CONTENT STANDARD REPORT TRENDS FOR QUARTERS OCTOBER- DECEMBER 2007 TO OCTOBER - DECEMBER 2010



|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 0    | 0    | 0    | 0    |
| TV    | 4    | 5    | 3    | 2    |
| RADIO | 11   | 8    | 10   | 10   |

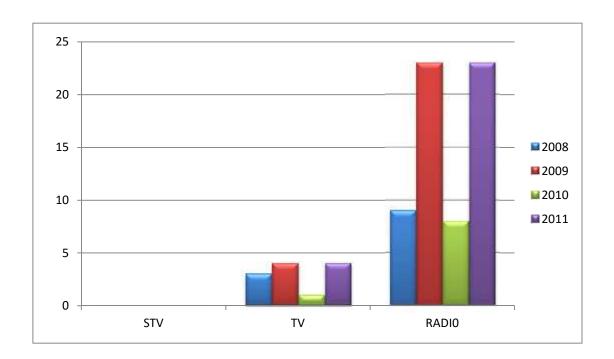
Table 10: CONTENT STANDARDS COMPLAINTS INVESTIGATED: JANUARY - MARCH 2011

|   | Transmission of<br>content containing a<br>racial slur | Transmission of song containing graphic language | Transmission of expletive during movie | Transmission of violent lyrics/content | Transmission of sexually suggestive lyrics | Transmission of material containing profane language | Transmission of scandalous and derogatory remarks | TOTAL |
|---|--|--|--|--|--|--|---|-------|
| CVM Television Ltd                        |  |  | 1                                      | 2                                      |  |  |   | 3     |
| Radio Jamaica<br>Limited-<br>(FAME 95 FM) |  | 1  |  |  | 5  |  |   | 6     |
| Nationwide News<br>Network                |  |  |  |  |  | 1  | 1   | 2     |
| RJR 94 FM                                 |  |  |  |  |  | 1  |   | 1     |
| Television  Jamaica Limited               |  |  |  |  |  | 1  |   | 1     |
| Hot 102 FM                                |  |  |  |  | 2  |  |   | 2     |
| Newstalk 93 FM                            |  |  |  |  |  |  | 1   | 1     |
| Grove Broadcasting Company (ZIP 103 FM)   | 1  | 2  |  | 2                                      | 4  | 1  |   | 10    |
| Grove Broadcasting Company (IRIE FM)      |  |  |  |  |  | 1  |   | 1     |
| TOTAL                                     | 1  | 3  | 1                                      | 4                                      | 11   | 5  | 2   | 27*   |

The Commission investigated twenty-seven (27) complaints about the broadcast of problematic content. This represented an increase of one hundred and twenty-five percent (125%) when compared to the period October to December 2010.

<sup>\*</sup> Complaints listed above include allegations that may not have necessarily resulted in findings of breach.

Figure 4: CONTENT STANDARDS COMPLAINTS TRENDS FOR THE QUARTERS JANUARY - MARCH 2008 TO JANUARY - MARCH 2011



|       | 2008 | 2009 | 2010 | 2011 |
|-------|------|------|------|------|
| STV   | 0    | 0    | 0    | 0    |
| TV    | 3    | 4    | 1    | 4    |
| RADIO | 9    | 23   | 8    | 23   |

#### TECHNICAL COMPLIANCE

#### **TECHNICAL MONITORING**

The facilities of eighteen (18) subscriber television operators were inspected to determine their compliance with the technical standards set out in law.

**Tables 11-13** list the subscriber television licensees inspected and the areas of technical non-compliance found.

Table 11: TECHNICAL MONITORING: JULY- SEPTEMBER. 2010

|    | LICENSEES<br>INSPECTED                 | NON-<br>COMPLIANCE<br>DETECTED  | STATUS                            |
|----|--|---|-----------------------------------|
| 1. | Tru-Star Cable<br>Television           | Regulations: 17<br>(4) (e), System not<br>addressable   | Breach letter sent 3/12/10        |
| 2. | Cabletron<br>Network System<br>Limited | Regulations:<br>25 (1), ,<br>17(1) (h),   | Breach letter sent 9/9/10.        |
| 3. | Unique Vision<br>Cable Company<br>Ltd  | Regulations;<br>17 (4)(b), 17 (4)<br>(d), 17 (4) (e),<br>17(1) (h), 15 (a), 32<br>(a), Non provision<br>of STV service to<br>licensed zones | Breach letter issued to licensee. |

Table 12: TECHNICAL MONITORING: OCTOBER - DECEMBER 2010

|    | LICENSEES<br>INSPECTED | NON-<br>COMPLIANCE<br>DETECTED  | STATUS                                 |
|----|------------------------|---|--|
| 1  | Total Cable            | 17(1)(d), 17(1)(h),<br>17(4)(b), 17(4)(d),<br>17(4)(e), 25(1)             | Breach letter sent 27/1/2010           |
| 2  | Cable One Ja.<br>Ltd.  | 17(1)(h), 17(4)(b),<br>17(4)(d), 17(4)(e),<br>25(1), Breach of<br>Licence | Breach letter sent 10/12/2010          |
| 3  | Summit Satellite       | 15(a), 15(b),<br>17(1)(h), Breach of<br>licence                           | Meeting held with licensee on 8/2/2011 |
| 4. | Combined<br>Comm. Ltd. | 15(a), 17(1)(b),<br>17(1)(h), 19(1)(b)                                    | Breach letter sent 27/1/2011           |
| 5. | Starcom Cable          | 15(a), 15(b),<br>17(1)(h), 17(4)(d),<br>17(4)(e)                          | Breach letter sent 27/1/2011           |
| 6. | CTL                    | 17(1)(h), 17(4)(d),<br>17(4)(e)   | Breach letter sent 27/1/2011           |

Table 13: TECHNICAL MONITORING: JANUARY- MARCH 2011

|   |   | NON   |  |
|---|---|---|--|
|   | LICENSEES<br>INSPECTED                  | NON-<br>COMPLIANCE<br>DETECTED  | STATUS   |
| 1 | Cornwall Communications Limited         | 25(1), 17(1)(h),<br>17(4)(d), 17(4)(e),<br>Breach of licence –<br>Operating a non-<br>addressable<br>system & non-<br>provision of<br>service to licensed<br>zone | Breach letter sent 07./03/2011                             |
| 2 | Silly Video Cable Network               | 17(1)(h),<br>7(4)(d), 17(4)(e),<br>25(1), 15(a), 15(b)<br>Breach of Licence<br>- Operating a non-<br>addressable<br>system  | Breach letter sent 31/03/2011                              |
| 3 | St. Thomas Cable Network<br>Limited     | 17(1)(h), 7(4)(d), 17(4)(e), 25(1), 15(a), 15(b) Breach of Licence- Operating a non- addressable system & non provision of service to licensed zone               | Breach letter sent 31/03/2011                              |
| 4 | Qes 46 Limited                          | 17(1)(h), 17(4)(d),<br>17(4)(e), Breach of<br>Licence- non-<br>provision of<br>service to licensed<br>zone  | Breach letter sent 31/03/2011                              |
| 5 | Oliver's Electronic Engineering limited | 17(1)(h), Breach of Licence Operating a non- addressable system   | Meeting to be held with licensee about identified breaches |

|    | LICENSEES<br>INSPECTED                          | NON-<br>COMPLIANCE<br>DETECTED   | STATUS   |
|----|---|--|--|
| 6  | Wilson Enterprises Ltd /<br>Satcom Cable TV Net | 17(1)(h)   | Meeting to be held with licensee about identified breaches |
| 7. | Marimaxx Communications<br>Limited              | 15(a), 17(4)(b),<br>17(4)(d), 17(4)(e),<br>17(1)(h), Breach<br>of Licence<br>Operating a non-<br>addressable<br>system | Breach letter sent 14/04/2011                              |
| 8. | Mega International Company<br>Jamaica Limited   | 15(b), 17(1)(h),<br>Breach of Licence<br>non provision of<br>service to licensed<br>zone                               | Meeting to be held with licensee about identified breaches |
| 9. | First Choice Cable Service<br>Limited.          | 17(1)(h), 7(4)(d),<br>17(4)(e), 25(1), 15(a),<br>15(b)<br>Breach of Licence –<br>system not<br>addressable             | Breach letter sent 31/3/11                                 |

#### **TECHNICAL STANDARDS COMPLAINTS**

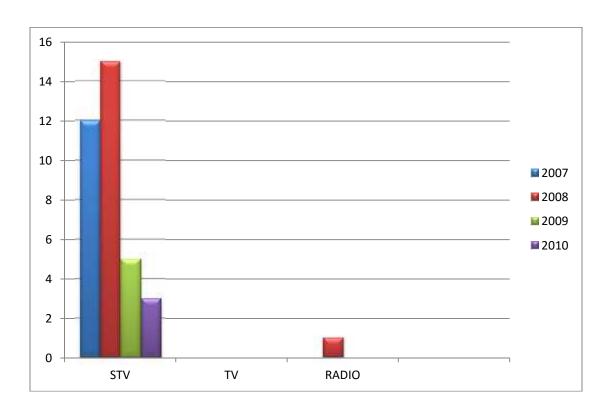
Three (3) technical complaints were received for the period April- June 2010; four (4) for the period July- September 2010; one (1) for the period October 2010- December 2010 and two (2) for the period January – March 2011. Tables 14-17 provide a breakdown.

Table 14: TECHNICAL STANDARDS COMPLAINTS: APRIL - JUNE 2010

|            | Poor audio and video<br>signals | No provision of service | Frequent<br>breakdowns | Long Break in<br>transmission | TOTAL |
|------------|---------------------------------|-------------------------|------------------------|-------------------------------|-------|
| Mega Cable |                                 |                         | 1                      |                               | 1     |
| Qes 46 Ltd | 1                               |                         | 1                      |                               | 2     |
| TOTAL      | 1                               |                         | 2                      |                               | 3*    |

<sup>\*</sup> Complaints listed above include allegations that may not have necessarily resulted in findings of breach

Figure 5: TECHNICAL STANDARDS COMPLAINTS TRENDS FOR QUARTERS APRIL – JUNE 2007 TO APRIL- JUNE 2010



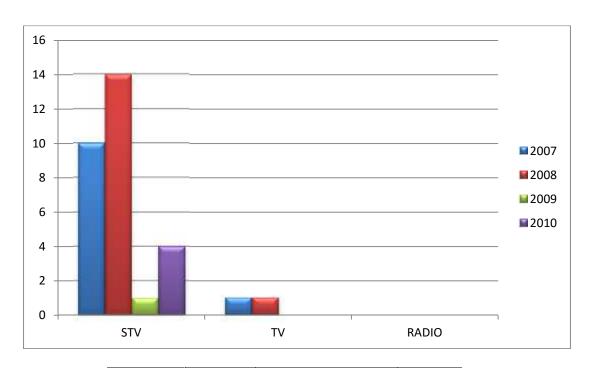
|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 12   | 15   | 5    | 3    |
| TV    | 0    | 0    | 0    | 0    |
| RADIO | 0    | 1    | 0    | 0    |

Table 15: TECHNICAL STANDARD COMPLAINTS JULY- SEPTEMBER 2010

|                                 | Poor audio and video signals | Non provision of service | Frequent<br>breakdowns | signal leakage | TOTAL |
|---------------------------------|------------------------------|--------------------------|------------------------|----------------|-------|
|                                 |                              |                          |                        |                |       |
| CTL Limited                     |                              |                          |                        | 1              | 1     |
| Cornwall Communications Limited | 1                            |                          |                        |                | 1     |
| Columbus Communication Ltd      | 1                            |                          |                        |                | 1     |
| Wilson's Enterprises            | 1                            |                          |                        |                | 1     |
| TOTAL                           | 3                            |                          |                        | 1              | 4*    |

<sup>\*</sup>Complaints listed above include allegations that might not have resulted in findings of breach

Figure 6: TECHNICAL STANDARDS COMPLAINTS TRENDS FOR QUARTERS JULY- SEPTEMBER 2007 TO JULY - SEPTEMBER 2010



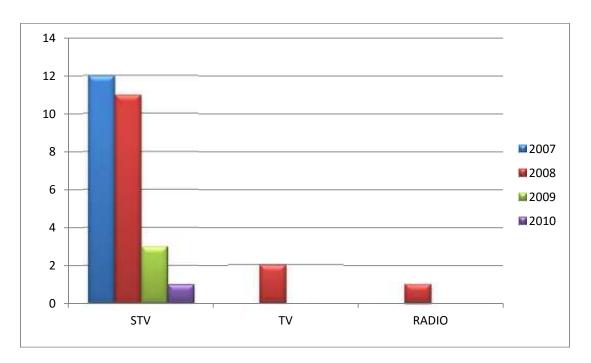
|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 10   | 14   | 1    | 4    |
| TV    | 1    | 1    | 0    | 0    |
| RADIO | 0    | 0    | 0    | 0    |

Table 16: TECHNICAL STANDARDS COMPLAINTS: OCTOBER – DECEMBER 2010

|                            | Poor audio and video signals | Non provision of service | Frequent<br>breakdowns | Signal leakage | TOTAL |
|----------------------------|------------------------------|--------------------------|------------------------|----------------|-------|
| Mega International Co. Ja. | 1                            |                          |                        |                | 1     |
| Ltd                        |                              |                          |                        |                |       |
| TOTAL                      | 1                            |                          |                        |                | 1*    |
|                            |                              |                          |                        |                |       |

<sup>\*</sup>Complaints listed above include allegations that might not have resulted in findings of breach

Figure 7: TECHNICAL STANDARDS COMPLAINTS TRENDS FOR QUARTERS OCTOBER- DECEMBER 2007 TO OCTOBER - DECEMBER 2010



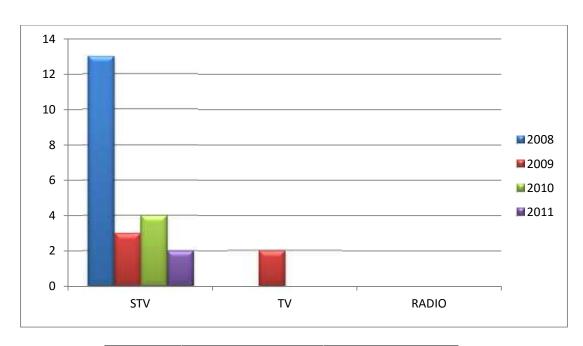
|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 12   | 11   | 3    | 1    |
| TV    | 0    | 2    | 0    | 0    |
| RADIO | 0    | 1    | 0    | 0    |

Table 17: TECHNICAL STANDARDS COMPLAINTS JANUARY – MARCH 2011

|                               | Poor audio and video signals | Non provision of service | Frequent Breaks in transmission | Alleged interference with another licensee's apparatus | TOTAL |
|-------------------------------|------------------------------|--------------------------|---------------------------------|--|-------|
| Columbus Comm. Ja Ltd. (Flow) |                              |                          |                                 | 1  |       |
| Mega International Co. Ja Ltd | 1                            |                          |                                 |  |       |
| TOTAL                         | 1                            |                          |                                 | 1  | 2*    |

<sup>\*</sup>Complaints listed above include allegations that might not have resulted in findings of breach

Figure 8: TECHNICAL STANDARDS COMPLAINTS TRENDS FOR QUARTERS JANUARY-MARCH 2008 TO JANUARY – MARCH 2011

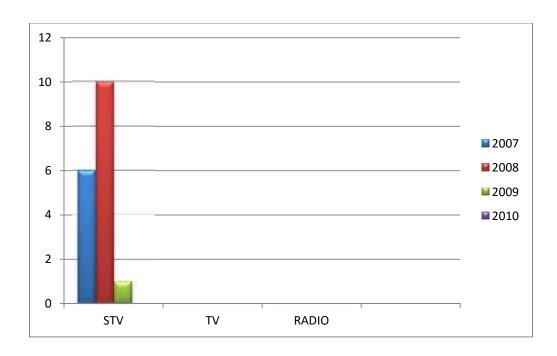


|       | 2008 | 2009 | 2010 | 2011 |
|-------|------|------|------|------|
| STV   | 13   | 3    | 4    | 2    |
| TV    | 0    | 2    | 0    | 0    |
| RADIO | 0    | 0    | 0    | 0    |

#### **CUSTOMER SERVICE COMPLAINTS**

There were three (3) customer service complaints for the period under review.

Figure 9: CUSTOMER SERVICE COMPLAINTS TRENDS FOR QUARTERS: APRIL-JUNE 2007 TO APRIL-JUNE 2010



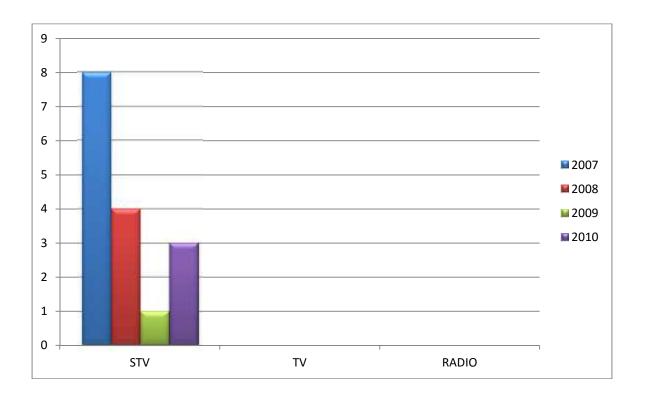
|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 6    | 10   | 1    | 0    |
| TV    | 0    | 0    | 0    | 0    |
| RADIO | 0    | 0    | 0    | 0    |
|       |      |      |      |      |

Table 18: CUSTOMER SERVICE COMPLAINTS: JULY- SEPTEMBER 2010

| LICENSEES                            | NATURE OF COMPLAINTS RECEIVED |  |                             |                            |                               |  |  |       |
|--------------------------------------|-------------------------------|--|-----------------------------|----------------------------|-------------------------------|--|--|-------|
|                                      | Inaccurate Billing            | Transmitting adverts on intl. channels | Customer A/c not<br>updated | Denying Access to channels | Increased subscribers<br>Fees | Alleged transmission of content without owners consent | Delay in rectifying customer complaint | TOTAL |
| Columbus Communications (FLOW)       |                               |  |                             |                            |                               |  | 1                                      | 1     |
| CTL Limited                          |                               |  |                             |                            |                               | 1  |  | 1     |
| Oliver's Electronics Engineering Ltd |                               |  |                             |                            |                               | 1  |  | 1     |
| TOTAL                                |                               |  |                             |                            |                               | 2  | 1                                      | 3*    |

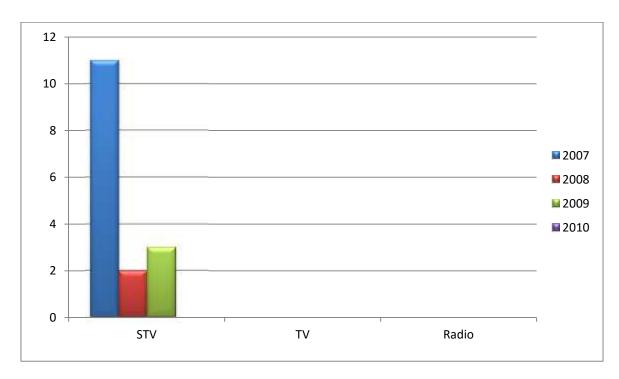
<sup>\*</sup>Complaints listed above include allegations that might not have resulted in findings of breach

Figure 10: CUSTOMER SERVICE COMPLAINTS TRENDS FOR 2<sup>ND</sup> QUARTERS: JUL-SEPT 2007 TO JUL- SEPT 2010



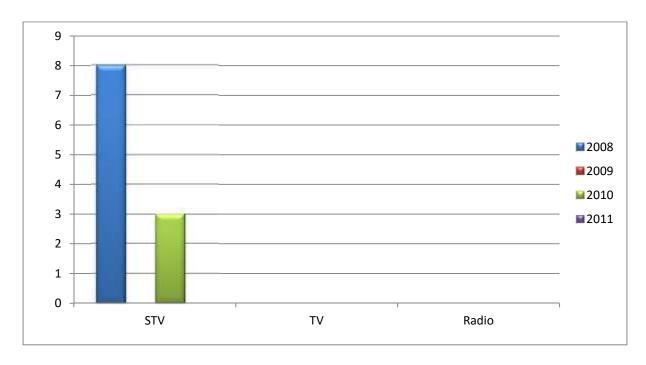
|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 8    | 4    | 1    | 3    |
| TV    | 0    | 0    | 0    | 0    |
| RADIO | 0    | 0    | 0    | 0    |

Figure11: CUSTOMER SERVICE COMPLAINTS TRENDS FOR QUARTERS: OCTOBER-DECEMBER 2007 TO OCTOBER -DECEMBER 2010



|       | 2007 | 2008 | 2009 | 2010 |
|-------|------|------|------|------|
| STV   | 11   | 2    | 3    | 0    |
| TV    | 0    | 0    | 0    | 0    |
| RADIO | 0    | 0    | 0    | 0    |

Figure 12: CUSTOMER SERVICE COMPLAINTS TRENDS FOR QUARTERS: JANUARY – MARCH 2008 TO JANUARY –MARCH 2011



|       | 2008 | 2009 | 2010 | 2011 |
|-------|------|------|------|------|
| STV   | 8    | 0    | 3    | 0    |
| TV    | 0    | 0    | 0    | 0    |
| RADIO | 0    | 0    | 0    | 0    |

#### **COMPLAINTS RESOLUTION**

Sixty-eight (68) complaints were resolved during the period under review.

**Table 19** shows the categories of complaints resolved while **Table 20** details the grounds on which the Commission closed its investigations.

Table 19: COMPLAINTS RESOLVED APRIL 2010 – MARCH 2011 (BY SERVICE)

|                       | NO. OF INVESTIGATED COMPLAINTS RESOLVED (INCLUDING THOSE BROUGHT FORWARD) |  |  |
|-----------------------|---|--|--|
| Subscriber Television | 14  |  |  |
| Broadcast Television  | 7   |  |  |
| Broadcast Radio       | 47  |  |  |
| Total                 | 68  |  |  |

#### Table 20: COMPLAINTS RESOLVED FOR APRIL 2010- MARCH 2011 (BY METHOD)

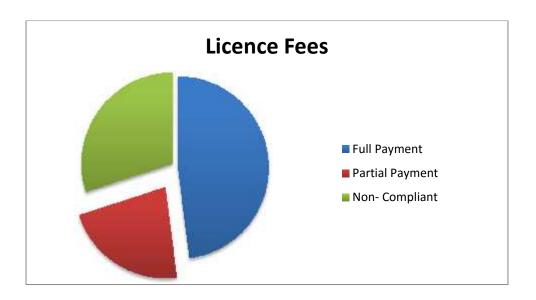
| CATEGORY   | Apr-<br>Jun<br>2010 | Jul-<br>Sept<br>2010 | Oct-Dec<br>2010 | Jan-<br>Mar<br>2011 | TOTAL        |
|--|---------------------|----------------------|-----------------|---------------------|--------------|
| Closed - resolved to complainant's satisfaction<br>Subscriber Television<br>Broadcast Television                                 | 5                   | 1                    | 1               |                     | 7            |
| Closed – withdrawn by complainants<br>Subscriber Television  |                     |                      |                 |                     |              |
| Closed - no response from complainant<br>Subscriber Television<br>Broadcast Television<br>Broadcast Radio                        |                     |                      |                 |                     |              |
| Closed – complainants no longer subscribe to licensee<br>Subscriber Television   |                     |                      |                 |                     |              |
| Closed – new subscriber television operator<br>Subscriber Television   |                     |                      |                 |                     |              |
| Complied with required remedial action for breach of licence<br>Subscriber Television<br>Broadcast Television<br>Broadcast Radio | 1 1                 | 1<br>1<br>7          | 5               | 1<br>4              | 2<br>3<br>16 |
| Closed – No evidence of breach of Children's Code for Programming Subscriber Television Broadcast Television Broadcast Radio     | 10                  |                      | 1 7             | 5                   | 1<br>22      |
| Closed – Insufficient information to pursue investigation Subscriber Television Broadcast Television Broadcast Radio             | 1 1                 |                      | ,               | 5                   | 1 1          |
| New investigation to be pursued Subscriber Television Broadcast Radio  |                     |                      |                 |                     |              |
| No evidence of breach of technical standards found<br>Broadcast Television   |                     |                      |                 |                     |              |
| Closed - Commission's investigation complete Subscriber Television Broadcast Television Broadcast Radio                          | 3<br>5              | 1<br>1               | 2               | 1<br>1<br>1         | 5<br>7<br>3  |
| Complaint falls outside of Commission's mandate<br>Subscriber Television   |                     |                      |                 |                     |              |
|  |                     |                      |                 |                     |              |
| Total  | 27                  | 12                   | 16              | 13                  | 68           |

# FINANCIAL COMPLIANCE

STV operators are required to pay an annual licence fee of five percent (5%) of their gross subscription income.

Aggregate payment performance is illustrated in Figure 13

Figure 13



Full Payment 48% Partial Payment 22% Non- Compliant 30%

Table 21: STV Licensees Financial Compliance for quarter ended March 31, 2011

|    |  | SUBMISSION OF<br>AUDITED FINANCIAL<br>STATEMENTS FOR<br>YEARS: |      |      |      |      | LICENCE FEES |                    |                   |
|----|--|--|------|------|------|------|--------------|--------------------|-------------------|
|    | LICENSEES                              | 2006   | 2007 | 2008 | 2009 | 2010 | Paid in Full | Partial<br>Payment | Non-<br>Compliant |
| 1  | Astra Technology Ltd.                  | n/a  | yes  | yes  | no   | no   |              | ✓                  |                   |
| 2  | Cable One Jamaica Ltd. yes             | yes  | yes  | no   | no   | no   |              |                    | $\checkmark$      |
| 3  | Cabletron Network Systems Ltd.         | yes  | yes  | no   | no   | no   |              |                    | ✓                 |
| 4  | Central Communication Services Ltd.    | yes  | yes  | yes  | yes  | no   | $\checkmark$ |                    |                   |
| 5  | Columbus Communications - FLOW         | n/a  | yes  | yes  | yes  | no   | ✓            |                    |                   |
| 6  | Combined Communications Ltd.           | yes  | yes  | yes  | no   | no   |              | ✓                  |                   |
| 7  | Communicable Ltd.                      | no   | no   | no   | no   | no   |              |                    | ✓                 |
| 8  | Cornwall Communications Ltd.           | yes  | yes  | yes  | no   | no   | $\checkmark$ |                    |                   |
| 9  | CTL Limited                            | yes  | yes  | no   | no   | no   |              |                    | ✓                 |
| 10 | Direct Cable Systems Ltd.              | n/a  | n/a  | n/a  | n/a  | no   | $\checkmark$ |                    |                   |
| 11 | First Choice Cable                     | yes  | yes  | yes  | yes  | no   | $\checkmark$ |                    |                   |
| 12 | General Satellite Network Company      | yes  | yes  | yes  | yes  | yes  | $\checkmark$ |                    |                   |
| 13 | Guthrie's Communications Ltd           | yes  | yes  | yes  | yes  | no   |              |                    | ✓                 |
| 14 | Inntech Communications Ltd.            | yes  | yes  | no   | no   | no   | $\checkmark$ |                    |                   |
| 15 | Jamaica Cablevision Ltd.               | yes  | yes  | yes  | no   | no   | $\checkmark$ |                    |                   |
| 16 | Linscom Network Limited                | n/a  | n/a  | yes  | yes  | no   | ✓            |                    |                   |
| 17 | Logic One Limited                      | yes  | yes  | yes  | yes  | no   | ✓            |                    |                   |
| 18 | Marimaxx Communications Ltd.           | yes  | yes  | yes  | no   | no   |              | $\checkmark$       |                   |
| 19 | Mars Cable Vision Ltd.                 | n/a  | n/a  | yes  | yes  | no   | $\checkmark$ |                    |                   |
| 20 | McKoy Cable Television Co. Ltd.        | n/a  | n/a  | n/a  | n/a  | no   |              |                    | <b>√</b>          |
| 21 | Mega International Co. Ja. Ltd.        | no   | no   | no   | no   | no   |              |                    | ✓                 |
| 22 | Mikes Electronics & Cable Network Ltd. | n/a  | no   | no   | no   | no   |              | ✓                  |                   |
| 23 | Mile Gully Cable Ltd                   | n/a  | no   | no   | no   | no   |              | $\checkmark$       |                   |
| 24 | Modern Re-Broadcasting Co. Ltd.        | yes  | yes  | yes  | yes  | no   | $\checkmark$ |                    |                   |

Table 21: STV Licensees Financial Compliance (cont'd.)

|    |  |     |      | SUBMISSION OF<br>AUDITED FINANCIAL<br>STATEMENTS FOR<br>YEARS: |      |      |              | LICENCE FEES       |                   |  |
|----|--|-----|------|--|------|------|--------------|--------------------|-------------------|--|
|    | LICENSEES                                |     | 2007 | 2008   | 2009 | 2010 | Paid in Full | Partial<br>Payment | Non-<br>Compliant |  |
| 25 | Odyssey Cable Vision Limited             | n/a | yes  | yes  | yes  | no   | $\checkmark$ |                    |                   |  |
| 26 | Oliver Electronics Engineering Ltd.      | yes | yes  | yes  | no   | no   |              | $\checkmark$       |                   |  |
| 27 | QES 46 Limited                           | n/a | n/a  | yes  | yes  | no   |              |                    | ✓                 |  |
| 28 | Quality Cable Services (not operational) | n/a | n/a  | n/a  | n/a  | n/a  |              |                    |                   |  |
| 29 | Santastic Cable Systems Ltd.             | yes | yes  | yes  | yes  | yes  | ✓            |                    |                   |  |
| 30 | Silly Video Cable Network Limited        | yes | yes  | yes  | yes  | no   | $\checkmark$ |                    |                   |  |
| 31 | Starcom Cablevision Ltd.                 | yes | yes  | yes  | yes  | no   |              |                    | $\checkmark$      |  |
| 32 | Stars Cable Company Ltd.                 | yes | yes  | no   | yes  | no   | $\checkmark$ |                    |                   |  |
| 33 | St. Thomas Cable Network Limited         | yes | yes  | no   | no   | no   |              |                    | $\checkmark$      |  |
| 34 | Summit Satellite Systems Limited         | yes | yes  | yes  | yes  | no   | $\checkmark$ |                    |                   |  |
| 35 | Telstar Cable Limited                    | yes | yes  | no   | no   | no   | $\checkmark$ |                    |                   |  |
| 36 | Total Cable                              | n/a | no   | yes  | no   | no   |              |                    | $\checkmark$      |  |
| 37 | Tru Star Cable Television Network        | n/a | n/a  | n/a  | n/a  | no   | $\checkmark$ |                    |                   |  |
| 38 | Unique Vision Cable Co. Ltd.             | yes | yes  | yes  | no   | no   |              | ✓                  |                   |  |
| 39 | Venus Cable Services                     | no  | no   | no   | no   | no   |              | ✓                  |                   |  |
| 40 | Westar Communications Limited            | yes | yes  | yes  | no   | no   |              |                    | ✓                 |  |
| 41 | Wilson Enterprises Limited               | yes | yes  | yes  | yes  | no   |              | ✓                  |                   |  |

#### **NOTICES OF BREACH**

During the period under review, thirty-five (35) Notices of Breach were issued to licensees. Eighteen (18) notices arose from contraventions of content standards, three (3) for transmission of material without the rights holder's permission, one (1) for the contravention of licence and the remaining thirteen (13) for failure to meet technical standards.

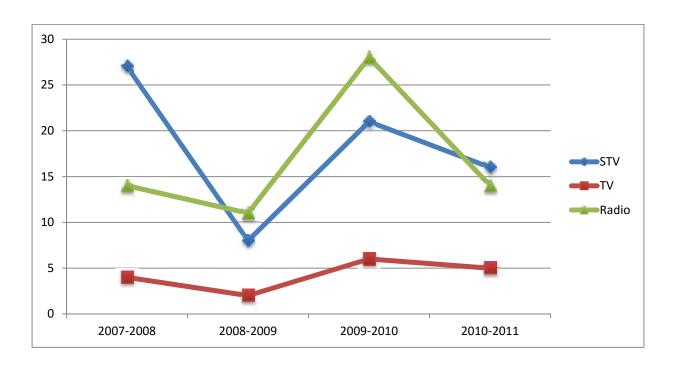


Figure 14: TREND IN BREACHES BY SERVICE

|       | 07-08 | 08-09 | 09-10 | 10-11 |
|-------|-------|-------|-------|-------|
| STV   | 27    | 8     | 21    | 16    |
| TV    | 4     | 2     | 6     | 5     |
| RADIO | 14    | 11    | 28    | 14    |

#### Table 22: BREACHES BY BROADCAST RADIO LICENSEES

#### FAME 95 FM

DATE OF BREACH: 01-Apr-10\*\*
COMPLAINT NUMBER; 10/02/04/1043-001

NATURE OF COMPLAINT: Transmission of material not fit for air play NATURE OF BREACH: Breach of Reg. 30 (d) of TSBR and the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology and publish apology in

newspaper

STATUS: Licensee complied with required remedial action. File

closed.

DATE OF BREACH: 28-Apr-10\*\*

COMPLAINT NUMBER; 10/03/09/1014-001

NATURE OF COMPLAINT: Transmission of material not fit for air play NATURE OF BREACH: Breach of Reg. 30 (d) of TSBR and the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology and publish apology in

newspaper

STATUS: Licensee complied with required remedial action; File

closed.

DATE OF BREACH: 12-Aug-10\*\*

COMPLAINT NUMBER: 10/05/12/1014-001

NATURE OF COMPLAINT: Transmission of song with sexual references and overtones

NATURE OF BREACH: Breach of scheduling requirements of the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology and publish apology in

newspaper

STATUS: Licensee complied with required remedial action; file

closed

DATE OF BREACH: 12-Aug-10\*\*
COMPLAINT NUMBER; 10/06/28/1014-001

NATURE OF COMPLAINT Transmission of song with sexual overtone NATURE OF BREACH: Breach of scheduling requirements of the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology and publish apology in

newspaper

STATUS: File closed

DATE OF BREACH: 14-Feb-11\*\*

COMPLAINT NUMBER: 10/12/13/1020-001

NATURE OF COMPLAINT Transmission of song containing problematic lyrics NATURE OF BREACH: Breach of Regulation 30 (d) of the TSBR and the

February 6, 2009 Directives

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Commission accepted licensee's internal remedial action.

STATUS: Closed

DATE OF BREACH: 18-Mar-11\*\*
COMPLAINT NUMBER; 11/02/08/1020-003

NATURE OF COMPLAINT Transmission of song containing sexually suggestive lyrics
NATURE OF BREACH: Breach of scheduling requirements of the Code COMMISSION

DECISION: Licensee in breach

REMEDIAL ACTION: Licensee cautioned.

STATUS: Closed

#### UNIVERSAL MEDIA COMPANY LIMITED (NEWS TALK 93 FM)

DATE OF BREACH: 12-Aug-10\*\*
COMPLAINT NUMBER; 10/04/27/1020-001

NATURE OF COMPLAINT Extended sexually suggestive dialogue between host and

caller

NATURE OF BREACH: Breach of scheduling requirement of the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology

STATUS: Licensee complied with required remedial action; file

closed

DATE OF BREACH: 15-Oct-10\*\*
COMPLAINT NUMBER; 10/08/19/1020-001

NATURE OF COMPLAINT: Transmission of inappropriate comments by the host during

the programme "Ragashanti Live"

NATURE OF BREACH: Breach of TSBR COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology three times over a one

week period. Licensee complied.

STATUS: Closed

#### GROVE BROADCASTING COMPANY LIMITED (ZIP 103 FM)

DATE OF BREACH: 01-Apr-10\*\*

COMPLAINT NUMBER: 10/02/11/1020-001

NATURE OF COMPLAINT: Transmission of material not fit for air play NATURE OF BREACH: Breach of Reg. 30 (d) of TSBR and the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to air apology and publish apology in

newspaper

STATUS: Licensee complied with required remedial action; File

closed.

DATE OF BREACH: 12-Aug-10\*\*
COMPLAINT NUMBER; 10/07/15/1014-001

NATURE OF COMPLAINT Transmission of sexually explicit content

NATURE OF BREACH: Breach of the Television and Sound Broadcasting

Regulations

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to publish apology in widely circulated

newspaper.

STATUS: Licensee complied with required remedial action; file

closed

#### NATIONWIDE NEWS NETWORK

DATE OF BREACH: 15-Oct-10\*\*

COMPLAINT NUMBER; 10/07/12/1014-001

NATURE OF COMPLAINT Transmission of sexually suggestive lyrics NATURE OF BREACH: Breach of regulation 30 (d) of the TSBR

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Commission accepted licensee's internal remedial

action

STATUS: Closed

DATE OF BREACH: 14-Mar-11\*\*
COMPLAINT NUMBER: 11/02/07/1043-001

NATURE OF COMPLAINT Transmission of adult discussions with strong sexual

content as well as scandalous, derogatory and insulting

remarks

NATURE OF BREACH: Breach of clause 10 (1) and clause 10 (2) of its

Licence and the Television and Sound Broadcasting

Regulations

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to (a) Immediately discontinue the

'Raggashanti Live' programme in its current daytime slot

effective March 15, 2011 (b) air and publish

apology

STATUS: Open

DATE OF BREACH: 04-Mar-11\*\*

COMPLAINT NUMBER; 11/01/21/1020-001

NATURE OF COMPLAINT Transmission of content containing profanity

NATURE OF BREACH: Breach of Regulation 30 (d) of the TSBR and S3 (b) of the

Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to publish apology

#### RJR - RADIO 94 FM

DATE OF BREACH: 15-Oct-10\*\*

COMPLAINT NUMBER; 10/07/28/1014-001

NATURE OF COMPLAINT Transmission of song containing violent lyrics

NATURE OF BREACH: Breach of Regulation 30 (I) of the TSBR and V4 in the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: No punitive actions due to age of song.

Song should not be played at any time.

STATUS: Closed

# Table 23: BREACHES COMMITTED BY BROADCAST TELEVISION LICENSEES

#### TELEVISION JAMAICA LIMITED (TVJ)

DATE OF BREACH: 12-Aug-10\*\*
COMPLAINT NUMBER; 10/05/11/1014-001

NATURE OF COMPLAINT: Transmission of abusive and derogatory language in

song

NATURE OF BREACH: Breach of the Television and Sound Broadcasting

Regulations

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: No further punitive measures applied as Commission

accepted licensees internal remedial actions.

STATUS: File closed

DATE OF BREACH: 14-Feb-11\*\*
COMPLAINT NUMBER: 10/12/20/1020-001

NATURE OF COMPLAINT Transmission of scandalous matter during Prime Time News

NATURE OF BREACH: Breach of Regulation 30 (c) of the TSBR

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Commission accepted licensee's internal remedial action

STATUS: Closed

#### CVM COMMUNICATIONS GROUP (CVM-TV)

DATE OF BREACH: 15-Oct-10\*\*
COMPLAINT NUMBER; 10/08/10/1016-001

NATURE OF COMPLAINT Transmission of content containing mildly offensive

language

NATURE OF BREACH: Breach of scheduling requirements of the Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to transmit apology. Licensee complied

STATUS: Closed

DATE OF BREACH: 14-Feb-11\*\* COMPLAINT NUMBER; 10/12/01/1020-001

NATURE OF COMPLAINT Transmission of content containing profanity

NATURE OF BREACH: Breach of Regulation 30 (d) of the TSBR and L3 (a) of the

Code

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to transmit apology. Licensee complied

STATUS: Closed

#### NATIONAL RELIGIOUS MEDIA COMPANY LIMITED (LOVE TELEVISION)

DATE OF BREACH: 29-Apr-10\*\*

COMPLAINT NUMBER; 10/02/02/1042-002

NATURE OF COMPLAINT: Transmission of material without rights holder's permission

NATURE OF BREACH: Breach of sections 11 (b) & (c) of the TSBR

COMMISSION DECISION: Licensee in breach- failure to provide information to Commission. REMEDIAL ACTION: Licensee directed to place apology on channel & in all three (3)

newspapers

STATUS: Licensee complied with required remedial action; File closed.

# Table 24: BREACHES COMMITTED BY SUBSCRIBER TELEVISION OPERATORS

#### OLIVER ELECTRONICS ENGINEERING LIMITED

DATE OF BREACH: 01-Apr-10\*\*

COMPLAINT NUMBER: 10/02/02/1042-001

NATURE OF COMPLAINT: Transmission of material without rights holder's permission

NATURE OF BREACH: Breach of Reg. 30 (a) of TSBR

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to place apology on Community channel & in all

three (3) newspapers

STATUS: Licensee complied with required remedial action; File

closed

#### **TELSTAR CABLE**

DATE OF BREACH: 14-Apr-10\*\*

COMPLAINT NUMBER: 10/02/04/1045-001

NATURE OF COMPLAINT: Transmission of material without rights holder's

permission

NATURE OF BREACH: Breach of Reg. 30 (a) of TSBR & Section 11 (2) of

licence.

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee formalized arrangement with copyright holder.

STATUS: File closed

#### COLUMBUS COMMUNICATIONS JAMAICA LIMITED (FLOW)

DATE OF BREACH: 05-May-10\*\*

COMPLAINT NUMBER: 10/04/12/1042-001

NATURE OF COMPLAINT: Contravention of the second schedule of its licence

NATURE OF BREACH: Contravention of Clauses 1.1, 1.2, 1.4, 3 & 6 of the second schedule of

its licence.

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Licensee directed to place an apology on its Community channel &

in a Sunday newspaper.

STATUS: File closed

#### TRU-STAR CABLE TELEVISION NETWORK LIMITED

DATE OF BREACH: 30-Jul-10\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach of license

REMEDIAL ACTION REQD: Licensee directed to implement corrective measures

STATUS: Open

#### CABLETRON NETWORK SYSTEMS LIMITED

DATE OF BREACH: 17-Sep-10\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach of license

REMEDIAL ACTION REQD: Licensee directed to implement corrective measures

STATUS: Open

#### CABLE ONE JAMAICA LIMITED

DATE OF BREACH: 10-Dec-2010\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### UNIQUE VISION CABLE COMPANY LIMITED

DATE OF BREACH: 10-Dec-2010\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued t licensee

#### TOTAL CABLE

DATE OF BREACH: 27-Jan-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### COMBINED COMMUNICATION LIMITED

DATE OF BREACH: 27-Jan-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### STARCOM CABLEVISION

DATE OF BREACH: 27Jan-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

CTL

DATE OF BREACH: 27-Jan-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### CORNWALL COMMUNICATIONS LIMITED

DATE OF BREACH: 07-Mar-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

#### SILLY VIDEO CABLE NETWORK

DATE OF BREACH: 31-Mar-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### ST. THOMAS CABLE NETWORK LIMITED

DATE OF BREACH: 31-Mar-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### **QES 46 LIMITED**

DATE OF BREACH: 31-Mar-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

STATUS: Open

#### FIRST CHOICE CABLE LIMITED

DATE OF BREACH: 31-Mar-2011\*\*

NATURE OF BREACH: Failure to maintain technical standards – Technical

Inspection

COMMISSION DECISION: Licensee in breach

REMEDIAL ACTION: Breach letter issued to licensee

<sup>\*\* &#</sup>x27;Date of Breach' is meant to indicate the date on which the Commission made a determination that there was a contravention by the licensee, pursuant to Section 20 of the Broadcasting and Radio Re-diffusion Act.

#### PROFILE OF SERVICES

During the period under review, there were a total of twenty six (26) broadcast radio licensees. Nineteen (19) of these are for provision of island wide services. Each of these broadcast radio services utilizes an average of eight (8) transmitter sites to achieve island wide coverage. Seven (7) of the broadcast radio licences are for provision of limited area services.

There were three (3) island wide broadcast TV stations each utilizing an average of eight (8) transmitter sites to achieve island wide coverage.

Forty one (41) Subscriber Television operators are currently licensed to provide cable TV services across the island.

A listing of both broadcast (radio and TV) as well as STV is presented in Appendix E.

#### LEGAL AND LICENSING AFFAIRS

#### **Illegal STV Operations**

During the period under review, a total of four investigations were conducted into alleged illegal STV operations. All four investigations confirmed the presence of illegal STV operations. Two (2) of these operations were being conducted in St. Thomas, one in Clarendon and the other in Manchester. All four illegal operations resulted from existing licensees encroaching on zones which were not covered by their licences. Arising from the investigations, the affected licensees submitted applications to have their licences varied to include the areas in which they were illegally operating.

# **APPENDICES**

#### **APPENDIX A - COMMITTEES\***

#### **Legislative and Policy**

Mr. Claude Robinson - Chairman

Dr. Elaine Wallace

Mrs. Hyacinth Lindsay

Staff: Mrs. Karlene Johnson, Mr. Donovan Campbell, Ms. Teisha Mattison

### Monitoring, Complaints and Compliance

Mrs. Rosemarie Vernon - Chairman

Canon Peter Mullings

Mr. Neville James

Staff: Ms. Michelle Francis, Ms. Teisha Mattison, Mr. Donovan Campbell

#### **Finance and Administrative**

Mrs. Elaine Foster-Allen - Chairman

Dr. Hopeton Dunn,

Staff: Mr. Cordel Green; Ms. Juliet Anderson; Mr. Richard Myers

\*The Chairman and Executive Director are ex-officio committee members.

#### **Audit**

Mr. Neville James - Chairman

Mr. Isiah Damdar (Independent)

#### **APPENDIX B - ADVISORY GROUPS**

During the reporting period, the Commission was assisted in its work by two teams of specialists in the technical and financial fields.

#### **Technical**

The Technical Advisory Group advised the Commission on the following:

- the level of applicants' compliance with technical Regulations and Guidelines set by the Broadcasting Commission
- the results of comparative review of submissions based on all the factors required for the delivery of high quality transmission
- all issues of a technical nature related to STV and broadcast services.

The Technical Advisory Group members for the period were:

#### Chairman

Mr. Wainsworth Anderson M.Sc. (Telecommunications);BSc. (Hons.); Dip. Mgt.Studies.

Director of Electrical & Mechanical Engineering, National Works Agency

#### **Members**

Mr. Leslie Facey, BSc. (Hons.), Dip. Electronics Engineering Technology; Dip. Technical Education, Lecturer in Engineering, University of Technology

Mr. Henry Batson, M.Sc. (Management Information System); B.Sc. (Hons.) - (Electronics and Telecommunications), Director of Spectrum Engineering Division, Spectrum Management Authority

Mr. Roy Humes –Telecommunications consultant, former Director of Spectrum Engineering Division, Spectrum Management Authority

#### **Financial**

The services of the firm of management and financial consultants, BDO Ltd. were retained to assist and advise the Commission in the areas of:

- evaluation of business plans from applicants for licences for both subscriber television and broadcast services
- and to supply expertise in finance management that may be required periodically

#### **APPENDIX C - SALARIES AND EMOLUMENTS**

#### **DIRECTORS' COMPENSATION**

| Position of<br>Director | Fees<br>(\$) | Motor Vehicle<br>Upkeep/Travelling<br>or<br>Value of Assigned<br>Motor Vehicle<br>(\$) | Honoraria<br>(\$) | All Other<br>Compensation<br>including Non-<br>Cash Benefits<br>as applicable<br>(\$) | Total<br>(\$) |
|-------------------------|--------------|--|-------------------|---|---------------|
| Chairman                | 180,000      | 0  | 0                 | 0   | 180,000       |
| Commissioner 1          | 120,000      | 0  | 0                 | 0   | 120,000       |
| Commissioner 2          | 120,000      | 0  | 0                 | 0   | 120,000       |
| Commissioner 3          | 120,000      | 0  | 0                 | 0   | 120,000       |
| Commissioner 4          | 120,000      | 0  | 0                 | 0   | 120,000       |
| Commissioner 5          | 120,000      | 0  | 0                 | 0   | 120,000       |
| Commissioner 6          | 120,000      | 0  | 0                 | 0   | 120,000       |
| Commissioner 7          | 120,000      | 0  | 0                 | 0   | 120,000       |

#### Notes

1. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.

#### SENIOR EXECUTIVE COMPENSATION

| Position<br>of Senior<br>Executive | Year      | Salary<br>(\$) | Gratuity or<br>Performance<br>Incentive<br>(\$) | Travelling Allowance or Value of Assigned Motor Vehicle (\$) | Pension<br>or<br>Other<br>Retirement<br>Benefits<br>(\$) | Other<br>Allowances<br>(\$) | Non-<br>Cash<br>Benefits<br>(\$) | Total<br>(\$) |
|------------------------------------|-----------|----------------|---|--|--|-----------------------------|----------------------------------|---------------|
| Executive Director                 | 2010/2011 | 5,407,958      | 409,435   | 796,500  | 0  | 0                           | 0                                | 6,613,893     |
| Asst.<br>Executive<br>Director     | 2010/2011 | 4,208,098      | 336,648   | 796,500  | 0  | 0                           | 0                                | 5,341,246     |

#### Notes

- Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
- 2. Other Allowances (including laundry, entertainment, housing, utility, etc.)
- 3. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.

# APPENDIX D – PORTFOLIO RESPONSIBILITY

During the period under review, oversight of the Information portfolio was provided by the Hon. Daryl Vaz, M.P.



Hon. Daryl Vaz, M.P.

# APPENDIX E – BROADCAST LICENSEES

Table 1 List of Broadcast Radio Licensees

|     | RADIO BROADCAST LICENSEES                  |                   |                             |                              |  |  |
|-----|--|-------------------|-----------------------------|------------------------------|--|--|
|     | LICENSEES                                  | Call Signs        | Island wide<br>Broadcasters | Limited Area<br>Broadcasters |  |  |
| 1.  | Aeronautical Telecommunications<br>Limited | KOOL 97-FM        | $\overline{\square}$        |                              |  |  |
| 2.  | Alliance Francaise De La Jamaique          | RFI               |                             | $\overline{\checkmark}$      |  |  |
| 3.  | British Broadcasting Corporation           | BBC               | $\overline{\checkmark}$     |                              |  |  |
| 4.  | Cornwall Broadcasting Company Limited      | Mello FM          |                             | $\square$                    |  |  |
| 5.  | Grove Broadcasting Company                 | IRIE-FM           | $\overline{\checkmark}$     |                              |  |  |
| 6.  | Limited                                    | ZIP 103 FM        | $\overline{\checkmark}$     |                              |  |  |
| 7.  | Independent Radio Company                  | POWER 106FM       | $\overline{\checkmark}$     |                              |  |  |
| 8.  | Limited                                    | MUSIC 99 FM       | $\overline{\checkmark}$     |                              |  |  |
| 9.  | Island Broadcasting Company<br>Limited     | KLAS Sports Radio | $\overline{\checkmark}$     |                              |  |  |
| 10. | Kommercial Suites Limited                  | MEGA JAMZ-98FM    | $\overline{\checkmark}$     |                              |  |  |
| 11. | Mothers in Crisis                          | Sun City Radio    |                             | $\square$                    |  |  |
| 12. | Mustard Seed Communities                   | ROOTS FM          |                             | $\square$                    |  |  |
| 13. | National Religious Media Company Limited   | LOVE-FM           | $\overline{\square}$        |                              |  |  |
| 14. | Native Broadcasting                        | Stylz FM          |                             | $\overline{\checkmark}$      |  |  |
| 15. |  | FAME FM           | $\overline{\checkmark}$     |                              |  |  |
| 16. | RJR Communications Group                   | HITZ 92           | $\overline{\checkmark}$     |                              |  |  |
| 17. |  | RJR 94 FM         | $\overline{\checkmark}$     |                              |  |  |
| 18. | Nationwide News Network (*)                | NNN               | $\overline{\checkmark}$     |                              |  |  |
| 19. | Northern Caribbean University              | NCU FM            | $\overline{\checkmark}$     |                              |  |  |
| 20. | S & B Communications                       | JA 105            | $\overline{\checkmark}$     |                              |  |  |
| 21. | St. Bess Radio FM Company Ltd.             | BESS FM           |                             | $\overline{\checkmark}$      |  |  |
| 22. | Tarrant Baptist Church                     | TBC               |                             | $\overline{\checkmark}$      |  |  |

Table 1 List of Broadcast Radio Licensees cont'd.

|     | RADIO BROADCAST LICENSEES                 |                 |                             |                              |  |  |
|-----|---|-----------------|-----------------------------|------------------------------|--|--|
|     | LICENSEES                                 | Call Signs      | Island wide<br>Broadcasters | Limited Area<br>Broadcasters |  |  |
| 23. | Western Broadcasting Ltd                  | HOT 102 FM      | $\checkmark$                |                              |  |  |
| 24. | Westmoreland Broadcasting Service Limited | VYBZ FM         |                             | Ø                            |  |  |
| 25. | Universal Media Company                   | NEWS TALK 93 FM | $\square$                   |                              |  |  |
| 26. | Yard Broadcasting Limited                 | LYNX FM         |                             | $\square$                    |  |  |

<sup>(\*)</sup> denotes licensee utilizing the FM frequencies which were reserved for PBCJ under a lease agreement.

Table 2 List of Broadcast Television Licensees

| TELEVISION BROADCAST LICENSEE |            |                             |                              |  |  |
|-------------------------------|------------|-----------------------------|------------------------------|--|--|
| LICENSEES                     | Call Signs | Island wide<br>Broadcasters | Limited Area<br>Broadcasters |  |  |
| 1 CVM Television Limited      | CVM        |                             |                              |  |  |
| 2 Television Jamaica Limited  | TVJ        |                             |                              |  |  |
| 3 LOVE Television             | LOVE TV    | $\square$                   |                              |  |  |

#### **APPENDIX E - CABLE TV SERVICES**

The following is a list of the forty one (41) licensed cable operators in Jamaica along with the zones they serve.

Table 3 List of STV Licensees and Zones Served

| Zone                  | Licensee                           |
|-----------------------|------------------------------------|
| Kingston & St. Andrew |                                    |
| Harbour View          | Flow; CTL LTD.                     |
| Central Down Town     | Flow                               |
| Fletcher's Land       | Flow                               |
| Allman Town           | Flow                               |
| Campbell Town         | Flow                               |
| East Down Town        | Flow                               |
| Passmore Town         | Flow                               |
| Franklin Town         | Flow                               |
| Rollington Town       | Flow                               |
| Bournemouth Gardens   | Flow                               |
| Norman Gardens        | Flow                               |
| D'Aguilar Town        | Flow                               |
| August Town           | Flow                               |
| Mona                  | Flow                               |
| Hope Tavern           | Flow                               |
| Hope Pastures         | Flow                               |
| Beverly Hills         | Flow                               |
| Barbican              | Flow, Telstar Cable Ltd.           |
| Cherry Gardens        | Flow; Telstar Cable Ltd.           |
| Grants Pen            | Logic One Ltd.; Telstar Cable Ltd. |
| Half-Way-Tree         | Flow; Telstar Cable Ltd.           |
| Trafalgar Park        | Flow; Telstar Cable Ltd.           |
| New Kingston          | Flow; Telstar Cable Ltd.           |
| Swallowfield          | Flow                               |
| Vineyard Town         | Flow                               |
| Cross Roads           | Flow                               |
| Jones Town            | Flow                               |
| Trench Town           | Flow                               |
| Kencot                | Flow                               |
| Whitfield Town        | Flow                               |
| Greenwich Town        | Flow                               |

Table 3 List of STV Licensees and Zones Served cont'd

| Zone                    | Licensee                                   |  |
|-------------------------|--|--|
| Delacree Pen            | Flow                                       |  |
| Boucher Park            | Flow                                       |  |
| Richmond Park           | Flow                                       |  |
| Eastwood Park Gardens   | Flow; Logic One Ltd.                       |  |
| Constant Spring Gardens | Logic One Ltd.; Telstar Cable Ltd.         |  |
| White Hall              | Logic One Ltd.; Telstar Cable Ltd.         |  |
| Red Hills Gardens       | Flow; Logic One Ltd.                       |  |
| Arlene Gardens          | Flow; Logic One Ltd.                       |  |
| Meadowbrook             | Logic One Ltd.; Telstar Cable Ltd.         |  |
| Meadowbrook Estates     | Flow; Logic One Ltd.                       |  |
| Marverly                | Flow; Logic One Ltd.                       |  |
| Balmagie                | Flow                                       |  |
| Molynes Gardens         | Logic One Ltd.; Flow                       |  |
| Waltham Gardens         | Logic One Ltd.; Flow                       |  |
| Cockburn Gardens        | Flow                                       |  |
| Tower Hill              | Flow                                       |  |
| Penwood                 | Flow                                       |  |
| Riverton City           | Flow                                       |  |
| Washington Gardens      | Flow                                       |  |
| Patrick City            | Flow                                       |  |
| Duhaney Park            | Flow                                       |  |
| New Haven               | Flow                                       |  |
| Red Hills               | Flow; Logic One Ltd.                       |  |
| Rock Hall               | Logic One Ltd.; Flow                       |  |
| Golden Spring           | Logic One Ltd.                             |  |
| Stony Hill              | Flow; Logic One Ltd.                       |  |
| Constant Spring         | Flow; Telstar Cable Ltd.                   |  |
| Seven Miles             | CTL Ltd.                                   |  |
| Bull Bay                | CTL Ltd.                                   |  |
| Dallas                  | Quality Cable                              |  |
|                         |  |  |
| St. Thomas              |  |  |
| Bath                    | St. Thomas Cable Network                   |  |
| Seaforth                | St. Thomas Cable Network                   |  |
| White Horses            | Summit Satellite; St. Thomas Cable Network |  |
| Morant Bay              | Summit Satellite; St. Thomas Cable Network |  |
| Trinityville            | First Choice; St. Thomas Cable Network     |  |
| Airy Castle             | Summit Satellite; St. Thomas Cable Network |  |
| Cedar Valley            | St. Thomas Cable Network                   |  |

Table 3 List of STV Licensees and Zones Served cont'd

| Zone              | Licensee   |
|-------------------|--|
| Port Morant       | St. Thomas Cable Network                                   |
| Yallahs           | St. Thomas Cable Network                                   |
| Duckenfield       | St. Thomas Cable Network                                   |
|                   |  |
| Portland          |  |
| Manchioneal       | St. Thomas Cable Network; Astra Technology Ltd.            |
| Priestman's River | Wilson's Enterprises Ltd.; Astra Technology Ltd.           |
| Fellowship        | Wilson's Enterprises Ltd.; Astra Technology Ltd.           |
| Port Antonio East | Wilson's Enterprises Ltd.                                  |
| Port Antonio West | Wilson's Enterprises Ltd.                                  |
| Hope Bay          | Wilson's Enterprises Ltd.                                  |
| Buff Bay          | Inntech Communication Ltd.                                 |
|                   |  |
| St. Mary          |  |
| Highgate East     | Flow; Cable One Jamaica Ltd.                               |
| Highgate West     | Flow; Cable One Jamaica Ltd.                               |
| Richmond          | Flow   |
| Annotto Bay       | Silly Video Cable Network Ltd.                             |
| Port Maria        | Flow   |
| Mason Hall        | Flow   |
| Oracabessa        | Flow   |
| Retreat           | Flow   |
| Guys Hill         | Stars Cable Company Limited                                |
|                   |  |
| St. Ann           |  |
| Brown's Town      | Santastic Cable Systems                                    |
| Breadnut Hill     | Flow; Stars Cable Company                                  |
| Ocho Rios         | Flow; Stars Cable Company                                  |
| Bamboo            | Flow; Stars Cable Company                                  |
| St. Ann's Bay     | Flow   |
| Sturge Town       | Flow   |
| Discovery Bay     | Central Communication Services Limited                     |
| Moneague          | Stars Cable Company Limited                                |
| Claremont         | Stars Cable Company Limited                                |
| Alexandria        | Odyssey Cable Vision Limited                               |
|                   |  |
| Trelawny          |  |
| Falmouth          | Cornwall Communications Ltd.; Westar Communication Limited |

Table 3 List of STV Licensees and Zones Served cont'd

| Zone            | Licensee  |  |
|-----------------|---|--|
| Duncans         | Westar Communication Limited                                    |  |
| Wakefield       | Modern Rebroadcasting Company Limited                           |  |
|                 |   |  |
| St. James       |   |  |
| Mango Walk      | Cornwall Communications Ltd.; Flow                              |  |
|                 |   |  |
| Rosemount       | Cornwall Communications Ltd.; Flow                              |  |
| Mount Salem     | Cornwall Communications Ltd.; Flow                              |  |
| Catherine Mount | Cornwall Communications Ltd.; Flow                              |  |
| Barrett Town    | Unique Vision Cable Network Ltd; Modern Rebroadcasting Co. Ltd. |  |
| Somerton        | Unique Vision Cable Network Ltd; Modern Rebroadcasting Co. Ltd. |  |
| Johns Hall      | Cornwall Communications Limited                                 |  |
| Ironshore       | Cornwall Communications Limited; Flow                           |  |
| Flankers        | Cornwall Communications Limited; Flow                           |  |
| Porto Bello     | Cornwall Communications Limited; Flow                           |  |
| Pitfour Pen     | Cornwall Communications Limited; Flow                           |  |
| Reading         | Flow  |  |
| Anchovy         | Guthrie's Communications Limited                                |  |
| Cambridge       | Guthrie's Communications Limited                                |  |
|                 |   |  |
| Hanover         |   |  |
| Sandy Bay       | Flow; Qes 46 Ltd.   |  |
| Lucea           | Flow  |  |
| Green Island    | Flow  |  |
| Hopewell        | Flow; Qes 46 Ltd.   |  |
| Ramble          | Guthrie's Communications Limited                                |  |
| Davis Cove      | Qes 46 Ltd.   |  |
| Dias            | Qes 46 Ltd.   |  |
|                 |   |  |
| Westmoreland    |   |  |
| Negril          | Flow; Qes 46 Ltd.   |  |
| Little London   | Cabletron Network Systems Ltd.; Qes 46 Ltd.                     |  |
| Locust Tree     | Communicable Limited  |  |
| Grange Hill     | Cabletron Network Systems Ltd.; Communicable Ltd.               |  |
| Frome           | Cabletron Network Systems Ltd.; Communicable Ltd.               |  |
| Dunbar Corner   | Cabletron Network Systems Ltd.; Cornwall Communications Ltd.    |  |
| Petersfield     | Cabletron Network Systems Ltd.                                  |  |

Table 3 List of STV Licensees and Zones Served cont'd.

| Zone             | Licensee  |  |  |
|------------------|---|--|--|
| Savanna-La-Mar   | Cabletron Network Systems Ltd.; Cornwall Communications     |  |  |
|                  | Ltd.  |  |  |
| Ferris           | Guthrie's Communications Limited                            |  |  |
| Darliston        | Guthrie's Communications Limited                            |  |  |
| Lambs River      | Guthrie's Communications Limited                            |  |  |
| Lenox Bigwoods   | Guthrie's Communications Limited                            |  |  |
| Whitehouse       | Guthrie's Communications Limited                            |  |  |
| Sheffield        | Qes 46 Ltd.   |  |  |
|                  |   |  |  |
| St. Elizabeth    |   |  |  |
| Black River      | Marimaxx Communications Ltd.                                |  |  |
| Southfield       | McKoy Cable Television Company Ltd.                         |  |  |
| Junction         | McKoy Cable Television Company Ltd.                         |  |  |
| Santa Cruz       | Total Cable Ltd.  |  |  |
| Balaclava        | Tru Star Cable Ltd.   |  |  |
|                  |   |  |  |
| Manchester       |   |  |  |
| Christiana       | Mega International Co. Jamaica Ltd.; Mars Cable Vision Ltd. |  |  |
| Mandeville East  | Mega International Co. Jamaica Ltd.; Flow                   |  |  |
| Mandeville South | Mega International Co. Jamaica Ltd.; Flow                   |  |  |
| Mandeville North | Mega International Co. Jamaica Ltd.; Flow                   |  |  |
| Mandeville West  | Mega International Co. Jamaica Ltd.; Flow                   |  |  |
| Porous           | Mile Gully Cable Ltd.                                       |  |  |
| Coleyville       | Mars Cable Vision Ltd.                                      |  |  |
|                  |   |  |  |
| Clarendon        |   |  |  |
| Lionel Town      | Cable One Jamaica Ltd.                                      |  |  |
| Rocky Point      | Cable One Jamaica Ltd.                                      |  |  |
| Palmer's Cross   | General Satellite Network Ltd.                              |  |  |
| May Pen East     | General Satellite Network Ltd.                              |  |  |
| May Pen North    | General Satellite Network Ltd.                              |  |  |
| May Pen South    | General Satellite Network Ltd.                              |  |  |
| May Pen West     | General Satellite Network Ltd.                              |  |  |
| Mason River      | Venus Cable Service Ltd.                                    |  |  |
| Kellits          | Venus Cable Service Ltd.                                    |  |  |
| Lluidas Vale     | Venus Cable Service Ltd.                                    |  |  |
| Sandy Bay        | Combined Communications limited; Cable One Jamaica          |  |  |
|                  | Limited   |  |  |

Table 3 List of STV Licensees and Zones Served cont'd

| Zone                 | Licensee                                  |  |  |
|----------------------|---|--|--|
| Toll Gate            | Mike's Electronics & Cable Network Ltd    |  |  |
|                      |   |  |  |
| St. Catherine        |   |  |  |
| Bogwalk              | Linscom Network Ltd.                      |  |  |
| Linstead             | Linscom Network Ltd.                      |  |  |
| Ewarton              | Linscom Network Ltd.                      |  |  |
| Gutters              | Combined Communications Ltd.              |  |  |
| Browns Hall          | Direct Cable Ltd.                         |  |  |
| Red Ground           | Direct Cable Ltd.                         |  |  |
| Old Harbour          | Combined Communications Ltd.              |  |  |
| Old Harbour Bay      | Combined Communications Ltd.              |  |  |
| Hellshire            | Flow; Starcom Cablevision Ltd.            |  |  |
| Bernard Lodge        | Flow; Jamaica Cablevision                 |  |  |
| Horizon Park         | Flow; Jamaica Cablevision                 |  |  |
| Willowdene           | Flow; Jamaica Cablevision                 |  |  |
| Green Acres          | Flow; Jamaica Cablevision                 |  |  |
| Winters Pen          | Flow; Jamaica Cablevision                 |  |  |
| Eltham               | Flow; Jamaica Cablevision                 |  |  |
| Ensom City           | Flow; Jamaica Cablevision                 |  |  |
| Spanish Town Central | Flow; Jamaica Cablevision                 |  |  |
| Greendale            | Flow; Jamaica Cablevision                 |  |  |
| Central Village      | Flow; Jamaica Cablevision                 |  |  |
| Caymanas Park        | Flow; Oliver Electronics Engineering Ltd. |  |  |
| Independence City    | Flow; Oliver Electronics Engineering Ltd. |  |  |
| Passage Fort         | Flow; Oliver Electronics Engineering Ltd. |  |  |
| Edgewater            | Flow; Oliver Electronics Engineering Ltd. |  |  |
| Naggo Head           | Flow; Oliver Electronics Engineering Ltd. |  |  |
| Braeton              | Flow; Starcom Cable Vision Ltd.           |  |  |
| Greater Portmore 1   | Flow; Starcom Cable Vision Ltd.           |  |  |
| Greater Portmore 2   | Flow; Starcom Cable Vision Ltd.           |  |  |
| Greater Portmore 3   | Flow; Starcom Cable Vision Ltd.           |  |  |
| Greater Portmore 4   | Flow; Starcom Cable Vision Ltd.           |  |  |
| Greater Portmore 5   | Flow; Starcom Cable Vision Ltd.           |  |  |
| Greater Portmore 6   | Flow; Starcom Cable Vision Ltd.           |  |  |
| Island wide          | Flow                                      |  |  |

# APPENDIX F – AUDITED FINANCIAL STATEMENTS (ATTACHMENT)

# BROADCASTING COMMISSION FINANCIAL STATEMENTS MARCH 31, 2011

#### BROADCASTING COMMISSION

YEAR ENDED MARCH 31, 2011

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# Barrett & Company

Chartered Accountants

B&B Education Centre 15 Carlton Crescent Kingston 10, Januaica W.L. Tel: (876) 929-6878; 929-7662; 960-8602 Fax: (876) 929-9573

Independent auditors' report

To the Members of Broadcasting Commission

#### Report on the Financial Statements

We have audited the accompanying financial statements of the Broadcasting Commission, which comprise the statement of financial position as at March 31, 2011, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and the Radio Re-Diffusion (Amendment) Act of 1986. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

|                |  | /cont'd                        |  |
|----------------|--|--------------------------------|--|
|                |  |                                |  |
|                |  |                                |  |
|                |  |                                |  |
|                |  |                                |  |
| Dudley Barrett | Associates: D.A. Barrett, H.E. McPherson; D.P. Barrett | Office Manager: J.I. Mesquitta |  |

# Barrett & Company

Chartered Accountants

B&B Education Centre 15 Carlton Crescent Kingston 10, Januaica W.I. Tel: (876) 929-6878; 929-7662; 960-8602 Fax: (876) 929-0573

To the Members of Broadcasting Commission

Auditors' Responsibility (cont'd)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Commission as at March 31, 2011, and of the Commission's financial performance, changes in reserve and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized entities.

Report on additional requirements of the Government of Jamaica Public Sector Procurement Procedures.

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, and the financial statements are in agreement with the accounting records. The financial statements give information required by the Broadcasting and the Radio Re-Diffusion (Amendment) Act 1986 and comply with the requirements of the Government of Jamaica Public Sector Procurement Procedures.

barrett & lo

Kingston, Jamaica June 27, 2011 Chartered Accountants

Dudley Barrett

Associates: D.A. Barrett; H.E. McPherson; D.P. Barrett

Office Manager: J.L. Mesquitta

# BROADCASTING COMMISSION STATEMENT OF FINANCIAL POSITION MARCH 31, 2011

PAGE 3

|                              |      | 2011        | 2010<br>Restated |
|------------------------------|------|-------------|------------------|
| ASSETS                       | NOTE | \$          | S                |
| Property, plant & equipment  | 6    | 9,056,711   | 12,559,446       |
| Deposits                     | 7    | 205,668     | 205,668          |
| Total Non-current assets     |      | 9,262,379   | 12,765,114       |
| Receivables- licence fee     |      | 45,102,021  | 37,004,012       |
| Other receivables            | 8    | 1,082,824   | 655,227          |
| Taxation recoverable         |      | 4,274,945   | 5,519,035        |
| Cash and cash equivalents    | 9    | 218,442,193 | 97,962,652       |
| Total Current Assets         |      | 268,901,983 | 141,140,926      |
| Total Assets                 |      | 278,164,362 | 153,906,040      |
| CURRENT LIABILITIES          |      |             |                  |
| Payables                     | 10   | 11,248,517  | 11,220,166       |
| RESERVES                     |      |             |                  |
| Capital reserve              | 11   |             | 370,000          |
| Deferred credit              | 12   | 260,541     | 521,082          |
| Accumulated fund             |      | 266,655,304 | 141,794,792      |
|                              |      | 266,915,845 | 142,685,874      |
| Total Reserves & Liabilities | 1    | 278,164,362 | 153,906,040      |

Approved by the members of the Commission on June 27, 2011 and signed on their behalf by:

CHAIRMAN

EXECUTIVE DIRECTOR

## BROADCASTING COMMISSION STATEMENT OF CHANGES IN RESERVES YEAR ENDED MARCH 31, 2011

|                              | Deferred<br>Credit | Capital<br>Reserve | Accumulated<br>Fund | Total       |
|------------------------------|--------------------|--------------------|---------------------|-------------|
|                              | \$                 | \$                 | \$                  | \$          |
| Balance as at March 31, 2009 | 781,622            | 370,000            | 91,743,365          | 92,894,987  |
| Addition                     | ¥                  | ¥                  | 4                   | -           |
| Transfers                    | (260,540)          |                    | 260,540             |             |
| Surplus for the year         |                    |                    | 49,790,887          | 49,790,887  |
| Balance as at March 31, 2010 | 521,082            | 370,000            | 141,794,792         | 142,685,874 |
| Addition                     | -                  | * 1                |                     |             |
| Transfers                    | (260,541)          |                    | 260,541             | 2           |
| Disposal                     |                    | (370,000)          | 370,000             |             |
| Surplus for the year         |                    |                    | 124,229,971         | 124,229,971 |
| Balance as at March 31, 2011 | 260,541            | *                  | 266,655,304         | 266,915,845 |

# BROADCASTING COMMISSION STATEMENT OF COMPREHENSIVE INCOME YEAR ENDED MARCH 31, 2011

|                                  |      | 2011          | 2010          |
|----------------------------------|------|---------------|---------------|
|                                  |      |               | Restated      |
|                                  |      | S             | \$            |
| REVENUE                          | NOTE |               |               |
| Licence fee                      | 13   | 229,471,024   | 137,957,657   |
| Other income                     | 14   | 12,593,776    | 13,135,247    |
|                                  |      | 242,064,800   | 151,092,904   |
| Administrative and other         |      |               |               |
| overhead expenses                | 15   | (117,689,433) | (101,345,989) |
| (Loss)/ Gain on Foreign Exchange |      | (145,396)     | 43,972        |
| Net Surplus for the year         |      | 124,229,971   | 49,790,887    |

| BROA  | DCASTIN | VG ( | COMM | ISS | ION  |
|-------|---------|------|------|-----|------|
| STATI | EMENT   | OF   | CASI | I F | LOWS |
| YEAR  | ENDED   | MA   | RCH  | 31, | 2011 |

|  | 2011               | 2010          |
|--|--------------------|---------------|
| SOURCES (USES) OF CASH   | S                  | Restated<br>S |
| OPERATING ACTIVITIES   | 3                  | 3             |
| Surplus for the year   | 124,229,971        | 49,790,887    |
| Items not affecting cash:  |                    |               |
| Prior year adjustment  | Sec. or versus per | (9,419,740)   |
| Gain on disposal of fixed assets   | (230,977)          | (37,052)      |
| Depreciation   | 4,838,026          | 4,144,249     |
| Market and the state of the sta | 128,837,020        | 44,478,344    |
| Changes in non-cash working  |                    |               |
| capital components   |                    |               |
| Receivables -licence fee   | (8,098,009)        | -             |
| Other receivables  | (427,597)          | 1,396,932     |
| Payables   | 28,351             | 3,787,586     |
| Taxation recoverable   | 1,244,090          | (3,100,576)   |
|  | (7,253,165)        | 2,083,942     |
| Cash provided by operating activities  | 121,583,855        | 46,562,286    |
| INVESTING ACTIVITIES   |                    |               |
| Additions to fixed assets  | (1,339,312)        | (8,556,947)   |
| Proceeds from sale of fixed assets   | 234,998            | 110,850       |
|  | (1,104,314)        | (8,446,097)   |
| and the last of the America  | 120 470 541        | 26 117 100    |
| Increase in net cash and cash equivalent   | 120,479,541        | 38,116,189    |
| Net cash and cash equivalent at<br>the beginning of the year   | 97,962,652         | 59,846,463    |
| Net cash and cash equivalent at  | 2.1/2.04/0.0       |               |
| the end of the year  | 218,442,193        | 97,962,652    |

#### 1. IDENTIFICATION

The Broadcasting Commission is a body established under the Broadcasting and the Radio Re-Diffusion (Amendment) Act of 1986 The Commission is domiciled in Jamaica with offices located at 53 Knutsford Boulevard Kingston 5, Jamaica.

The main function of the Commission is to monitor and regulate the electronic media industry.

All amounts in these financial statements are stated in Jamaican dollars.

#### 2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

During the year the Commission adopted The International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs). The standard is an independent standard that prescribes financial reporting guidance for small and medium-sized entities.

- (a) The standard is applicable to Small and Medium-Sized Entities (SMEs) that:
- (i) Do not have public accountability.
- (ii) Do not publish general purpose financial statements for external users.

An entity has public accountability if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market. The entity holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

- (b) The objective of a set of accounts prepared under the standard is to provide information on the financial postion, performance, and cash flows of the entity.
- (c) The standard does not prescribe the sequence or format in which items are to be presented in the statement of financial position.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

#### Prior year adjustment

Prior to 2011 licence fee income was recorded on the cash basis.

During 2011 there was a change in accounting policies and licence fee is now recorded on the accruals basis.

The preparation of financial statements in conformity with International Financial Reporting Standards for Small and Medium-Sized Entities 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. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year of the revision and future years, where applicable.

- (b) Property, Plant and Equipment
- Items of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.
- (ii) Depreciation is charged on assets from the date of acquisition.

Depreciation is provided on the straight line basis at such rates as will write off the cost of the assets over the period of their expected useful lives. The rates are as follows:

Furniture, fixtures, equipment, computers Motor vehicles 10-20%

20%

#### (c) Revenue Recognition

The Commission derives a significant portion of its revenue from subscriber television licence fee. Interest and other income are recognised when earned in accordance with the relevant agreements in place.

#### 3. SIGNIFICANT ACCOUNTING POLICIES CONT'D

#### (d) Grants

Grants received are deferred where the benefit of the grant is represented by fixed assets.

Annual transfers, equivalent to depreciation charged on fixed assets funded by such grants, are made from the deferred credit to the accumulated surplus account.

In other cases, the grant is brought to account as revenue for the period in which it is received.

#### (e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits held on call with banks and other short-term highly liquid investments.

#### (f) Payables and Accruals

Payables and accruals are stated at cost.

#### (g) Impairment of Non-Current Assets

Equipment, appliances and other non-current assets are reviewed for impairment whenever events or changes indicate that the carrying amount may not be recoverable. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable value.

## (h) Foreign Currencies

Transactions in foreign currency are converted at the rates of exchange ruling at the date of those transactions. Foreign currency balances are translated at the applicable rates of exchange ruling at balance sheet date. Exchange differences as a result of fluctuations in exchange rates are reflected in the statement of comprehensive income.

#### (i) Expenses

Expenses are accounted for on the accruals basis.

#### (j) Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial instruments carried in the statement of financial position include cash and cash equivalents, receivables, payables and borrowing facilities.

#### 3. SIGNIFICANT ACCOUNTING POLICIES CONT'D

#### (k) Comparative Information

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

#### (1) Employee Benefits

Employee benefits include current or short-term benefits such as salaries, NIS contributions paid, annual leave, and non-monetary benefits such as medical care, post employment benefits such as pensions.

#### General Benefits

Employee benefits that are earned as a result of past or current service are recognised in the following manner: short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is accrued when the employee becomes entitled to the leave. Post employment benefits are accrued as they are earned and charged as an expense, unless not considered material, in which case they are charged when they fall due.

#### (m) Pension

Pension plan costs are the contributions by the Commission to the defined contribution pension plan which it has established to provide retirement pensions to employees. Obligations for contributions to the pension plan are recognised as an expense in the statement of revenue and expenses at they become payable to the pension fund.

The Commission operates a defined contribution pension plan for its employees, which is administered by a life assurance company. The fund was established in financial year ended March 31, 2002 and is funded by contributions from employees and employer. The Commission contributes at a rate of five percent (5%) of pensionable salaries while employees contribute a mandatory rate of five percent (5%) but may make a voluntary contribution not exceeding a further five percent (5%). Pension benefits are based on contributions plus accumulated interest

The Commission's contribution to the above plan for the year amounted to \$1,641,435 (2010 -\$1,394,868).

#### NOTES TO THE FINANCIAL STATEMENTS

#### 3. SIGNIFICANT ACCOUNTING POLICIES CONT'D

#### (m) Pension Cont'd

In addition, the Commission contributes 25% of the pensionable salary of two employees to the Accountant General's Department. This contribution is made in order to preserve their pension rights within the Government Service. These employees do not participate in the contributory Pension Scheme administered by the life assurance company. The Commission's contribution for the year amounted to \$1,624,805 (2010 - \$1,624,805).

#### 4. FINANCIAL RISK MANAGEMENT

The Commission's activities expose it to a variety of financial risks including the effects of changes in foreign currency exchange rates. The Commission sets guidelines for overall risk management including specific areas such as foreign exchange risk, interest rate risk and credit risk.

#### (a) Fair Value of Financial Instruments

Fair value represents estimates of the arm's length consideration that would currently be agreed between knowledgeable willing parties who are under no obligation to act and is best evidenced by a quoted market price, if one exits.

At March 31, 2011 the board of the Commission estimates that the carrying value of each class of financial instruments approximates their fair value.

#### (b) Interest Risk

Interest risk is the potential for economic loss due to future interest rate changes.

It arises when there is a mismatch between interest-earning assets and interest bearing liabilities which are subject to interest rate adjustment within a specified period. Deposits are held for short-term and accordingly, would reflect interest rate movements in the financial markets. There are no interest bearing liabilities.

### (c) Credit Risk

Credit risk is the risk of loss arising from a counter party to a financial contract failing to discharge its obligations. The Commission manages its credit risk by a policy which requires that investment be made principally in liquid securities and only with counter parties that management believe not to offer any significant credit risk.

Based on their assessment, management do not expect any counter parties to fail to meet their obligations.

#### 5. TAXATION

The Commission is exempt from income tax. Under the General Consumption Tax Act, it is entitled to acquire goods and services at a zero rate of tax.

# BROADCASTING COMMISSION NOTES TO THE FINANCIAL STATEMENTS

# 6. PROPERTY, PLANT & EQUIPMENT

|                                      | Leasehold         | Furniture<br>fixtures | Computer    | Motor       |              |
|--------------------------------------|-------------------|-----------------------|-------------|-------------|--------------|
|                                      | improvement       |                       | equipment   | vehicles    | Totals       |
|                                      | smprovement<br>\$ | equipment<br>\$       | S S         | \$          | S            |
| Carrying amount at                   | ž.                |                       |             |             |              |
| March 31, 2009                       | 1                 | 1,844,451             | 3,728,475   | 2,647,619   | 8,220,546    |
| Additions                            | 3,064,679         | 4,357,433             | 1,001,788   | 133,047     | 8,556,947    |
| Cost eliminated on disposal          | ¥3                | (1,391,846)           | (2,161,549) | *           | (3,553,395)  |
| Depreciation for the Year            | (612,936)         | (987,314)             | (1,855,484) | (688,515)   | (4,144,249)  |
| Depreciation eliminated              | 1000 C F100 1000  |                       |             |             |              |
| on disposal                          | *                 | 1,391,846             | 2,087,751   | *           | 3,479,597    |
| Carrying amount at                   |                   |                       |             |             |              |
| March 31, 2010                       | 2,451,744         | 5,214,570             | 2,800,981   | 2,092,151   | 12,559,446   |
| Additions                            |                   | 1,020,755             | 318,557     | *           | 1,339,312    |
| Cost Eliminated on disposal          |                   | (575,055)             | (25,000)    | (428,000)   | (1,028,055)  |
| Depreciation for the Year            | (612,936)         | (1,396,167)           | (2,140,408) | (688,515)   | (4,838,026)  |
| Depreciation Eliminated              |                   |                       |             |             |              |
| on disposal                          |                   | 571,034               | 25,000      | 428,000     | 1,024,034    |
| Carrying amount at                   |                   |                       |             |             |              |
| March 31, 2011                       | 1,838,808         | 4,835,137             | 979,130     | 1,403,636   | 9,056,711    |
|                                      |                   | Furniture             |             |             |              |
|                                      | Leasehold         | fixtures              | Computer    | Motor       |              |
|                                      | improvement       | equipment             | equipment   | vehicles    | Totals       |
|                                      | \$                | \$                    | \$          | \$          | \$           |
| Gross carrying amount                | 554,156           | 7,518,324             | 8,389,090   | 4,372,523   | 20,834,093   |
| Accumulated depreciation             | (554,155)         | (5,673,873)           | (4,660,615) | (1,724,904) | (12,613,547) |
| Carrying amount at                   |                   |                       |             |             |              |
| March 31, 2009                       | 1                 | 1,844,451             | 3,728,475   | 2,647,619   | 8,220,546    |
|                                      | 2 (10 026         | 10,483,911            | 7,229,329   | 4,505,570   | 25,837,645   |
| Gross carrying amount                | 3,618,835         | (5,269,341)           | (4,428,348) | (2,413,419) | (13,278,199) |
| Accumulated depreciation             | (1,167,091)       | (5,209,341)           | (4,420,340) | (2,415,417) | (15,15,0,15) |
| Carrying amount at<br>March 31, 2010 | 2,451,744         | 5,214,570             | 2,800,981   | 2,092,151   | 12,559,446   |
| Gross carrying amount                | 3,618,835         | 10,929,612            | 7,522,865   | 4,077,570   | 26,148,882   |
| Accumulated depreciation             | (1,780,027)       | (6,094,475)           | (6,543,735) | (2,673,934) | (17,092,171) |
| Carrying amount at                   |                   |                       |             |             |              |
| March 31, 2011                       | 1,838,808         | 4,835,127             | 979,130     | 1,403,637   | 9,056,711    |
|                                      |                   |                       |             |             |              |

|    | ADCASTING COMMISSION TES TO THE FINANCIAL STATEMEN | TTS         | PAGE 13    |
|----|--|-------------|------------|
|    |  |             |            |
| 7. | SECURITY DEPOSITS                                  | 2011        | 2010       |
|    |  | \$          | \$         |
|    | Rental - Building                                  | 132,883     | 132,883    |
|    | Maintenance - Building                             | 72,785      | 72,785     |
|    |  | 205,668     | 205,668    |
| 8. | OTHER RECEIVABLES                                  | 2011        | 2010       |
|    |  | \$          | \$         |
|    | Advances & staff loans                             | 871,139     | 401,795    |
|    | Sundry receivables & prepayments                   | 211,685     | 253,432    |
|    |  | 1,082,824   | 655,227    |
| 9. | CASH AND CASH EQUIVALENTS                          |             |            |
|    |  | 2011        | 2010       |
|    |  | \$          | \$         |
|    | Short-term deposits                                | 214,205,354 | 85,701,381 |
|    | Cash in hand and at bank                           | 4,236,839   | 12,261,271 |
|    |  | 218,442,193 | 97,962,652 |

## NOTES TO THE FINANCIAL STATEMENTS

| 10. | PAYABLES            | 2011       | 2010       |
|-----|---------------------|------------|------------|
|     |                     | S          | \$         |
|     | Audit fee           | 350,000    | 320,000    |
|     | Payroll liabilities | 6,962,250  | 6,662,768  |
|     | Accounts payable    | 1,446,704  | 2,097,835  |
|     | Accrued expenses    | 2,489,563  | 2,139,563  |
|     |                     | 11,248,517 | 11,220,166 |

#### 11. CAPITAL RESERVE

Capital reserve represents the value of a 1995 Toyota Corolla motor car which was donated to the Commission by the Revenue Protection Department. During the year this asset was sold, and the reserve transferred to the accumulated fund.

#### 12. DEFERRED CREDIT

This represent grants received to acquire fixed assets. Transfers equivalent to depreciation charged on these assets are made annually to the accumulated fund.

 Licence fee of \$229,471,024 includes a receipt of \$50,509,143 which relates to the grant of a wireless subscriber television licence.

| 14. | OTHER INCOME                      | 2011       | 2010       |
|-----|-----------------------------------|------------|------------|
|     |                                   | \$         | \$         |
|     | Application fee                   | 200,000    | 50,000     |
|     | Interest on fixed deposit & loans | 11,143,519 | 12,420,262 |
|     | Penalty re: licence fee           | 997,208    | 445,059    |
|     | Sundry                            | 22,072     | 182,874    |
|     | Gain - disposal of fixed assets   | 230,977 \  | 37,052     |
|     |                                   | 12,593,776 | 13,135,247 |

| BROAD | CASTING | COMMISSION | Ī          |
|-------|---------|------------|------------|
| NOTES | TO THE  | FINANCIAL  | STATEMENTS |

| 15. | EXPENSES BY NATURE                         | 2011        | 2010        |
|-----|--|-------------|-------------|
|     | ADMINISTRATIVE AND OTHER                   | S           | \$          |
|     | OPERATING EXPENSES                         |             |             |
|     | Staff emoluments (Note 16)                 | 57,099,500  | 53,773,402  |
|     | Rental & maintenance of property (Note 17) | 12,410,314/ | 12,722,890  |
|     | Auditors remuneration                      | 350,000     | 320,000     |
|     | Depreciation                               | 4,838,026   | 4,144,249   |
|     | Office & sundry supplies                   | 204,815     | 241,574     |
|     | Printing, stationery & photocopying        | 970,943     | 615,183     |
|     | Repairs & maintenance                      | 547,713     | 799,429     |
|     | Insurance                                  | 249,467     | 414,394     |
|     | Subscriptions & membership fee             | 642,383     | 213,305     |
|     | Professional & consultancy services        | 818,885     | 9,107,977   |
|     | Refreshments                               | 307,030     | 263,427     |
|     | Public relations, education & advertising  | 21,689,303  | 9,125,708   |
|     | Seminars, workshop, consultation           | 4,966,214   | 99,822      |
|     | Motor vehicle expenses                     | 848,199     | 906,740     |
|     | Postage & courier                          | 127,934     | 57,913      |
|     | Plant rental & floral arrangements         | 67,500      | 61,875      |
|     | Bank charges                               | 192,201     | 148,078     |
|     | Monitoring & enforcement                   | 1,781,450   | 1,156,656   |
|     | Reference materials                        | 154,861     | 236,246     |
|     | Meetings & conferences - local             | 110,971     | 327,904     |
|     | Regional conferences                       | 2,515,272   |             |
|     | Conferences - overseas                     | 446,988     | 238,306     |
|     | Telephone & internet services              | 2,173,925   | 1,923,233   |
|     | Commissioners fee                          | 1,020,000   | 1,020,000   |
|     | Gifts & donations                          | 222,080     |             |
|     | Training                                   | 2,155,489   | 429,104     |
|     | Office attendant services                  | 489,908     | 469,910     |
|     | Security                                   | 288,062     | 389,101     |
|     | Contribution to consolidated fund          | -           | 2,139,563   |
|     |  | 117,689,433 | 101,345,989 |
|     |  | 117,009,433 | 101,343,789 |

## NOTES TO THE FINANCIAL STATEMENTS

| 16. | STAFF EMOLUMENTS                    | 2011       | 2010       |
|-----|-------------------------------------|------------|------------|
|     |                                     | S          | S          |
|     | Salaries                            | 46,299,355 | 41,105,468 |
|     | Contributions to NIS & NHT          | 1,903,816  | 1,678,921  |
|     | Supper allowance                    | 1,100      | 20,520     |
|     | Pension & group life contributions  | 3,725,238  | 3,259,763  |
|     | Motor vehicle & commuted allowances | 4,000,480  | 3,874,915  |
|     | Gratuity                            | 870,030    | 4          |
|     | Vacation leave benefits             | 299,481    | 3,833,815  |
|     |                                     | 57,099,500 | 53,773,402 |
| 17. | RENTAL & MAINTENANCE OF PROPERTY    | 2011       | 2010       |
|     |                                     | \$         | S          |
|     | Building                            | 11,078,314 | 11,390,890 |
|     | Parking space                       | 1,332,000  | 1,332,000  |
|     |                                     | 12,410,314 | 12,722,890 |