



QUARTERLY REPORT OF THE BOARD

COVERING THE PERIOD 1 APRIL – 30 JUNE 2012

ECS 22/2012

16 August 2012

1. Introduction

As part of its continuing commitment to accountability and transparency, the Board of URCA is pleased to publish its Quarterly Report for the Second Quarter of 2012, covering the period 1 April to 30 June 2012.

2. Summary of Key Actions – Audit Committee

- Internal Audit function – The Audit Committee met with and discussed the Internal Auditor’s report on URCA’s internal processes regarding information systems and controls, the Human Resources/Administration area as well as the status of management’s actions relating to previous internal audit reports. As a result of the Internal Auditor’s recommendations, URCA made adjustments to its internal operating processes in these departments.
- Financial Statements for Fiscal 2011 – The Audit Committee reviewed and recommended to the Board approval of URCA’s audited financial statements for 2011. The Committee also reviewed the External Auditors’ Internal Control and Business Issues Report and noted that there was nothing therein that management had objected to or disagreed with.
- Pension Plan Financial Statements for Fiscal 2011 – The Audit Committee accepted URCA’s Pension Plan Financial Statements for 2011.
- Management Accounts - The Audit Committee reviewed URCA’s management accounts and financial performance for April through June 2012 and provided the Board with its comments on those accounts.

3. Summary of Key Actions – Operations

- Audited Financial Statements, Annual Report and Annual Plan for 2012 – The Board ratified the audited financial statements for 2011. The 2011 Annual Report , including the audited financial statements for 2011, and 2012 Annual Plan were published on April 30.
- Human Resources – The Board was updated each month on Human Resources initiatives, including internal initiatives to recognise staff achievements.
- The Board has been kept updated and abreast of significant management decisions as they arise during each month.

- Licence Fees - The Board has been regularly updated on various queries from licensees, and actions to resolve and collect URCA Fees, Spectrum Fees and/or Communications Licence Fees.
- Funds owed to Government - Following the amendment of the URCA Act in December 2010 that required URCA to transfer \$5.9 million to the Government's Consolidated Fund, and further to the repayment of \$4.3 million in the first quarter of 2011, URCA transferred the outstanding balance of \$1.1 million to the Government in June.
- Oral Hearing: In accordance with Section 41(7) of the URCA Act, a public hearing was held on 22 May 2012 to present URCA's Annual Report for 2011, including the audited financial statements for 2011, and the Annual Plan for 2012.

4. Summary of Key Actions – Regulatory

- Jurisdictional Issues - The Board was kept abreast of matters pertaining to URCA's regulatory jurisdiction in the Port Area of Grand Bahama.
- Number Portability –Laurasia Associates has been appointed as Advisor to URCA's Number Portability Working Group (NPWG). The NPWG will develop and make recommendations to URCA on the outstanding technical and administrative issues relating to the implementation of Number Portability in The Bahamas.
- The Board has been regularly updated on:
 - Investigations of complaints of anti-competitive conduct.
 - Industry engagement in relation to Public Service Broadcasting and Content Regulation.
 - All litigation currently in the Courts.
- Organisation of Caribbean Utility Regulators – Preparations continue for the 10th Annual Organisation of Caribbean Utility Regulators (OOCUR) Conference to be held in Freeport, Grand Bahama from 7 – 9 November 2012.
- During the Quarter under review, the Board approved regulatory and other measures, including those that resulted in the following documents being published:

1. ECS 12/2012 - Framework for the Clarification and Implementation of Existing Universal Service Obligations (USO) under section 119 and Schedule 5 of the Communications Act 2009
2. ECS 13/2012 - Investigation of Alleged Anti-Competitive Behaviour under s.63 of the Communications Act by Bahamas Telecommunications Company Limited
3. Extension of Deadline for Requests for Applications in 700 MHz Radiofrequency Spectrum (ECS 10/2012) to 25th May 2012
4. Final Determination and Order issued to Complete Business Systems Ltd.
5. Addendum of Errors, Omissions and Corrections issued to Code of Practice for Content Regulation
6. Preliminary Orders issued to Cable Bahamas Limited and to The Broadcasting Corporation of The Bahamas in response to Content Code complaint made by Mr. Frederick Mitchell regarding political advertisements
7. ECS 14/2012 - Statement of Results on 2012 Annual Plan and three year strategy
8. Publication of URCA's 2011 Annual Report and 2012 Annual Plan
9. Final Orders issued to Cable Bahamas Limited and to The Broadcasting Corporation of The Bahamas following Content Code complaint by Mr. Frederick Mitchell regarding political advertisements
10. Preliminary Orders issued to Cable Bahamas Limited and The Broadcasting Corporation of The Bahamas in response to complaints made by Rt. Hon. Perry Christie regarding political advertisements
11. Final Order issued to Cable Bahamas Limited following Content Code complaint by Rt. Hon Perry Christie regarding political advertisements
12. Final Determination and Order: Application of the Code of Practice for Content Regulation (ECS 6/2012) to Carriage Services, Content Services and On Demand Audiovisual Media Services and the Application of 'Must Carry' Obligations to Content Services Intended for Reception by Subscribers of Carriage Services in The Bahamas
13. ECS 15/2012: Preliminary Determination on Number Portability

14. Request For Proposals: Number Portability Administration
15. Complaints Handling: Statement of Results and Final Determination
16. ECS 16/2012: Quarterly Report of the Board - 1st Quarter 2012