



QUARTERLY REPORT OF THE BOARD

COVERING THE PERIOD 1 OCTOBER – 31 DECEMBER 2011

ECS 07/2012

6 March 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 Fourth Quarter of 2011, covering the period 1 October to 31 December 2011.

2. Audit Committee - Summary of Key Actions

- The Audit Committee reviewed URCA's management accounts and financial performance, and provided the Board with its comments on the accounts.
- The Audit Committee reviewed the Internal Auditor's report on Key Performance Indicators (KPIs). URCA is to implement all except one of the recommendations to improve its effectiveness in that area.
- In preparation for the 2011 Audit, the Audit Committee met with the external auditors to discuss the scope of the audit and any possible risk areas.
- The draft audited financial statements of URCA's Pension Plan were reviewed by the Audit Committee and feedback was provided to the auditors and the Plan Trustees for necessary action.

3. Board - Summary of Key Actions – Operations

- The Board confirmed the reappointment for one year of Mr. Philip Stubbs as Chairperson of the Audit Committee with effect from November 1, 2011.
- The Board reviewed and approved the publication of the Three Year Strategy and Annual Plan for 2012, inclusive of the Budget, in accordance with the URCA Act. It also approved The Fee Schedule for 2012 for publication.
- Litigation – The Board approved the negotiated settlement of \$185,000 for Legal Fees to be paid to Cable Bahamas Ltd. regarding a case originally filed by CBL against the PUC; CBL was successful and was awarded costs by the Supreme Court.

4. Board - Summary of Key Actions – Regulatory

The Board considered the following matters and acted as indicated:

- Number Portability: Following the results of the Consultation, the Board was apprised of the establishment of the Number Portability Working Group. The Board also took note of the recommendation to engage a Facilitator to assist the Working Group in achieving the set objectives.
- Retail Price Regulation
 - Application for Permanent Price Change for 4G services: URCA approved BTC's application for prices for 4G services.
 - Application for a Special Promotion for 4G services: URCA approved BTC's application for a Special Promotion to launch 4G services.
- Broadcasting
 - Content Codes: The Board reviewed the Draft Code of Practice and agreed on the timetable for public consultation, which commenced on November 9. The Board supported and endorsed the publicity and stakeholder engagement initiatives in New Providence, Grand Bahama and Abaco to ensure wide public debate on the Draft Code.
- Accounting Separation
 - The Board was advised that BTC had submitted its audited separated accounts and Auditors' Report.
 - The Board was advised that CBL's audited separated accounts were reviewed and URCA issued CBL with a certificate of compliance with respect to that specific SMP Obligation.
- Licensing
 - The Board reviewed the status of licences and directed that steps be taken to ensure ongoing compliance with licence conditions where licensees have been found to be in breach of said conditions.
- During the Quarter under review, the Board approved regulatory and other measures, including those that resulted in the following documents being published:

- (1) Statement of Results on Significant Market Power (SMP) Methodology (ECS 19/2011)
- (2) Final Determination on SMP Methodology (ECS 20/2011)
- (3) Public Consultation on the Regulation of Content Services and Audiovisual Services
- (4) Statement of Results on Number Portability
- (5) Public Consultation on Publication of Separated Accounts (ECS 21/2011)
Publication of a Supplement to ECS 21/2011
- (6) Public Consultation on the Guidelines to developing Licensee Consumer Complaint Handling Procedures (ECS 23/2011)
- (7) Public Consultation on URCA's 2012 Draft Annual Plan (ECS 24/2011)
- (8) Public Consultation on Fee Schedule for 2012 (ECS 25/2011)
- (9) Notices of Revocation to Simon Smith, trading as Island WISP and Complete Business Systems Ltd.