

**REGULATION
OF THE NATIONAL BROADCASTING COUNCIL**

of April 22, 2008

**concerning the manner of keeping records and documents by public radio and television
broadcasting companies based on accounting principles and the manner of preparing
reports submitted by boards of management of these companies to the National
Broadcasting Council.**

(official journal „Dz. U.” of May 15, 2008)

Pursuant to Article 31a paragraph 3 of the Broadcasting Act of December 29, 1992 (official journal “Dz. U. “ of 2004; No. 253, item 2531, as further amended¹), it is hereby ordered as follows:

§ 1.

This Regulation lays down:

- 1) the manner of keeping records and documents by public radio and television broadcasting companies, hereinafter referred to as „the companies”, based on accounting principles referred to in Article 31a paragraph 1 of the Broadcasting Act of December 29, 1992, hereinafter referred to as “the Act”;
- 2) the manner of preparing:
 - a) an annual report on the use of funds referred to in Article 31 paragraphs 1 and 2 of the Act,
 - b) quarterly reports on the use of funds granted in accordance with Article 31 paragraph 1 subparagraph 1 and paragraph 2 of the Act,
 - c) quarterly reports on costs incurred for the activity referred to in Article 21 paragraph 1 of the Act.

§ 2.

Any reference in this Regulation to:

- 1) „other activities” shall be construed as a reference to the company’s activities other than the activity referred to in Article 21 paragraph 1 of the Act;
- 2) „licence fee proceeds” shall be construed as a reference to the proceeds from the fees for the use of radio and television sets referred to in Article 2 paragraph 1 of the Licence Fees Act of April 21, 2005 (official journal “Dz. U.” No. 85, item 728 and No. 157, item 1314), with the exclusion of deductions provided for in Article 6 paragraph 2 of the Act;
- 3) „proceeds other than from licence fees” shall be construed as a reference to the proceeds referred to in Article 5 paragraph 3 and Article 7 paragraph 4 of the Licence Fees Act of April 21, 2005, with the exclusion of deductions provided for in Article 6 paragraph 2 and Article 7 paragraph 8 of the Act, as well as capitalization interest and default interest for delayed transfer of licence fee proceeds by units of the public operator;
- 4) „expenditure” shall be construed as a reference to any use of funds, irrespective of their intended purpose;

- 5) „opening balance” shall be construed as a reference to the balance of unused funds from the preceding reporting period.

§ 3.

1. The companies shall keep separate registers of revenues and costs for the activity referred to in Article 21 paragraph 1 of the Act, and for other activities.
2. In keeping the registers referred to in paragraph 1, the companies shall, subject to paragraphs 3 and 4,:
 - 1) clearly separate registers of revenues and costs for the activity referred to in Article 21 paragraph 1 of the Act from the registers of revenues and costs for other activities;
 - 2) allocate costs and revenues to individual lines of the activity referred to in Article 21 paragraph 1 of the Act, and to other activities;
 - 3) disclose all sources and amounts of revenues referred to in Article 31 paragraphs 1 and 2 of the Act.
3. The full amount of costs that are entirely connected with the activity referred to in Article 21 paragraph 1 of the Act and give rise to benefits in other activities may be allocated to the activity referred to in Article 21 paragraph 1 of the Act.
4. Whenever the same resources, in particular: employees or co-workers, equipment and devices, fitting and fixtures as well as non-mobile equipment, are used in the activity referred to in Article 21 paragraph 1 of the Act and in other activities, related costs shall be allocated to a given activity. Costs shall be allocated on the basis of a difference between total costs incurred by the company in pursuing the activity referred to in Article 21 paragraph 1 of the Act as well as other activities and costs incurred with the exclusion of other activities. Costs allocated to other activities may be deemed to be the costs that the company would not incur in case of discontinuance of these activities.
5. Public radio and television broadcasting companies shall divide the costs to different tasks, in compliance with the rules set forth in the Accounting Act of September 29, 1994 (official journal „Dz. U.” of 2002, No. 76, item 694, as further amended²).

§ 4.

1. Boards of management of the companies shall prepare the following reports, with due regard for the rules set forth in § 3:
 - 1) SRZ – an annual report on the use of funds referred to in Article 31 paragraphs 1 and 2 of the Act, the model form of which is attached as Schedule No. 1 hereto;
 - 2) SKW – a quarterly report on the use of funds granted pursuant to Article 31 paragraph 1 subparagraph 1 and paragraph 2 of the Act, the model form of which is attached as Schedule No. 2 hereto;
 - 3) SKK – a quarterly report on costs incurred for the activity referred to in Article 21 paragraph 1 of the Act, specifying sources of financing, the model form of which is attached as Schedule No. 3 hereto.
2. The report referred to in subparagraph 1 point 1 shall contain:
 - 1) part I that concerns the boards of management of all the companies;
 - 2) part II A that concerns the board of management of the company Telewizja Polska - Spółka Akcyjna;
 - 3) part II B that concerns the board of management of the company Polskie Radio - Spółka Akcyjna;
 - 4) part II C that concerns the board of management of the company Radio Zachód - Spółka Akcyjna;
 - 5) part III that concerns the board of management of the company Telewizja Polska - Spółka Akcyjna;

- 6) part IV that concerns the board of management of the company Telewizja Polska - Spółka Akcyjna.
3. Quarterly reports shall be prepared separately for each calendar quarter, while annual reports shall be prepared for a calendar year.

§ 5.

1. In the report referred to in § 4 subparagraph 1 point 1, the companies' boards of management shall indicate the manner of use of the funds referred to in Article 31 paragraphs 1 and 2 of the Act, intended for the financing of the tasks of public radio and television broadcasting, in particular:
 - 1) data related to pursuance of the activity referred to in Article 21 paragraph 1 of the Act, and other activities, in particular, proceeds, expenditure, surplus of funds, revenues, costs, payables and receivables;
 - 2) revenues according to the source of financing, as broken down into:
 - a) revenues referred to in Article 31 paragraph 1 subparagraph 1 of the Act:
 - licence fee proceeds,
 - proceeds other than from licence fees,
 - b) revenues from grants from the State budget,
 - c) revenues referred to in Article 31 paragraph 1 subparagraphs 2-4 of the Act:
 - from trade in programme rights,
 - from advertising and sponsorship,
 - from other sources;
 - 3) the total amount of expenditure and costs, as broken into:
 - a) transmission, uplinking of the signal, cable connections and fees for the frequency,
 - b) copyright and neighbouring rights,
 - c) production of films referred to in Article 19 paragraph 7 of the Cinematography Act of June 30, 2005 (official journal „Dz. U.” No. 132, item 1111; of 2006, No. 249, item 1832; and of 2007, No. 50, item 331) - in parts II A, III and IV of the report, accordingly.
2. In the report referred to in § 4 subparagraph 1 point 2, the companies' boards of management shall indicate the manner of use of the funds referred to in Article 31 paragraph 1 subparagraph 1 and paragraph 2 of the Act, intended for the financing of the tasks of public radio and television broadcasting, in particular:
 - 1) data related to pursuance of the activity referred to in Article 21 paragraph 1 of the Act, in particular, proceeds, expenditure and surplus of funds;
 - 2) the total amount of expenditure, as broken down into:
 - a) transmission, uplinking of the signal, cable connections and fees for the frequency,
 - b) copyright and neighbouring rights,
 - c) production of films referred to in Article 19 paragraph 7 of the Cinematography Act of June 30, 2005.
3. In the report referred to in § 4 subparagraph 1 point 3, the companies' boards of management shall disclose costs incurred for the activity referred to in Article 21 paragraph 1 of the Act, including identification of sources of financing, in particular:
 - 1) data related to pursuance of the activity referred to in Article 21 paragraph 1 of the Act, in particular, proceeds, expenditure, surplus of funds, revenues and costs;
 - 2) revenues according to the source of financing, as broken down into:
 - a) revenues referred to in Article 31 paragraph 1 subparagraph 1 of the Act:
 - licence fee proceeds,
 - proceeds other than from licence fees,

- b) revenues from grants from the State budget,
- c) revenues referred to in Article 31 paragraph 1 subparagraphs 2-4 of the Act:
 - from trade in programme rights,
 - from advertising and sponsorship,
 - from other sources;
- 3) the total amount of expenditure and costs, as broken into:
 - a) transmission, uplinking of the signal, cable connections and fees for the frequency,
 - b) copyright and neighbouring rights.
- 4. The companies' boards of management shall prepare the report referred to in § 4 subparagraph 1 point 1 according to the following classification:
 - 1) production and transmission of :
 - a) national programme services,
 - b) regional programme services, including programmes for national and ethnic minorities,
 - c) other programme services meeting the democratic, social and cultural needs of local societies,
 - d) programme services for reception abroad,
 - e) thematic programmes, if a broadcasting licence has been awarded for the transmission of the said programme service;
 - 2) construction and operation of radio and television transmitters and relay stations;
 - 3) work on new technologies of production and transmission of radio and television programme services;
 - 4) services that follow from the carrying out of the public mission, other than listed in points 1-3;
 - 5) other activities.
- 5. The companies' boards of management shall prepare the reports referred to in § 4 subparagraph 1 points 2 and 3 according to the following classification:
 - 1) production and transmission of :
 - a) national programme services,
 - b) regional programme services, including programmes for national and ethnic minorities,
 - c) other programme services meeting the democratic, social and cultural needs of local societies,
 - d) programme services for reception abroad,
 - e) thematic programmes, if a broadcasting licence has been awarded for the transmission of the said programme service;
 - 2) construction and operation of radio and television transmitters and relay stations;
 - 3) work on new technologies of production and transmission of radio and television programme services;
 - 4) services that follow from the carrying out of the public mission, other than listed in points 1-3.

§ 6.

1. If the proceeds referred to in Article 31 paragraph 1 subparagraph 1 and paragraph 2 of the Act exceed the amount of expenditure for carrying out the mission referred to in Article 21 paragraph 1 of the Act, the surplus shall be disclosed in the report referred to in § 4 paragraph 1 point 3, in the „surplus of funds at the end of period” item.
2. The surplus shall be credited towards expenditure for carrying out that mission in the next quarter and shall be disclosed in the report referred to in § 4 subparagraph 1 point 3, for the following quarter, in the „opening balance” item.

§ 7.

1. Amounts in the reports referred to in § 4 subparagraph 1 shall be disclosed in Polish zloty (PLN).
2. In case of costs and revenues denominated in a foreign currency, the amount thereof shall be converted in accordance with principles set forth in the Accounting Act of September 29, 1994.

§ 8.

Provision in force to date shall apply to the preparation of reports for the first quarter of 2008.

§ 9.

The Regulation of the National Broadcasting Council of June 3, 2004 concerning supplementation of description of rules of keeping records and documents related to the accounting policy in public radio and television broadcasting companies and determination of the manner of preparation of quarterly and annual reports submitted in the National Broadcasting Council by public radio and television broadcasting companies (official journal "Dz. U." No. 148, item 1566).

§ 10.

The Regulation shall come into force after the lapse of 14 days as from its promulgation.

¹ Amendments to the consolidated text of the Act were promulgated in the official journal „Dz. U.” of 2005, No. 17, item 141, No. 85, item 728 and No. 267, item 2258; of 2006, No. 51, item 377, No. 83, item 574 and No. 133, item 935; and of 2007, No. 25, item 162 and No. 61, item 411.

² Amendments to the consolidated text of the Act were promulgated in the official journal “Dz. U.” of 2003, No. 60, item 535, No. 124, item 1152, No. 139, item 1324 and No. 229, item 2276; of 2004, No. 96, item 959, No. 145, item 1535, No. 146, item 1546 and No. 213, item 2155; of 2005, No. 10, item 66, No. 184, item 1539 and No. 267, item 2252; of 2006, No. 157, item 1119 and No. 208, item 1540; and of 2008, No. 63, item 393.