

**BOARD OF DIRECTORS**



**Lyonpo Leki Dorji**  
Minister for Information & Communications



**Siok Sian Pek Dorji**  
MediaCom Private



**Kinley Dorji**  
Executive Director, BNCA



**Dasho Karma Ura**  
Director, CBS



**Pema Lhamo**  
Programme Director, ICS, MoA



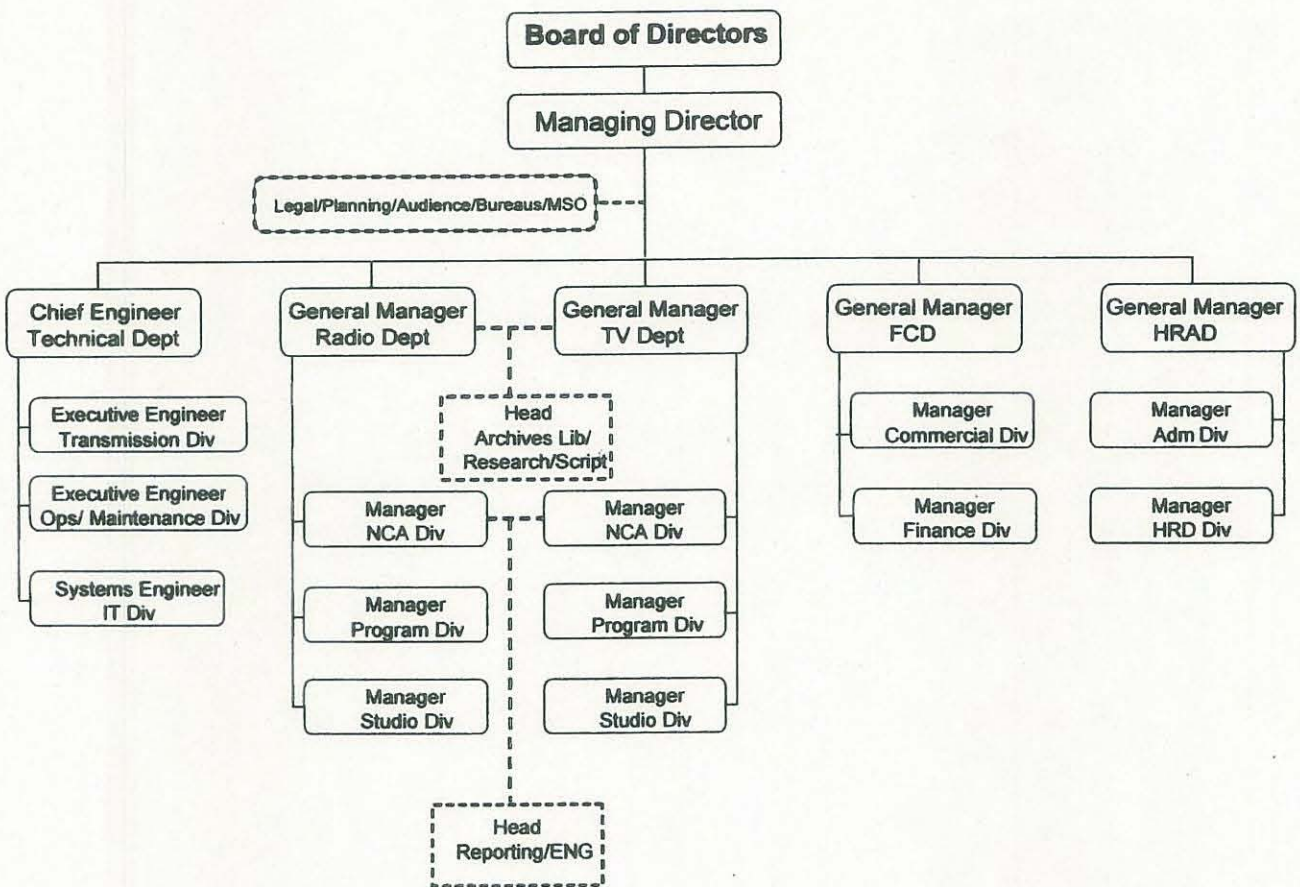
**Phuntsho**  
Joint Director, MoHCA



**Mingbo Dukpa**  
Managing Director, BBSC



ORGANIZATIONAL CHART



## THE MANAGEMENT

### *Corporate Office, Thimphu*

Chief Executive Officer	- Mr. Mingbo Dukpa
Chief Engineer, Technical	- Mr. Sonam Tobgyal
General Manager, TV	- Mr. Tashi Dorji
General Manager, Radio	- Mr. Kezang
General Manager, Human Resource & Admin	- Mr. Kinley Dorji
General Manager, Finance & Commercial	- Mr. Ashok Moktan

### *Bureau Office*

1. Head, Phuentsholing Regional Bureau	- Mr. Karma Dorji
2. Head, Jakar Regional Bureau	- Mr. Thinley
3. Head, Kanglung Regional Bureau	- Mr. Dukpo Wangdi
4. Reporter, Samtse Bureau	- Mr. Tshethrim Gyeltshen
5. Reporter, Paro Bureau	- Mr. Wangchuk
6. Reporter, Wangdue Bureau	- Mr. Kuenzang Thinley
Reporter, Tsirang Bureau	- Mr. Sonam Ugyen
Reporter, Gelephu Bureau	- Mr. Sonam Rinchen
Reporter, Trongsa Bureau	- Mr. Kunzang Yeshe
Reporter, Zhemgang Bureau	- Mr. Kinzang Loday
Reporter, Mongar Bureau	- Mr. Karma Tenzin
Reporter, Pemagatshel Bureau	- Mr. Tenzin Dorji
Reporter, Samdrup Jongkhar Bureau	- Mr. Pema Samdrup



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心共挂

REVENUE GENERATION

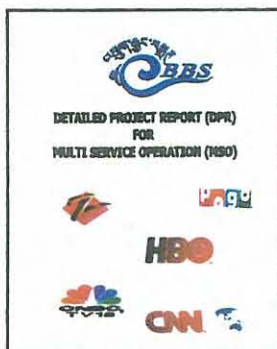
At this juncture, the source of funding for the BBS becomes a subject of much interest, for there is much at stake. Funding through license fee seems far fetched as about 69% of the Bhutanese population live on subsistence farming and are financially not well off. Revenue generation through too much of advertisements and programme sponsorships tend to divert the BBS from its public service function. Therefore, creation of a guaranteed endowment fund seems to be the only way open to the BBS. At the present, the BBS does not even generate revenue to meet 10% of its operational annual costs. On the other hand, as the national public service broadcaster, BBS is mandated to inform, educate and entertain the public free of cost.



Generally, in other countries, public service broadcasters receive some or all of the funding from the public- directly through voluntary donations, license fees, or indirectly as state subsidies from tax money. While the terminologies "public service broadcaster" and "state broadcaster" are loosely used as synonyms there exist a slight difference between them. Public service broadcasters, in terms of its

role and source of funding, are public oriented. State broadcasters, however, are more official and seem to represent the interest of the states in general. They play intermediary role between the government and people and are funded from the state-exchequer.

The issue of funding, within this purview, becomes very critical to the future of the BBS, which is grappling with numerous financial problems despite the 90% subsidy from the government. Funds include not only for daily operations but for the growth of the corporation. With stagnant salary and limited scope for higher education or training the corporation will continue to loose all talented staff. And there is technology up-gradation to be taken care. The BBS, as such, is trying to secure guaranteed funding from the central government through its proposed Charter.



The BBS should be given adequate funds through parliament. It should not be the instrument of a political majority against the opposition, whoever the majority and opposition are. It must treat the majority and the opposition in a balanced and fair way and be given means to promote public interest, societal values, and national culture and languages.

With the Business Master Plan 2005-2010 now in place and the ongoing activity of the MSO, there is a great optimism that the revenue generation will substantially improve in the not to distant future at least to meet about 10% of its operational costs. The MSO is a multi- service operation business launched to generate revenue without compromising the editorial contents.

Commercial projects

**BALANCE SHEET  
AS AT 31ST DECEMBER 2005**

	SCHEDULE	AS AT 31.12.2005		AS AT 31.12.2004	
		NU.	CH.	NU.	CH.
<b>SOURCES OF FUNDS</b>					
Share Capital	1	130,835,100.00		130,835,100.00	
Reserve & Surplus	2	34,272,184.45		21,143,884.71	
<b>Total</b>		<b>165,107,284.45</b>		<b>151,978,984.71</b>	
<b>APPLICATION OF FUNDS</b>					
Fixed Assets:	3				
Gross Block		290,323,390.75		276,708,345.86	
Less: Depreciation		(209,627,170.52)		(201,201,020.38)	
<b>Net Block</b>		<b>80,696,220.23</b>		<b>75,507,325.48</b>	
Capital work- in-progress (GOI)		1,840,000.00		-	
Current Assets, Loans & Advances	4	17,005,224.53		25,922,908.82	
Less: Current Liabilities & Provisions	5	15,991,000.47		10,535,815.87	
<b>Net Current Assets</b>		<b>1,014,224.06</b>		<b>15,387,092.95</b>	
Profit & Loss Account		81,556,840.16		61,084,566.28	
<b>Total</b>		<b>165,107,284.45</b>		<b>151,978,984.71</b>	

Significant Accounting Policies &  
Notes on Accounts


14


The Schedules referred to above form an integral part of the Balance Sheet

Signed in terms of our report of even date

For **S.N. Mukherji & Co.**  
Chartered Accountants

On behalf of the Board

  
**Sudip K. Mukherji**  
Partner  
Place: Kolkata

  
Mingbo Dukpa  
Managing Director





  
**LEKHI DORJI**  
CHAIRMAN  
BBS CORPORATION  
TIMPHU : BHUTAN

**Bhutan Broadcasting Service Corporation Ltd.**  
**THIMPHU, BHUTAN**  
**Profit & Loss Account**  
for the year ended 31st December 2005

Particulars	Schedule	01.01.05 - 31.12.05 Amount(Nu)	01.01.04-31.12.04 Amount(Nu)
Revenue	6	5,734,919.53	7,610,642.68
Grants Received	7	38,740,292.26	35,833,899.45
Other Income	8	769,198.90	59,475.00
<b>Operating Income</b>		<b>45,244,410.69</b>	<b>43,504,017.13</b>
Consumption of Materials	9	6,105,540.33	1,965,538.04
Acquisition of Programmes	10	560,462.70	311,215.93
Employees Cost	11	34,151,251.15	22,064,401.93
Administration Expenses & General Charges	12	14,738,978.45	14,413,838.47
Repairs & Maintenance	13	1,341,973.74	1,951,417.48
Depreciation		38,631,964.46	34,767,737.95
<b>Operating Expenses</b>		<b>95,530,170.83</b>	<b>75,474,149.80</b>
<b>NET OPERATING PROFIT/(LOSS)</b>		<b>(50,285,760.14)</b>	<b>(31,970,132.67)</b>
Prior Period Adjustment(Net)		29,813,486.26	(523,512.80)
<b>NET PROFIT/(LOSS)</b>		<b>(20,472,273.88)</b>	<b>(32,493,645.47)</b>
Profit/(Loss) before Taxation		(20,472,273.88)	(32,493,645.47)
Provision for Taxation		-	-
Profit/(Loss) after Taxation		(20,472,273.88)	(32,493,645.47)
Profit/(Loss) brought forward		(61,084,566.28)	(28,590,920.81)
Transfer to Balance Sheet		(81,556,840.16)	(61,084,566.28)

Significant Accounting Policies &  
Notes on Accounts

14

The Schedules referred to above form an integral part of the Balance Sheet

Signed in terms of our report of even date

For **S.N. Mukherji & Co.**  
Chartered Accountants

On behalf of the Board

**Sudip K. Mukherji**  
Partner  
Place: Kolkata

**LEKI DORJI**  
CHAIRMAN

## BBS IN THE NEW ERA

The upcoming 10<sup>th</sup> Five Year Plan falls at a time when the nation would make its historic transition from monarchy to democracy. A drastic change will have to be made in the media sector to conform to the new political system. This plan period will, therefore, focus on strengthening and redefining the roles and responsibilities of the BBS in the new political era.

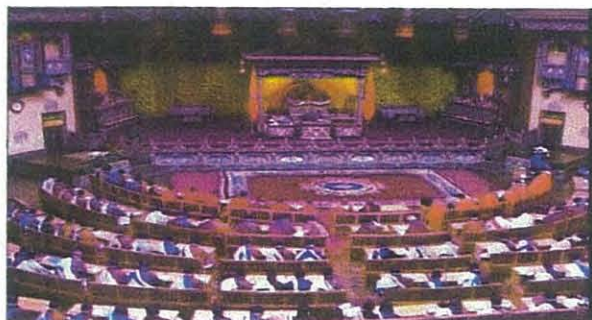
Within the framework of the above objectives the FM network will be expanded, internet broadcasting introduced, Chubachu radio station upgraded, studios digitized, BBS-TV viewing centers established, terrestrial TV transmission network constructed, funds for satellite TV transmission secured, news-gathering system enhanced, audio-video archives developed, documentary production and programme acquisition unit established, audience researches carried out, regional production studios established, HRD Master Plan implemented, Media Resource center established, financial sustainability enhanced, commercial FM station established, and the MSO strengthened.

These activities, wide-ranging in scope and nature, will bring all changes required for the new political era and some major developments aspired by the BBS. The media is expected to become "responsible and free" and facilitate the growth of a sound democratic system. As such, media laws and regulations are put in place and private newspapers and radios are being licensed.

The BBS, more than any media organizations, has felt the drastic changes in socio-economic and political systems- especially in terms of increased roles and responsibilities, its uncertain status in the new era, and its funding issues. The path to the future will be determined by these issues.

The BBS envisions itself as a 'state-broadcaster' headed by a Secretary General under the Board of Directors as it has been functioning more or less for the last decade. However, this status has to be recognized by the parliament, the National Assembly of Bhutan, and provided with a new charter coherent to the new system that is going to come in 2008. The roles and responsibilities, endowment funds and the independence from the government and other powerful agencies will be determined by the charter.

The key role for the BBS in the post 2008 era will be to lead other media organizations towards "free and responsible media" as enshrined in the Constitution. This requires setting standards and paving ways of reporting in a responsible manner while also exercising journalistic freedom. The responsible media will help in ushering in the responsible form of governance.



There cannot be a successful democracy without successful media. And private media or commercial broadcasters have to be balanced by strong public service or state broadcasters to form a responsible media industry in the country.

