



# OUR AIMS

To be the world's best-known and most respected voice in international news, thereby bringing benefit to the UK, the BBC and to audiences around the world.

To provide the most trusted, relevant and high-quality international news in the world – an indispensable service of independent analysis and explanation, with an international perspective that promotes greater understanding of complex issues.

To connect and engage audiences by facilitating an informed and intelligent dialogue – a global conversation – which transcends international borders and cultural divides, giving audiences opportunities to create, publish and share their views and stories.

To enable people, by so doing, to make sense of their increasingly complex world and, thus empowered, lead more fulfilling lives.

**COVER** User generated content from the streets of Tehran became central to BBC World Service coverage of Iran's presidential elections – pictured, a woman wearing an Iranian flag uses a mobile phone on the streets of the capital in June 2009



02



06



12



14



16



20

OUR AIMS	25 AWARDS RECOGNITION
01 A YEAR IN NUMBERS	26 MEASURING OUR PERFORMANCE
02 DIRECTOR'S OVERVIEW	30 FINANCIAL REVIEW 2009/10
06 A YEAR IN REVIEW	31 AUDITOR'S REPORT
06 HAITI EARTHQUAKE	32 FINANCIAL STATEMENTS
10 IRAN'S ELECTION CRISIS	35 STATEMENT OF ACCOUNTING POLICIES
12 AFGHANISTAN'S STORY	38 NOTES TO THE FINANCIAL STATEMENTS
14 MULTIMEDIA AFRICA	52 GOVERNANCE
16 GLOBAL HEALTH	FURTHER INFORMATION
18 AUDIENCE IMPACT	
20 GREATER COLLABORATION	
24 BBC WORLD SERVICE BOARD	

The BBC World Service Global Audience Estimate is derived from independent research. This year's average weekly audience figure incorporates new data from 25 countries – 57% of this year's audience.

22 million

BBC Arabic's total audience – now our largest language service

39%

Increase in visitors to BBC World Service online

180 million

8.4 million

BBC Burma total audience – an increase of 1.3 million

Overall BBC World Service audience on radio, TV and online

3.1 million

BBC Persian's estimated viewing in Iran

10 million

20 million

Decrease in short wave radio listening – impact felt particularly in Bangladesh, India and Nigeria

1.4 million

Audience increase in Tanzania

Listeners in Afghanistan

600,000

US audience gain, primarily through partner radio stations

72%

Increase in the estimated audience of non-English television

70%

Traffic increase to BBC Global News mobile pages on bbc.com

**“** The figures show the success of our multimedia strategy and investments for global audiences. But the continued dramatic decline in short wave listening shows that those audiences are rapidly changing the way they access international news. Unless BBC World Service can accelerate its response to those changes, it will face a rapid deterioration in its impact”

**Peter Horrocks, Director of BBC World Service & BBC Global News**

# RISING TO THE GLOBAL CHALLENGE

BBC World Service delivered outstanding journalism on radio, television, online and mobile platforms, bringing a wider perspective to audiences in closer collaboration with other parts of BBC Global News



## PETER HORROCKS

DIRECTOR, BBC WORLD SERVICE  
Peter Horrocks became Director of BBC World Service in April 2009. He assumed the overall responsibility as Director of BBC Global News in February 2010.

**T**his is my first overview of the year as Director of BBC World Service. It is a privilege to assume responsibility for the world's most respected international news organisation and BBC Global News at such a crucial point in its long and remarkable history.

The enduring respect and affection people have for BBC World Service was brought home to me when I visited India, Pakistan, Afghanistan, Egypt, Nigeria, Kenya and Angola during the year. The challenge lies in making the changes necessary to retain our reputation for the future at a time of profound economic, social and technological change. Global audience measurement reveals that the inevitable decline in short wave listening has gathered pace, as predicted. The impact proved particularly significant in India and Bangladesh. The net result was a fall in BBC World Service's global weekly audience from the 2009 peak of 188 million to 180 million, although the BBC World Service English audience is broadly level at just under 40 million. And, overall, the total radio, television and online audience for BBC Global News is up from 238 million to 241 million.

engaging audiences and standing out in a crowded market. Mobile phone and internet development is also making an increasingly important contribution. There has been encouraging take up of new mobile phone applications in Hausa and Swahili, where the BBC is at the leading edge of developments.

To gauge BBC World Service's wider effectiveness, it is essential to take into account its role in raising editorial standards. We are only beginning to appreciate the full impact of our journalism on local media and even on the course of events. When I was in Kenya, for example, I saw how newspapers trusted BBC Swahili to verify reports of witness intimidation. In Nigeria, President Umaru Yar'Adua's exclusive interview for BBC Hausa shortly before his death played a central role in the country's constitutional debate. After months of speculation about his health, he spoke to the BBC because it symbolised credibility. It's this kind of exclusive interview which reinforces our impact – we get the interviews that others can only hope for and they make headlines across the globe.

## INSPIRING NEW GENERATIONS

We are also working to raise standards through both BBC World Service and BBC World Service Trust training programmes, developing and inspiring new generations of journalists and instilling values of independent journalism in other media organisations around the world. Initiatives include journalism training for online bloggers in Syria, phone-in training for rural stations in Uganda and radio training in Sudan ahead of the country's first election in 24 years.



### BBC GLOBAL NEWS

BBC World Service is part of an integrated international news and information division. BBC Global News was formally established on 1 December 2002 and comprises BBC World Service, BBC World News, the BBC's international news online services, BBC Monitoring and BBC World Service Trust.

### AT THE LEADING EDGE

The headline figures only tell part of the story, however. The strategic move into Arabic and Persian television channels has been vindicated, although accurate measurement is difficult in countries such as Iran, where contact with the BBC is a prohibited activity. BBC Arabic's 24-hour television channel has achieved high professional standards and is now placing more emphasis on creative ways of



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**01** The high profile of BBC Persian, as the main source of independent news and analysis, caused some pro-government protestors to publicly demonstrate against it.

**02** Nigerian President Umaru Yar'Adua's exclusive interview for BBC Hausa played a central role in the country's constitutional debate. **03** BBC International Development Correspondent Mark Doyle interviewing Haiti President Rene Preval shortly after the country's devastating earthquake.

BBC World Service stands out from other international broadcasters through its ability to present a truly global point of view. In covering Afghanistan, for example, we can do more than embed journalists with the armed forces. Our teams can talk to Afghan villagers, telling international and UK audiences what they think about the issues that affect them. The investigation into fraud and corruption in Afghanistan's general election was one of the year's outstanding pieces of journalism.

We are determined to harness the contribution of every language service to the full, sharing content and expertise more effectively with all the BBC's global media platforms and also with UK audiences. During the year we made important progress in ensuring contributors

have the right skills and news contacts to access the English output, and a new video hub enables all language services to exchange video content. As a result, BBC World Service journalism achieved greater exposure across the BBC, combining efficient use of resources with greater depth and insight to our news programmes.

### COLLABORATION ACROSS BBC GLOBAL NEWS

The reorganisation of BBC Global News announced in March 2010 is an important step in preparation for the move to the BBC's multimedia news centre in London W1 in 2012. It integrates senior editorial roles where possible whilst retaining audience brands and accountability mechanisms as necessary. Collaboration

across BBC Global News ensures we can share language service content and expertise more effectively with all the BBC's global and UK media platforms.

The outcome will be more content like the SuperPower season, which explored the power of the world wide web, one of the programme highlights of the year. BBC World Service English joined forces with the BBC World News television channel, bbc.com and our language services to bring a range of stories and perspectives, including fascinating insights from Afghanistan, Iraq and Nigeria.

Sharing content made an outstanding difference throughout the bitterly contested re-election of Iranian president Mahmoud Ahmadinejad and its aftermath. Within months of its launch, BBC Persian →

**“ We are determined to harness the contribution of every language service to the full, sharing content and expertise more effectively with all the BBC's global media platforms and also with UK audiences ”**



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→ television was regularly contributing to BBC news channels for the UK and around the world. For audiences in Iran, BBC Persian's multimedia service provided impartial news, an alternative perspective and a forum for debate. A significant aspect of its appeal included non-news content – music, cultural and interactive programming – giving people an insight into Iran's relationship with the wider world and how its future might be.

The advantages of increased collaboration were also apparent in our outstanding coverage of the earthquake in Haiti. The international teams united against the odds, not only to cover the news and bring lifeline programming, but to extend FM transmission and even launch a Creole language service on air through those crucial early days. A true testament to what we can achieve when we work as one.

### CITIZEN JOURNALISM

The volume of videos, text messages and emails that BBC Persian received demonstrated another of the year's key themes. Video sharing and social media have grown dramatically in importance, both as a journalistic source and a way of distributing content. BBC programme-makers have had to adapt. They must ensure that information from social media networks is authenticated and validated, and interactive programmes reflect a range of views. On the distribution side, many English programmes and language services have set up Facebook sites and Twitter feeds which are providing links to news stories.

BBC World Service will be a standard setter in the new platforms and the new spaces, just as it has over the years in radio. The BBC global news podcast

is the BBC's most successful, with around two million downloads a month. Our interactive content on radio, television, online and mobile applies the same high standards, ensuring that people with opposing views can disagree with each other, but we hold the ring in a rational and courteous way. Our aspiration is to have more television programming and more video that is available on a variety of platforms, including online.

In an extremely tough financial climate, with continued uncertainty over future public spending plans, BBC World Service maintained its strong track record of achieving efficiency and cost-saving targets.

The BBC World Service Choices programme involved staff in establishing future priorities and savings opportunities. We are ready to move fast and flexibly when the funding outcome is known.

**“ We are only beginning to appreciate the full impact of our journalism on local media and even on the course of events ”**



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The breadth and depth of expertise that I have found at BBC World Service is remarkable. Never before have I worked with such an extraordinary, diverse and passionate group of people, bringing together so many different cultures, nationalities and perspectives. I am grateful to them all and would also particularly like to thank Nigel Chapman, former Director of BBC World Service, and Richard Sambrook, former Director of BBC Global News, for the legacy they left to build upon.

BBC World Service is an enduring gift to the world. Over the decades, the UK has given sustained support to the principle of news with guaranteed editorial independence. I am confident that we shall rise to the challenge of upholding those precious values in the very different media environment of the future. ■

**04** Director of BBC World Service Peter Horrocks is pictured with Head of BBC Somali Yusuf Garaad Omar (far right) at SuperPower Nation Day at Shoreditch Town Hall, London, in March. The event was a six-hour experiment using an automatic machine translation service to see how the internet can break down language barriers. Speakers of Arabic, Chinese, English, Indonesian, Persian, Portuguese and Spanish communicated with each other from around the world. **05** BBC's Aftershock season explored how the global recession, epitomised by the collapse of global investment bank Lehman Brothers, had affected people's lives. **06** BBC presenter Ros Atkins hosts *World Have Your Say* in Miami, US, following the death of singer Michael Jackson. **07** BBC reporter Hugh Sykes interviewing two Pashtun farmers in Afghanistan. **08** Nigeria is now the largest African market for traffic to BBC mobile sites. **09** BBC Somali continues to play a pivotal role in sharing the ongoing Somali pirates story across the world. Pictured are pirates captured by a Portuguese Navy frigate in the Somali Basin off the Seychelles. **10** Vote-rigging allegations during the Afghanistan presidential election were investigated by BBC World Service teams working closely with colleagues in BBC News. **11** BBC World Service Trust Project Director Hannington Muyenje leads a session on in-studio behaviour for community leaders in Uganda.



### WHAT THE BBC STANDS FOR

With huge global interest in the Haiti earthquake, several language services sent their own teams to cover the story. Among them was BBC Arabic television, whose reporter and cameraman were among the first to find fake charity workers involved in kidnapping children, which developed into a lead story. "Co-operation on the ground between all the BBC news teams was paramount to our success," says BBC Arabic reporter Abderrahim El-Farsi. "After I came back from disaster-stricken Haiti, a senior colleague from Al Jazeera told me it was a reminder of what the BBC really stands for. I felt proud of the work we did there."



# GIVING UNIQUE LIFELINE SUPPORT

With Haiti's infrastructure and traditional media devastated, BBC World Service quickly stepped in to fulfil two vital roles. It provided life-saving information to people directly affected, including the launch of the BBC's first-ever Creole programme, and kept audiences around the world up to date with breaking developments

**W**hen a massive 7.0-magnitude earthquake struck Haiti on 12 January, BBC World Service responded swiftly. With the country's infrastructure devastated and hundreds of thousands of people killed or injured, coverage of the disaster presented major editorial and logistical challenges. Close collaboration proved critically important as news teams from English and other language services shared information and efforts to deploy correspondents.

The BBC fulfilled two vital roles: bringing the latest news to audiences around the world and providing information and support for people directly affected by the earthquake. It was one of the first news organisations to arrive at the scene, delivering high-quality multimedia reporting in English and other languages. The BBC Caribbean service provided analysis and information about Haiti and its local politics to many BBC news outlets, as well as expanding its own online and radio operations, with regular updates on *Caribbean Report*. Newsgathering's correspondent Matthew Price and BBC World Service producer James Fletcher were among the first journalists into Haiti following the earthquake, and their reports from the hospital grounds in Port-au-Prince were used extensively across the output. *The World Have Your Say* team happened to be in Florida at the time and, by making contact with the Haitian community, were able to reflect the diaspora's anguish and distress in a series of powerful programmes.

**01** A crowd of people wait for goods to be thrown from the roof of a partially collapsed warehouse in downtown Port-au-Prince.

## CONNEXION HAITI

Special lifeline services were launched in response to the humanitarian crisis, initially in French, Spanish and English, then in the Haitian national language, Creole. A full multimedia and multilingual team was assembled to broadcast from the BBC Mundo newsroom in Miami. *Koneksyon Ayiti* (Connexion Haiti) was available on satellite, online and via social media, as well as being transmitted on FM through Radio France Internationale transmitters in six cities.

The BBC's first-ever Creole programme was a key source of information to Haitians, including rescue and aid teams on the ground. It relayed vital updates, such as the location of a temporary hospital, water supplies and food drops. →



## COLLABORATIVE WORKING

It was clear from the start that it would be extremely difficult to communicate with news teams in Haiti and for them to operate in the field, given the extent and magnitude of destruction in the country. Collaborative working was the key to the success of the whole operation. "We worked very closely together, collaborating and sharing many pieces of information and efforts to deploy correspondents around the island," says Executive Editor of Americas, Americo Martins Dos Santos. "The end result was high-quality reporting in all outlets, from the multimedia English output in Global News to the several language services that deployed their own teams to cover the tragedy."



## PATIENCE AND RESILIENCE

The BBC's International Development Correspondent Mark Doyle reported live from Haiti in the early days following the earthquake, mainly for *Newshour* on BBC World Service, but also for domestic BBC radio programmes. He broadcast from wherever he could and recalls the moment when this picture was taken by BBC reporter James Fletcher.

"The man standing by the door is the radio team's security adviser. He's wearing a handkerchief over his mouth because there is a dead body nearby. A few moments earlier a crowd of hungry people had surged past us, helping themselves to sacks of rice off the back of a moving lorry. I was very pleased he took up the position to protect the broadcast equipment and myself.

"Most Haitians had shown enormous patience and resilience, and despite being made homeless and seeing their loved ones die violently, most people queued patiently for food aid. As it turned out, they didn't get much aid and that became the story."



→ Launching the programme in just four days was a major challenge. With the BBC's only freelance journalist in Haiti homeless after the earthquake, producers from the BBC World Service newsroom and a Creole speaker from BBC Caribbean were joined by Creole-speaking presenters recruited from the Haitian community in Miami. The BBC World Service Trust advised on best practice for lifeline radio, helping to ensure that local voices and experiences were fully reflected.

"Inside Haiti there are millions who are trying to get on with their lives and find a way out and back from the devastation caused by the earthquake – not only in Port-au-Prince but in many other cities, like Leogane and Jacmel," reported Emilio San Pedro, Americas Editor for BBC World Service news and one of the *Koneksyon Ayiti* team. "Our programme's

aim was to help the survivors cope, to learn to move on and to rebuild."

Sixteen-year-old Pennaise Macary was reunited with his Haitian-American mother after sending a text to the BBC's lifeline number. "One of the strengths of the programme was the interaction with the audience on a daily basis via emails and text messages," says Marie-Claire Williams, one of the editors. "A highlight was the success in reuniting a boy in Port-au-Prince with his mother in Boston – this was a reminder of what the programme was really about."

"The programme offered much-needed basic information about the rescue and reconstruction efforts," says Executive Editor of Americas, Americo Martins Dos Santos. "It had a great impact and provided the survivors of the tragedy with a unique service that helped them at the time they most needed us."

## FILLING THE MEDIA GAP

In the immediate aftermath of the earthquake, with traditional forms of communication out of action, new and emerging media filled a crucial gap, breaking news direct from devastated areas. Much of the information available came via Skype and Twitter, and BBC World Service used the same tools to inform people about its lifeline programming. The website [bbccaribbean.com](http://bbccaribbean.com) ran a Twitter site dedicated to Haiti and covered reaction from the Caribbean and Haitian diasporas. BBC Monitoring added video sharing and social media from Haiti to its sources for all news outlets.

## CARIBBEAN FOCAL POINT

BBC Caribbean was the focal point for much of the coverage of the earthquake and its aftermath. It gave background information to many BBC news outlets for UK as well as international audiences.

"When the story and the needs of the Haitian people could both be served by a large and often complicated news organisation such as the BBC, there is a sense of gratitude that public service



**Co-operation on the ground between all the BBC news teams was paramount to our success"**

**Abderrahim El-Farsi, reporter, BBC Arabic television**



**02** Mobile texts to the BBC's lifeline programmes helped reunite families. Keeping their phones charged ensured Haitians could connect with the outside world. **03** BBC International Development Correspondent Mark Doyle broadcasting from a makeshift studio in Haiti. **04/05** The BBC's Creole-language broadcasts gave Haitians the information they needed to cope with the trauma of the earthquake and start rebuilding their lives. **06** UN peacekeeping troops allow BBC Arabic reporter Abderrahim El-Farsi and his cameraman to film from the top of their armoured car in front of the presidential palace in Port-au-Prince. **07** BBC World Affairs Correspondent Matt Price preparing to go live from Haiti.

broadcasting can be more than the daily news agenda," says Debbie Ransome, Head of BBC Caribbean.

As the work of reconstruction goes on, the service is committed to keeping the story alive with people on the ground.

**SPANISH AND FRENCH SERVICES TEAM UP**

The lifeline service for Haiti was initially launched as a combined operation between the BBC Afrique (French for Africa) and BBC Mundo (Spanish) services, together with the flagship English-language news programme *Newshour*. French is widely

understood in Haiti. In two special short wave transmissions on the weekend after the earthquake, BBC Afrique got through to UNICEF on the ground to find out about aid efforts and give practical advice to survivors on how they could track down family members. "It demonstrated the BBC's capacity to provide news and information to those who need it most," says Razvan Scortea, Head of BBC Afrique. "It was also a great example of collaboration between different parts of BBC World Service and it opened the way for the special Creole transmissions that followed." ■

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**ONLINE IMPACT**

Sharp increases in usage were recorded by online services in the aftermath of the earthquake. On 13 January, BBC Mundo attracted 459,000 unique users, 108% higher than an average day in 2009. Video requests reached more than 300,000 per day. The BBC Caribbean site recorded a 144% increase in page impressions during the first morning.

**“ Connexion Haiti had a great impact and provided the survivors of the tragedy with a unique service that helped them at the time they most needed us”**  
**Americo Martins Dos Santos, Executive Editor of Americas**

# CITIZEN JOURNALISM COMES OF AGE

Iran's presidential election represented a watershed moment for BBC Persian. As the government jammed its television broadcasts to the country and websites were shut off, it became a platform unrivalled in its ability to give Iranian citizens a voice and a means to share news across their country and around the world

In the aftermath of Iran's 2009 presidential election, BBC Persian was receiving up to eight user generated communications per minute. As videos, text messages and emails flooded in, the integrated news and information service became the focus for citizen journalism during the most serious crisis in the country since the 1979 revolution. BBC Persian gave Iranians a voice and a way of sharing information, as well as providing a source of fair and balanced news. The online television streaming service was requested eight million times in just one month.

*Nobat-e Shoma* (Your Turn) is BBC Persian's leading interactive programme. "The volume of user generated content we were receiving overwhelmed us. We were receiving thousands of emails, photos and videos, sent to us to spread the news and share images of what was happening in Tehran and other cities," says presenter Pooneh Ghoddoosi, who hosts the show. "As the Iranian government closed down lines of communication, and limited the domestic and foreign media, our job became even more demanding. The Interactive team, with its small six-member group, became essential to covering the news. Eventually these submissions become the cornerstone of our coverage of events and video was used in UK and international news output across the BBC, on TV, radio and online."

One of the biggest challenges was verifying the user generated content (UGC) and deciding what was appropriate for transmission. BBC Persian worked closely with the BBC's domestic UGC Hub to establish systems to handle the content and confirm accuracy. "It was a formidable task," adds Pooneh. "Some of these were broadcast after they were carefully verified – others were impossible to verify or too graphic to broadcast."

## DEDICATED SERVICE

As the protests continued and turned violent, the Iranian authorities imposed severe restrictions on the media. BBC Persian staff were already unable to operate in the country and, at one point, other reporters were banned from covering any demonstrations.

Foreign journalists were either not having their visas extended or were being asked to leave, including the BBC's permanent Tehran correspondent Jon Leyne, who had been the only resident staff correspondent for a Western broadcaster in Iran. He was given just 24 hours to leave after reporting some of the biggest demonstrations since the foundation of the Islamic Republic three decades earlier.

"What marked out our coverage was the long-term commitment of the BBC to the story," he says. "I was in Iran for two years before the election, giving me a depth of knowledge and confidence



## NEWSWEEK MAGAZINE NAMES BBC PERSIAN AS ONE OF ITS "20 MOST POWERFUL PEOPLE IN IRAN"

"The ban on satellite dishes is widely ignored: Iranians want news they can trust, not state TV. The Persian Voice of America is too pro-Washington for some. Since early this year, many have turned instead to the BBC and popular anchors like Farnaz Ghazizadeh."

in making judgements about what was going on that I simply could not have provided on a brief visit."

Despite the setbacks, the BBC had its largest team in Iran for many years during the election, including veteran Iran specialists Lyse Doucet and John Simpson, as well as Hugh Sykes and, for a week following the election, Jeremy Bowen.

The BBC maintained its commitment to presenting a full range of views, despite determined opposition by the Iranian authorities, which included an ongoing block on the BBC Persian website, [bbcpersian.com](http://bbcpersian.com), and deliberate interference with satellite television signals. Despite being largely blocked, [bbcpersian.com](http://bbcpersian.com) continues to receive the highest amount of traffic of all BBC World



## VOICES FROM IRAN

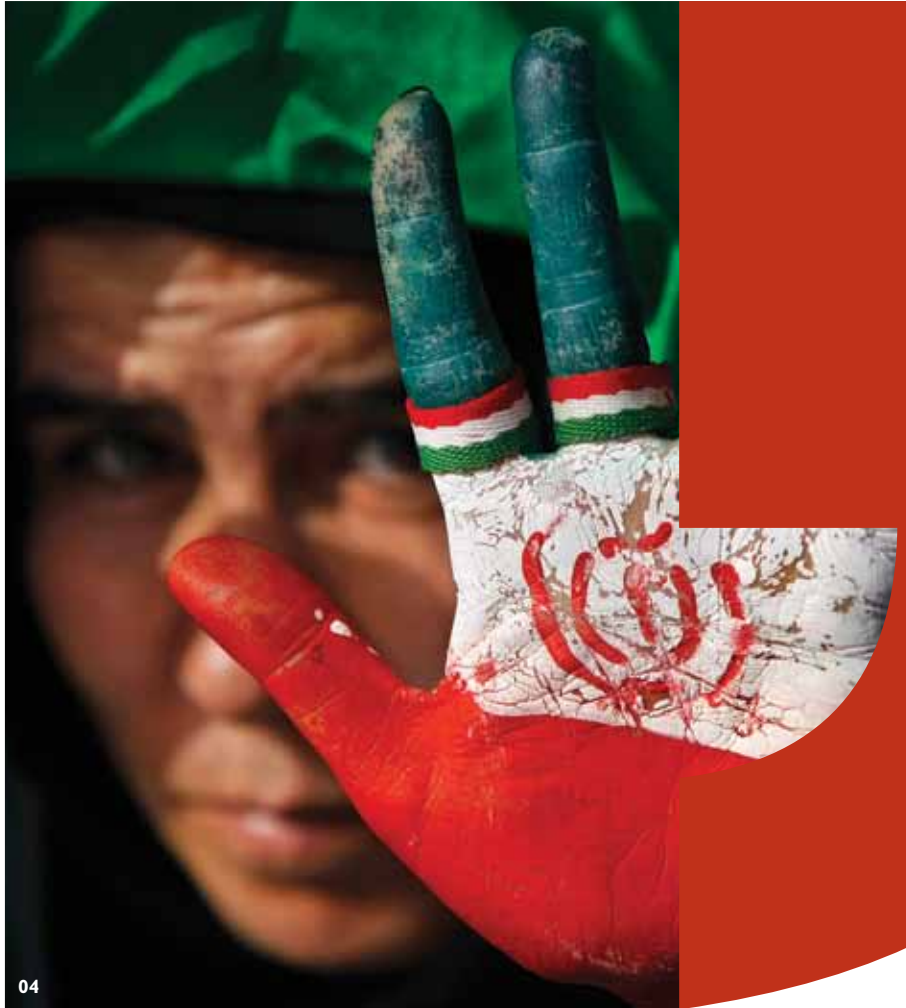
"One of the reasons why these people are so annoyed about Britain is only because BBC Persian has been able to open the eyes and ears of the Iranian people in a place where they have kept people's eyes and ears closed, and could feed whatever they wanted to us. Now they feel

*pain from deep inside, because whatever they say, the next day you tell the truth about it."*  
Massoud (male)

"We have got addicted to you in this short time and approve of you from the bottom of our hearts. Everybody talks about you and unfortunately we have been unable to watch your programmes for a while."  
Shirin (female)

"I always thought BBC is a liar and biased news agency, but in this election I learnt a lot about things to the point that I no longer watch Iranian channels and just watch BBC Persian over the internet." Mehdi (male)

"We can no longer get your channel. Security forces are collecting satellite dishes from houses. We are being isolated. Help us."  
Anonymous



Service language websites. In June 2009, when the election took place, it recorded close to 50 million page impressions, up from 16 million the previous month.

Jamming intensified in December 2009 when the BBC covered the death of a leading reformist, Grand Ayatollah Hossein-Ali Montazeri. That same month, BBC World Service Director Peter Horrocks said: "The fact that someone would go to these lengths to jam BBC Persian television's signal is indicative of the impact we make in Iran. The Iranian people want to know the truth about what is happening in their country and they know they will get impartial and independent news from the BBC. We'll do everything we can to give them that news."

This move by Iran has been condemned by the BBC and other international broadcasters. The BBC continues to use online, email and radio to encourage viewers to switch to alternative satellites.

### LOOKING AHEAD

The events of the past year clearly demonstrate that BBC Persian has successfully created a new, interactive relationship with its audience. Those at the epicentre of major news stories are actively sharing their personal experiences and eyewitness reports with the channel. The challenge is how to embrace that new-found dialogue and both authenticate and analyse UGC content, while continuing to uphold the BBC's values of accuracy, fairness and objectivity. ■

**01** Former UK Secretary of State for Foreign and Commonwealth Affairs David Miliband being interviewed by Enayat Fani for BBC Persian. **02** BBC's Tehran correspondent Jon Leyne (left) was given just 24 hours to leave Iran by the nation's authorities after reporting on the country's demonstrations. **03** User generated footage showed the events of 15 June 2009 when Tehran University students were dragged from their dormitory beds and beaten by plain-clothed militia and police. Nearly eight months later it was sent to BBC Persian, which verified its authenticity before running edited clips on television and the full nine-minute footage on [bbcpersian.com](http://bbcpersian.com). The publicity resulted in a parliamentary inquiry. **04** A female supporter of Iranian President Mahmoud Ahmadinejad displays her hand painted with the Iranian flag, also used as a sign for his party.



### MEETING THE OBJECTIVE

Focusing on news provision on BBC Persian TV, 38% of all those in Tehran consider its presence to be either fairly or extremely important. This rises to 53% when we focus on PTV's monthly viewers, while 33% consider news on the channel to be extremely important. The higher rating for the news content on the channel reflects the strong need for objective news sources in Iran.

Source: BBC audience research



*Our young channel has already earned a reputation as a source of uniquely credible, unbiased reporting. We have also become experts on the phenomenon of user generated content in news, as we continue to forge a closer, more direct relationship with our audience” Sadeq Saba, Head of BBC Persian*

# TELLING THE WHOLE COUNTRY'S STORY

BBC World Service was once again at the forefront of the year's biggest breaking stories and, in a challenging environment, pioneered innovative approaches to questioning those in power as well as getting the perspective from people living in the remotest areas

**O**perating in difficult conditions, BBC World Service's local language teams ensured unique access to Afghanistan. They made it possible to talk not just to military and political figures, but to people in villages and communities beyond the reach of other international broadcasters. It was a year that saw President Hamid Karzai controversially re-elected and months of continuing violence, marked by suicide attacks in Kabul and further military fatalities within the NATO-ISAF coalition. The teams contributed to coverage of key issues, including the exposure of voter fraud, by working in close collaboration with other parts of BBC Global News and across the whole of the BBC.

On election day, Pashto-language and Dari-language radio coverage was extended. As well as an interview with President Karzai, highlights included reports from remote areas, and much of the material was used by other BBC outlets. A good example is the special Pashto programme for southern Afghanistan which examined the impact of violence on both sides of the border with Pakistan. BBC World Service's interactive programme *World Have Your Say* linked up with BBC Pashto for the second round of the election. The accusation of vote rigging emerged from *Newshour's* interview with the rival candidate Abdullah Abdullah, who pulled out of the run-off.

Andrew Whitehead, BBC World Service Editor of Core News, says the

challenges of reporting Afghanistan's election were almost of the same magnitude as the task of holding the polls: "We had to strive to reflect the full range of Afghan views, including views of those not taking part in the elections. We needed to examine the conduct of the voting and to report the increasing unease – in Afghanistan and beyond – about alleged irregularities. The great advantage the BBC has is the range of its expertise, journalists across Afghanistan working in Pashto and Dari, correspondents in the BBC's Kabul bureau, BBC World Service and BBC World News correspondent and presenter Lyse Doucet, and the insight of BBC Monitoring."

## GROWING PRESENCE

The BBC is a trusted presence in Afghanistan, says Dr Lutfullah Latif, Head of the BBC's Afghan service: "The BBC makes a difference in Afghanistan. It is so trusted, that many audiences usually wait to confirm their news with the BBC after listening to other media. We are also making a big impact on the local media by setting the news agenda. We not only give the news, but also the real meaning of it."

Despite the difficulties, FM coverage was improved during the year with the installation of a new relay in Farah. The BBC is now available on 20 FM stations, as well as short and medium wave. The website increased its users by 25% from March 2009 to February 2010. It has recently relaunched with multimedia functionality and was the first site in

Pashto for mobile phone users. "The Afghan government hopes that, by 2012, half of the Afghan provinces will have access to the internet," adds Lutfullah. "We hope the new website will improve existing users' experience and attract new ones."

## MAKING HISTORY

On the eve of the Afghanistan conference in London in January, BBC World Service staged a historic Downing Street debate with the then Prime Minister Gordon Brown and President Hamid Karzai. An invited audience of students put their questions in the programme, which was chaired by our hugely well-connected presenter and Afghanistan expert Lyse Doucet and covered widely by other BBC news outlets.

Lyse recalls: "'Why would they do it?' was one of my editor's rational responses to the suggestion that we ask Gordon Brown and Hamid Karzai, two leaders under great pressure, to sit together and take questions from Afghan and British students on the sidelines of the London Conference on Afghanistan in late January.

"'We should do it,' was the reply of Peter Horrocks. This was a story where we have made a difference for decades with our broadcasts in English, Pashto, Dari and Persian. Never mind that Hamid Karzai and Gordon Brown had to confront challenging questions from their own young citizens.

"The President told me he really enjoyed it. The Prime Minister said, with some obvious delight: 'We've never done this at Downing Street before.'"

The BBC Afghan service also interviewed three British cabinet ministers for a series of multimedia broadcasts, while BBC Pashto contributed to a special edition of *The World Today*, which included interviews with the mothers of a British soldier who had died in Helmand, an Afghan soldier and a Taliban fighter. ■



**The BBC makes a difference in Afghanistan.**

**It is so trusted, that many audiences usually wait to confirm their news with the BBC after listening to other media"**

**Dr Lutfullah Latif, Head of BBC Afghan service**



### BUILDING THE AUDIENCE

The BBC has a very strong brand in Afghanistan – 85% of adults are aware of BBC radio, 73% have listened to it and 59% listen weekly. Listeners tend to tune in regularly – two-thirds of our weekly audience listen almost every day, suggesting that we are a primary news source for many of our listeners.

Source: BBC audience research

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**01** The BBC launched the first site in Pashto for mobile phone users. Pictured are supporters taking photographs of Afghan presidential candidate Abdullah Abdullah with their mobile phones at the end of a rally in Bamiyan province. **02** At a special debate hosted by the BBC's Lyse Doucet, Prime Minister Gordon Brown and Afghan President Hamid Karzai take questions from an audience of Afghan and British students at 10 Downing Street, London. **03** BBC World Service teams worked closely with colleagues in BBC News to report allegations of vote rigging during the presidential election.

# MULTIMEDIA JOURNALISM WITH IMPACT

With mobile phone usage soaring across Africa, BBC World Service has responded by introducing a range of flexible, new multimedia services to cater for audience demand, while the number of stories generated by the various language services for the English newsroom has nearly tripled

**B**BC World Service introduced new multimedia services for Africa in a year when its journalism achieved growing impact. More than 76 million people a week accessed BBC services for Africa on radio, online and mobile, despite intense competition in key markets such as Nigeria and Kenya, where audiences fell.

Mobile subscriptions across Africa are forecast to reach nearly 790 million by the end of 2014. It's an exciting opportunity and one BBC World Service has responded to with the launch of an online offer for mobile phones in five key languages. Mobile phone users can now connect to a wealth of BBC material, from regional and international news to programme information and sports headlines via mobile phone websites in Hausa, Swahili, Somali, Portuguese and Kirundi/Kinyarwanda for the Great Lakes region.

## YOUR NEWS IN YOUR PALMS

Nigeria is the largest market in Africa for traffic to BBC mobile sites. More than 60% of all Nigerian traffic comes from mobile phones. Jamilah Tangaza, Head of BBC Hausa, says there are marked increases when the BBC covers a big story. "One such occasion was our exclusive interview with the ailing Nigerian President Umaru Musa Yar'Adua, following a silence of 90 days since his departure to Saudi Arabia for treatment. The number of users to the BBC Hausa mobile site increased significantly and the story was picked up by news outlets across the world. The interview became the focus of constitutional debate and government

officials explained that the president spoke to the BBC because of BBC Hausa's impeccable journalistic reputation."

Jamilah's team has also pioneered a new approach to connecting with hard to reach audiences. Labarinku A Tafinku (Your News in Your Palms) has given mobile phones to six villages in northern Nigeria so they can send in reports and pictures about their communities.

Audience involvement has also grown as BBC programmes offer increasing interactivity through text messaging and social media sites such as Facebook and Twitter. When US President Barack Obama visited Africa, reaction on the English for Africa interactive programme *Africa Have Your Say* featured prominently on [bbc.com](#).

The pace of technological change was explored in the English for Africa season *Connected Africa*. A new fibre optic cable is bringing high-speed internet to East Africa, encouraging countries such as Rwanda to develop ambitions for a digital-based economy.

New technologies and increasing collaboration with other parts of the BBC also played a key role in the BBC's coverage of other major African news stories, from Somali piracy and the massacre of protesters in Guinea, to the leadership of South Africa's new President Jacob Zuma. They are also playing an increasing role in the BBC's coverage of football to the continent.

## ON THE BALL

BBC World Service broke the news of the ambush on the Togo football team



## MARKING MILESTONES

Collaborative multimedia reporting was also a feature in the run-up to the G20 summit, exploring the impact on Africa of changes in the global economy. The debate over Africa's place in the world became a major topic, as South Africa prepared to stage the football World Cup and 17 African countries looked forward to celebrating 50 years of independence. Elsewhere, International Development Correspondent Mark Doyle spanned the continent for his series *Why is Africa Poor?*, while Africa Editor Martin Plaut explored what relief aid meant for victims of Ethiopia's famine in *Assignment*.

in Angola. Sports presenter Farayi Mungazi was live on air, announcing the winner of the BBC's African Footballer of the Year competition, when he got the tip-off. Sports journalist Matthew Kenyon's exclusive on the spot interview with Togo's best-known player, Emmanuel Adebayor, made headlines worldwide, while sports presenter Richard Connelly used Twitter to keep audiences up to date with the story.

BBC Hausa received more than 100 messages a day during the Africa Cup of Nations, mostly via Facebook. One Nigerian listener in Belgium commented: "BBC, we are really enjoying your Nations Cup coverage. You have demonstrated that you are ready to maintain your leading role both on air and online."

Meanwhile, BBC Swahili – which already attracts millions of listeners to FM partners in Kenya and Tanzania with its weekly coverage of the English Premier League – reported a nearly five-fold increase in page impressions when its online Africa Cup of Nations content was made available for mobile users. ■

**“BBC World Service is playing an essential role in ensuring that African audiences can take part in a global conversation” David Stead, Editor of African English Production**





## AFRICA'S FOOTBALL STATION

Sport – especially football – is a major attraction for the BBC's English-speaking African audiences. Programmes like the flagship weekly sports programme *fasttrack* keep listeners up to date with African players at home and abroad. The website [bbcworldservice.com/africanfootball](http://bbcworldservice.com/africanfootball) is a one-stop shop for the latest stories, features, match reports and analysis.

The BBC's reporting of the 2010 Africa Cup of Nations final between Egypt and Ghana offered live commentary and post-match analysis. "Through our minute-by-minute online coverage and via Twitter and Facebook, fans around the world were able to follow the action," says David Stead, Editor of African English Production. "BBC World Service is playing an essential role in ensuring that African audiences can take part in a global conversation."

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### SPORTS JOURNALIST MATTHEW KENYON RECALLS THE ATTACK ON THE TOGO FOOTBALL TEAM

"As far as I could tell I was the only reporter in Cabinda. The attack on the Togo bus had happened just hours before and, waiting outside the team hotel, I saw the squad walking down the road from the nearby hospital.

"There was no security, no one in authority to stop me – so I approached the team and asked to speak to someone. I was introduced to the assistant coach, who told me to talk to Togo's best-known player, Emmanuel Adebayor. He was only too happy to describe, in horrifying detail, exactly what had happened in the brutal assault which left two of their party dead and a third with serious injuries.

"His words, broadcast on the BBC, made headlines across the world. There followed four days of the most intense reporting of my career as Togo decided their future, and then I went back to covering a football tournament."

01 BBC broadcasters Farayi Mungazi (left), Matthew Kenyon (centre) and Richard Connelly (right) commentating at the Africa Cup of Nations. 02 Peter Horrocks pictured with football fans in the Nairobi shanty town Kibera. BBC World Service is committed to bringing sports coverage to and from Africa and Peter took the opportunity to meet the fans and show them the BBC's African Footballer of the Year trophy while on a visit to one of the BBC's broadcast partners in Kenya. 03 BBC Hausa Head, Jamilah Tangaza, preparing to go on air live from the village of Tudun Bude in northern Nigeria.

# GLOBAL HEALTH CHECK

Shedding light on previously unheralded issues, BBC World Service and the BBC World Service Trust helped people across the globe with health programmes, while investigations raised the profile of important themes, with maternal mortality and mental health in particular brought to the fore

**H**ealth was one of the year's key issues as the BBC's international teams developed more opportunities to keep people better informed. Alongside hard-hitting special seasons on maternal mortality and mental health, there was an exploration of President Obama's healthcare reforms and an exclusive interview on *The World Today* with Bill Gates on his malaria vaccine for Africa. Regular programmes such as *Health Check* collaborated with other parts of the BBC to raise issues, while the BBC's international development charity, BBC World Service Trust, helped improve people's health by working with donor and partner organisations.

One of the United Nations Millennium Development Goals is to improve maternal health. Hundreds of thousands of women die every year during pregnancy and childbirth and the ambition in 2000 was to reduce this by 75% by 2015. Yet, as *The World Today's* Pascale Harter

reported when covering the world health ministers' meeting in Addis Ababa, Ethiopia, last October, they are falling short of the target. She interviewed hospital patients and doctors, as well as UN representatives and health ministers, for a series of reports that were broadcast across radio, television and online.

The BBC's Asia Analyst Jill McGivering followed the work of a doctor in Pakistan for *Assignment*. The UN estimates that 30,000 women die from pregnancy-related causes every year in Pakistan. In Jill's report listeners were thrust into the life and death realities of childbirth in Karachi. They also heard how surprised some people were that she was reporting the issues – death in childbirth is often not considered important in Pakistan.

Correspondent Lyse Doucet visited the Badakhshan province of Afghanistan to discover why it has one of the highest death rates for women in childbirth in the world, *Health Check* investigated why childbirth is no less deadly than it was 20 years ago and *Outlook* met expectant mothers in China, India, Kenya, the UK and the US. *Africa Have Your Say* was among the BBC programmes encouraging audiences to discuss the issue. One young woman in Nairobi, Kenya, posted: "I had my child without any ante-natal care at all, but I was very young and frightened, and I was only too lucky to have been in good care. We need mothers to be educated on the importance of taking care of themselves during pregnancy to make delivery less troublesome and seek proper medical care."

## UNIQUE SELLING POINT

BBC Russian also tackled a health issue rarely discussed in Russia with its season on mental health. The programmes, linked to World Mental Health Day, explored in depth a range of issues from psychiatry and politics, to autism and depression. Sarah Gibson, Head of BBC Russian, explains: "For us it's a unique selling point to look at these kinds of stories, because they are not standard fare for local media. But we took the opportunity to go further by looking at mental health, not only in Russia, but in specific situations elsewhere around the world."

In addition to documentaries on psychiatry and politics, on madness in fiction, and mental illness in the UK's prisons, there was an investigation of psychiatry in modern Russia. The interactive programme *Vam Slovo* (Over to You) invited listeners to exchange personal experiences and views on what could be done to avoid the mentally ill feeling isolated from society, while [bbcussian.com](http://bbcussian.com) invited people to take part in online debate and catch up with audio and video content. There was also an online feature from the Spanish-language service BBC Mundo about singer Manu Chao, who wrote music in collaboration with patients of a psychiatric hospital in Buenos Aires, Argentina.

Other broadcasts on mental health issues included exploring the human rights of those affected in China and Russia, the difficulties of admitting to depression in Kenya, and the remarkable story of people affected by the drug wars in Brazil who are being helped through the stress by a medical organisation that normally works in war zones. ■



### MOTHER COURAGE

Jill McGivering was one of the BBC correspondents who investigated the issue of maternal mortality around the world. In a rural area of Sindh Province in Pakistan she met an elderly woman cradling her great-grandson. Her daughter and granddaughter had both died in childbirth. Local people expressed amazement that Jill and her producer were there to cover a story overlooked by local media.

"Childbirth is a major killer, stoked by poverty, lack of education, little use of contraception and a poor health system, and a society in which most women make very few choices about their lives," she reported.



**"We took the opportunity to go further by looking at mental health, not only in Russia, but in specific situations elsewhere around the world"** Sarah Gibson, Head of BBC Russian

## HEROIC EFFORT

Ten years after BBC World Service Trust launched its pioneering HIV awareness and safe sex initiatives in India, its latest campaign with the Indian government was aired in February 2010. Broadcast on 41 national and regional TV channels and 65 radio stations across 50 towns and cities, the message is “risking all to rescue a condom”, as the hero flies to catch a falling pack down five flights of stairs, battling dogs and delivery men. The aim is to counter the low-risk perception of HIV among men aged between 20 and 35.

The BBC World Service Trust’s award-winning campaigns to make condoms more socially acceptable have reached 150 million men across India, achieving measurable improvements in attitudes.



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**01** BBC World Service Trust’s recent campaign with the Indian government to promote HIV awareness and safe sex initiatives featured a hero flying to catch a falling pack of condoms down five flights of stairs. **02** A midwife holds up a baby as the mother looks on at a hospital in Farah City in Farah Province, Afghanistan. Correspondent Lyse Doucet’s investigations into the high levels of maternal mortality in the country resulted in award-winning programme-making.



## MATERNAL MORTALITY IN AFGHANISTAN’S REMOTEST AREAS

Lyse Doucet first reported from Afghanistan more than 20 years ago. In 2009/10 she contributed to BBC World Service election coverage on all media platforms and investigated the counter-insurgency strategy from both the US and Afghan perspectives. She also made an award-winning programme on maternal mortality from Badakhshan province, which has one of the world’s highest recorded rates of women dying in childbirth.

Lyse reflects on the motivation behind making the programme: “Badakhshan? ‘No problem’ was the security advice. Even the Taliban didn’t conquer this remote region in the north-east when they ruled Afghanistan.

“The BBC decided to do a special series on maternal mortality. We wanted to go to the place with the highest-ever recorded rate of women dying in childbirth – and what a journey it was.

“We had four flat tyres in a mountainous region with virtually no paved roads and our car eventually broke down. The house where we stayed burnt down, a minor earthquake struck, cancelled flights left us stranded for days. But we found a place of breathtaking beauty and touching hospitality.

“We told a story of stoic mothers, determined young women training to be modern midwives and village men who were starting to question the wisdom of encouraging their wives to give birth too early and too often. The story of childbirth was, in so many ways, the story of Afghanistan.”



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# REMEMBER THE TIME

Audience interaction is central to the way that BBC World Service operates, but the enormous global response to news of the death of Michael Jackson in June 2009 went beyond all expectations, and flagged up new approaches to the story for the BBC's news agenda

**A**udiences play an increasingly proactive role in broadcasting. They inspire interactive multimedia debates on the issues which matter to them, across all languages of BBC World Service. But it is not often that they help identify a new approach to a story or encourage music on to the airwaves. The death of Michael Jackson proved to be an exception.

Within hours of the announcement in June, the BBC had received more than 10,000 messages from fans. What had started as news reporting of a celebrity death quickly turned into an on-air, online memorial, as thousands of listeners across the world posted comments, left messages and requested their favourite songs.

## ONLINE SURGE

But there was a twist. The audience was flagging up the cultural, inspirational and racial significance of Michael Jackson. His talent transcended boundaries and this aspect of his life was worthy of greater exploration in our news coverage.

BBC Brasil – primarily an online service, available at [bbcbrasil.com](http://bbcbrasil.com) – was among the services to spot the impact of Michael

Jackson's death early on. Senior News Editor Juliana Iooty explains: "It was easy to promptly identify the huge demand for the story. As the news broke we had more than one million page impressions for one item alone.

"Our video of La Toya Jackson paying tribute to her brother was viewed nearly 171,000 times in the space of three days. In our experience, the majority of the internet audience in Brazil is young, aged between 10 and 34 years old, and therefore eager to consume entertainment news. But even with this knowledge, the reaction exceeded our expectations.

"We guided our coverage by providing the public not only with the hard news aspects of the story, but also identifying side stories and features that could draw the Brazilian public's attention. And because it was such a visually-led story, we created picture galleries and video content which were also very popular with audiences."

## UNPRECEDENTED REACTION

Ros Atkins, Presenter of *World Have Your Say*, is used to audiences setting the agenda, but was initially surprised by the approach that listeners were taking.

"I was working the day that Michael Jackson was acquitted on charges of child molestation. Our audience was outraged and defensive in equal measure, and when I saw that TMZ was reporting that he had died, I expected those allegations to again dominate how our listeners would react. They didn't. Instead, the emails, tweets, blog comments, Facebook posts and SMS messages coming in all that Friday were an ever-expanding demonstration of the extraordinary reach of this man's music."

*World Have Your Say* on Friday 26 June began with messages from the likes of Brando in Sudan, Dino in Mauritius and Dudley in the Turks and Caicos Islands. It also spoke to reporters from BBC Chinese and BBC Persian about their audiences' reactions.

"We even took a call from Antarctica," recalls Ros. "He'd been playing the song *Bad* all day."

The programme did speak to people who had reservations about the way Michael Jackson had lived his life, but Ros says they were in the minority, "because they were in the minority around the world". ■

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## TRIBUTES AND MEMORIES

**BBC World Service received thousands of comments in numerous languages, but this sample below from the *World Have Your Say* blog gives an indication of the way audiences were feeling.**

*"He was a great entertainer and while he didn't solve the world's problems, he was a man who brought joy to millions all over the world. It is easy to underestimate the value of that."* **UK**

*"For most American women born between 1958 and 1964 Michael Jackson was our first boyfriend. He looked like us, sang to us, was the same height and cute. Our generation did not have someone in our age group to fall in love with. I mean there was Donny Osmond and a heap load of white teen sensations, but they 'could not use our comb'. One girl told me 'I was going to marry Michael Jackson' and I realized that it was not just a little black girl's dream in America, it was an international dream."* **US**

*"It's sad to hear of the loss of Michael Jackson. He is one of the greatest icons in the music industry. He will be cherished in the heart of millions of fans, including me. We all miss him dearly."* **Nepal**

*"The world has lost the greatest entertainer ever and he can never be replaced or emulated."* **Jamaica**

*"Growing up in Nairobi, Kenya, in the late eighties and early nineties with only one radio station to listen to, Michael Jackson was a phenomenon. His fame and achievements warrant attention – he not only rose to be a mega star, but he also broke through the racial and colour barrier in the USA and his music became a unifying factor in a much segregated country. Let's give credit where it is due and what better way to do so than to pause a bit, set aside the Irans, Afghanistans and Iraqs which have become part of everyday discussions and salute talent which was hard earned."* **Kenya**



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*"For people who weren't white but lived in the West, sportsmen and entertainers were the role models of the 70s."*

*Location unknown*

*"I think it is okay that so many people all around the world mourn [mourn] for him. He didn't live for himself, he lived for all of us... I feel like I due to mourn for him. His music is a great gift for me – I spent so many wonderful hours listening to it."*

*Kazakhstan*

*"I still remember when I was just 10 years old in 1988, I had a picture of MJ. I wondered about his talent. I was dreaming of having that kind of a talent and image in my country (Sri Lanka) too."*

*Qatar*

*"When I first heard Michael Jackson in the eighties, through his famous songs like Billie Jean, I couldn't utter an English word, but like many fans I was thrilled by the rhythm of his music and voice. He filled the lives of many young people. Even those who couldn't speak a word in English were charmed by his style and art."*

*Morocco*

*"When listening to Thriller, Billie Jean, Bad etc I remember the good times we had, the moonwalk attempts (hilarious); basically I remember myself 30 years ago."*

*Malta*

*"Salaam. His song, You Are Not Alone, managed to enlighten some of the darkest moments of my life and for that I'll shed a tear for him today."*

*Iraq*



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**01/02** The BBC received thousands of messages from Michael Jackson fans across the world following his death. There were messages from his home country, where fans, including impersonators, celebrated his birthday in Prospect Park, New York, and from people across the globe – fans like the women holding banners of Jackson in Krindjabo, an Ivory Coast village visited by the singer in 1992. **03** *World Have Your Say* presenter Ros Atkins preparing for a Michael Jackson-themed programme in Miami, US.



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**“ It wasn't Neverland, the failed prosecution, the heavy spending or even Bubbles that people were talking about. All over the world people were listening to Michael Jackson tracks and talking about how that music fitted into their lives. So we did the same”**

**Ros Atkins, *World Have Your Say* Presenter**



# CHANGING SEASONS

By using its resources more effectively, BBC World Service continued to build on opportunities for greater collaboration with the wider BBC, to offer greater insight to radio, TV, online and mobile audiences all over the world

**B**BC World Service is part of a wider BBC Global News Division and made the most of this unique advantage to bring fresh, high-impact, high-value programming to a wider range of audiences.

Multiplatform, multilingual seasons were planned and executed as the international news teams focused on topical issues, such as the impact of the global recession, the evolution of the internet and the Indian elections. But the new approach was not confined to special programme seasons. One of the landmarks of 2009/10 was the way collaborative working enhanced daily news output of major events such as the Haiti earthquake and the Moscow Metro attacks.

## **SUPERPOWER: MAKING THE PLANET SMALLER**

"I am Hera and I am the internet." Launched by a specially created portrayal of a futuristic being, the SuperPower season focused on the power of the web to change the world. The season was regarded as a template for future development across BBC World Service and the whole of BBC Global News, but also signalled an increased commitment to coverage of technology and its social and political impacts.

Steve Titherington, Executive Editor of Global News, oversaw the project: "We were challenging the perception that the internet is just another communication tool. It's the catalyst for fundamental change in society... What kind of business do we want to conduct when there are virtually no limits to whom we can trade with? What will inspire artists when we can share creativity? How will politics be affected now the public can share their views in a fraction of a second?"

Made for radio, TV and online audiences in English and more than 30 other languages, SuperPower demonstrated the value of collaborative working, as teams shared

creative ideas, perspectives and content about the way the internet is evolving. Language service content featured prominently and highlights included BBC Persian's film about Afghan bloggers, BBC Hausa's help discovering what happened when a Nigerian village community gained access to the web and BBC Russian's investigation into hackers for hire.

On SuperPower Nation Day, led by the *World Have Your Say* team, language barriers tumbled in a remarkable multilingual, multi-platform experiment. Speakers of Arabic, Chinese, English, Indonesian, Persian, Portuguese and Spanish communicated directly through a unique website that converted messages instantaneously into the other languages. Hundreds of people from a wide range of language groups joined in the conversation at an exuberant event in London, featuring drama, music and dancing. Presenters from the BBC World News, BBC Persian and BBC Arabic television channels and *Africa Have Your Say* and *World Have Your Say* appeared simultaneously on each other's shows.

Elsewhere, BBC Arabic and BBC Persian teams travelled through Iraq to see how the internet helps break down religious and ethnic barriers. They produced content for radio, television and online in both languages, as well as English.

And BBC Hausa's initiative to give internet access to villagers in central Nigeria, while taking it away from people living in the world's most connected city – Seoul in South Korea – was shared with a global English audience by presenter Komla Dumor.

"The experience of working on the SuperPower season was unlike any previous pan-BBC special coverage," says Mohamed Yehia, BBC Arabic online editor. "To our audience, the season was about exploring the extraordinary power of the internet, but for us it was about exploring our potential to merge diverse teams, tell amazing stories, experiment, tread uncharted territories and push the boundaries of collaboration."

The BBC World Service Trust reported how the use of mobile technology was transforming the way people were learning English in Bangladesh. Within three months of its November launch, its BBC Janala (Window) project generated more than a million requests for three-minute audio lessons and SMS quizzes. Low-cost mobile phone access is a major attraction of the multi-platform project, which also includes online and television content. There are more than 50 million mobiles in use in Bangladesh, where learning English is considered key to economic development.

## **AFTERSHOCK: GAUGING THE IMPACT**

In the Aftershock season, BBC World Service joined BBC World News television and *bbc.com* to investigate how the global recession had affected people's lives in the year following the collapse of investment bank Lehman Brothers. The season featured a range of fresh ideas and programme formats to bring the story to life, making it relevant to audiences everywhere. →

**“ To our audience, the SuperPower season was about exploring the extraordinary power of the internet, but for us it was about exploring our potential to merge diverse teams, tell amazing stories, experiment, tread uncharted territories...”**

**Mohamed Yehia, Online Editor of BBC Arabic**



→ It opened with the premiere of the highly acclaimed, award-winning BBC World Service drama-documentary *The Day That Lehman Died*, which was recorded on location in New York. On the Aftershock website, an interactive mood map gave insights into global sentiment as people shared personal experiences and videos.

An Aftershock poll, commissioned by BBC World Service, surveyed 22,000 people in 20 countries and found there was strong support for governments to stimulate and regulate their national economies. *Taking the Pulse* on BBC World Service and BBC World News investigated how people were changing their behaviour as a result of the global recession. It traced the impact of key factors such as food prices and energy costs, and spoke to those hardest hit,

from Japanese fishermen to migrant building workers.

Aftershock continued with a series of documentaries, debates, high-profile interviews and online activity in English and other language services. News programmes were co-presented from the London Stock Exchange on the anniversary of the Lehman collapse, with interviewees including former British Prime Minister Gordon Brown. In an exclusive interview, Brazilian President Luiz Inacio Lula da Silva laid the blame for the crisis at the feet of the world's richest nations. There was also another drama-documentary, *How to Make Your First Billion*, which was a fictionalised account from the hub of global communications, Silicon Valley in the US.

Global insights on the financial crisis included Konstantin Rozhnov's report from

Moscow on how Russia's oligarchs had been affected, *Business Daily* visited China's Hunan province to find out what had happened to 150 million migrant workers, and the reforming governor of the Nigerian Central Bank, Sanusi Lamido Sanusi, took part in *Africa Have Your Say*. Regular English programmes, including *Global Business*, *Analysis*, *Assignment*, *Newshour*, *Outlook* and *One Planet*, explored aspects of the crisis, ranging from the role of business schools to former gang members in Los Angeles now looking for jobs.

### INDIAN ELECTION: ON A NEW TRACK

To cover the world's largest election, BBC World Service and other parts of BBC Global News chartered a special train to cross India in May 2009 for the BBC's biggest-ever multimedia outside broadcast. Among those on board were BBC World Service English news teams, including George Arney, Karishma Vaswani and Tinku Ray, and teams for BBC Arabic and BBC Persian television. There were also broadcast and production staff from 13 services including Bangla, Central Asian, Chinese, Hindi, Somali, Swahili, Tamil,

**“ It's a model of reporting that we are building on – combining sharp local knowledge with the onlooker's view ”**  
**Steve Titherington, Executive Editor of BBC Global News**





## THE WORLD SPEAKS

BBC World Service and BBC World News have also combined resources to launch a major new annual poll exploring the concerns of global citizens. The World Speaks is part of a series of projects aimed at understanding the way global events initiate a worldwide conversation among audience members via their social networks. Working with the polling company GlobeScan, they interviewed more than 25,000 people in 23 countries, covering 15 of the world's most populated nations. The aim is to stimulate debate and track changing opinions over time. Issues for concern segmented into four broad areas – security, impoverishment, globalisation and the environment. The main issue in the 2009/10 survey was extreme poverty.



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Urdu and Vietnamese. They visited eight key cities in the 6,500km, 18-day trip from Delhi, stopping off for debates, discussions and interviews that reflected opinion from across the country. Collaboration between teams of journalists who live and work in India and colleagues from other parts of the world provided a unique perspective to the BBC's coverage. Output featured prominently on BBC World News television and [bbc.com/news](http://bbc.com/news).

"It's a model of reporting that we are building on – combining sharp local knowledge with the onlooker's view," says Steve Titherington, Executive Editor of BBC Global News.

### MOSCOW BOMBINGS: VIVID INSIGHT

A coordinated response by all parts of BBC Global News gave an edge to coverage of the attacks on the Moscow Metro in March, that killed at least 40 people. BBC Russian made a major contribution to news programmes across the BBC, as well as bringing its audience the latest developments, analysis and context from its journalists on the spot. The team reported in Russian and

English on BBC World News television and BBC local radio, as well as BBC World Service. The service provided the BBC's user generated content hub with comments from their forum every 20 minutes.

Online traffic to BBC Russian surged five-fold on the day of the attacks, with 393,000 unique users accessing [bbcussian.com](http://bbcussian.com) and content on partner websites. The live text module, which automatically refreshes pages, proved highly effective and was taken up by partners.

"These figures show that online users come to us as a trusted source in a time of crisis," says Sarah Gibson, Head of BBC Russian.

User generated content and social media gave vivid insight into the aftermath of the bombings. BBC Monitoring reported how Russian bloggers and users of Twitter had been quick to criticise coverage by the country's state-dominated TV channels, most of which had continued with their usual programmes when the news broke. BBC Monitoring were first with actuality and translation of the video message claiming responsibility for the attacks by Chechen rebel leader Doku Umarov. ■

01/02 BBC Persian presenter Pooneh Ghoddoosi and BBC Arabic presenter Sam Farah reporting from SuperPower Nation Day in London. 03 Reporter Karishma Vaswani records a piece in front of the BBC India Election Train for BBC World News. 04 BBC World Service reported the outcome of the new annual poll, The World Speaks, across its output. The survey found that poverty, as seen here in the business district of Puerto Madero in Buenos Aires, Argentina, was the greatest area of concern. 05 A map showing the journey taken by the BBC India Election Train – an 18-day, eight-city, 6,500km tour. 06 BBC Russian ensured that all BBC outlets had access to its coverage of the Moscow Metro bombings, allowing the event to be reported as effectively as possible.

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Responsible for setting corporate strategy and for overseeing teams of business development professionals working to extend the reach of the BBC's international news services on radio, television, online and mobile devices around the world.



**MARIITA EAGER**  
HEAD OF DEVELOPMENT AND WI EDITORIAL LEAD  
Responsible for the change programme at BBC World Service and all aspects of the move from Bush House into WI. She also commissions training for BBC World Service.



John Renner, Director Property & Development retired on 31 December 2009. His replacement, Mariita Eager, joined as Head of Development and WI Editorial Lead, BBC Global News on 1 January 2010. Richard Burdon, Head of Human Resources left BBC World Service on 31 December 2009. His replacement, Richard Thurston, joined on 23 March 2010. Jerry Timmins' previous role as Head of Africa and the Middle East Region was restructured on 1 January 2010 and he is now Head of Africa Region and Head of International Relations, BBC World Service. Liliane Landor joined the Board as Head of Middle East Region on 1 January 2010.



**RICHARD THOMAS**  
CHIEF OPERATING OFFICER AND DIRECTOR OF FINANCE  
Responsible for the financial and budgetary management of BBC World Service.

The photographs above are of the permanently appointed members of the BBC World Service Board as of 31 March 2010.

**RICHARD THURSTON**  
HEAD OF HUMAN RESOURCES  
Responsible for HR strategy and delivery of HR services.



# AWARDS RECOGNITION

BBC World Service and its specialist teams continue to excel in awards across the world

## SONY RADIO ACADEMY AWARDS

A highlight for all UK-based broadcasters, this year BBC World Service secured six awards. Peter Horrocks commented: "It is a tremendous achievement to get such comprehensive recognition for BBC World Service English, a network that is aimed outside the UK."

### **GOLD:** News Journalist of the Year – Lyse Doucet\*

Producers: Piers Scholfield, Catherine Miller and Huong Ly.  
Editor: Lucy Walker.

### **GOLD:** Best Current Affairs Programme – *Newshour* (compilation)

Presenters: Owen Bennett Jones, Claire Bolderson, James Coomarasamy, Lyse Doucet, Robin Lustig, Julian Marshall, James Menendez and Mary Ann Sieghart. Assistant Editors: Nikki Brown and David Mazower. Editor: Lucy Walker.

### **SILVER:** Best Promotional/Advertising Campaign –

*MI6: A Century in the Shadows* Script/Production and Sound Design: Terry Wilson. Editor: Paul Blythe.

### **SILVER:** Best Drama – *The Day That Lehman Died*

Writer: Matthew Solon. Producer/Director: John Dryden.  
Executive Producers: Marion Nancarrow and Jeremy Skeet.  
Goldhawk Essential Production/BBC World Service.



Sony Award winners Lyse Doucet (right) and *Newshour* Editor Lucy Walker (centre), with award presenter, journalist Nina Hossain.

### **BRONZE:** Best Speech Programme – *Witness* (compilation)

Producers: Claire Bowes, Neil Gallagher, Louise Hidalgo, Alan Johnston and Lucy Williamson. Editor: Kirsty Reid.  
Executive Editor: Jeremy Skeet.

### **BRONZE:** Best Sports Programme – *World Football* (compilation)

Presenter: Alan Green. Producer: Richard Padula.  
Assistant Producer: Ian Morris.

## OTHER AWARDS GAINED OVER THE LAST 12 MONTHS INCLUDE:

### AFRICA BUSINESS REPORTING AWARDS

#### **Best Radio Feature – *African Economy Week*, BBC African for English**

Reporters: Julian Bedford, Ian Brimacombe, Paul Coletti, James Cowling, Komla Dumor, Jonathan Hallam, Julian Keane, Helena Merriman, Krupa Thakrar, Andrew Walker, Nick Wood and Rob Young. Editor: James Whittington.

### COMMONWEALTH BROADCASTING ASSOCIATION'S 2010 AWARDS

#### **Amnesty International Award for Human Rights Programme – Assignment: *Africa's Guantanamo***

Reporter: Rob Walker. Producers: David Edmonds and Helena Selby.  
Editor: Jeremy Skeet.

### FOREIGN PRESS ASSOCIATION AWARDS

#### **Sports Story of the Year – *The Rise of Mathare United***

Reporter: David Goldblatt. Producer: Rob Walker.  
Editor: Bridget Harney.

### HOTBIRD TV AWARDS

#### **News Channel of the Year – BBC Persian**

### INTERNATIONAL WOMEN'S MEDIA FOUNDATION

**Courage in Journalism Award – Vicky Ntetema, for her investigative report on the brutal killings of albinos and their families in Tanzania so that potions could be made out of their limbs.** She received death threats for the reports, which were broadcast on BBC World Service English and BBC Swahili, and now works for the NGO providing help for people with albinism.

### NEPAL'S CENTENARY POET LAUREATE AWARD

**BBC Nepali, for four decades of contribution to the development of the Nepali language.** Head: Rabindra Mishra.

### PEABODY AWARDS

**Lyse Doucet, for her pan-BBC programme *Where Giving Life is a Death Sentence*, exploring maternal mortality in Afghanistan. *The Day That Lehman Died* (credits as above).**

### THE RADIO ACADEMY PROMOTIONS AND MARKETING AWARDS

**Best Cross-Media Promotion/Campaign – *Save Our Sounds*, BBC World Service** On Air Editor: Steve Martin.

### PARLIAMENTARY PRESS GALLERY SPEAKER ABBOT AWARD FOR BRAVERY

**Mohammed Olad Hassan, the BBC World Service African English reporter based in Mogadishu, Somalia, in recognition for his great courage in reporting events from the country.**

### THE WINCOTT FOUNDATION BROADCASTING AWARDS

#### **Best Radio Programme (joint winners)**

*The Day That Lehman Died* (credits as above).  
*The Economy on the Edge* Presenter: Martin Wolf.  
Producer: Innes Brown. Editor: Sandra Kanthal.

### WORKWORLD MEDIA AWARDS

#### **Broadcast Programme of the Year – *Business Daily***

Presenters: Lesley Curwen and Steve Evans. Editor: Robert Mackenzie.

\*Lyse Doucet was also recognised in the US with the David Bloom Award from the Radio and Television Correspondents Association for her reporting on BBC's *Newsnight*.

# MEASURING OUR PERFORMANCE

BBC World Service is funded through Grant-in-Aid from the Foreign and Commonwealth Office (FCO), allocated as part of the Government's Spending Review process.

BBC World Service has complete editorial and managerial independence, however it reports performance against a number of measures agreed with the FCO annually as part of its accountability process. These measures support BBC World Service's aim to be the world's best-known and most-respected voice in international news, thereby bringing benefit to the UK, the BBC and to audiences around the world.

Key objectives in the current spending review period are:

- To maintain radio audience levels in an increasingly competitive market and to increase the audience overall through the newly launched television service in Arabic
- To increase impact for the BBC in the Middle East by extending the Arabic television service to a full 24-hour offer
- To launch a BBC Persian television service, to reach audiences in Iran, Afghanistan and Tajikistan

In support of these aims a number of targets were agreed with the FCO.



**TARGET:** BBC World Service to reach an estimated weekly global audience on radio, television and online of at least 192 million adults

TARGET: **192** million      ACTUAL: **180** million

The overall reach was below target – this was mainly due to the larger than anticipated decline in direct AM (short wave and medium wave) audiences, which decreased by around 20 million this year, although FM audiences were up.

Radio losses were particularly dramatic in Bangladesh, India and Nigeria at minus 7 million, 8.2 million and 2.9 million respectively.

However, there were significant gains in Tanzania, up 1.4 million, and the US, up 600,000, mainly through BBC programmes being broadcast on local FM and medium wave partner stations.

Radio and television estimates were added or updated in 25 countries, including Bangladesh, Egypt, India, Indonesia, Iran, Kenya, Morocco, Nigeria, Saudi Arabia and Turkey. The online estimate was updated in more than

170 countries using average weekly unique users for February 2010.

There were difficulties in some areas – it was not possible to survey Pakistan because of the political situation, data from Iraq was delayed due to problems with fieldwork and the results from a survey in Sudan could not be used because the sample did not adequately represent the population.



#### MOBILE OPPORTUNITIES

The international media landscape is changing rapidly and becoming increasingly complex. Although only about 10% of our total audience is currently from online or mobile platforms, digital growth represents a valuable long-term opportunity. On mobile, BBC World Service launched 18 new mobile sites in 2009/10 and they performed well in a relatively short space of time – attracting 76,000 weekly unique users and 4 million page impressions.



**TARGET:** BBC World Service to reach 23 million viewers to its non-English television services

TARGET: **23** million      ACTUAL: **17** million

There have been some obstacles to achieving targets for non-English television services but also some successes.

In Arabic we continue to face difficulties in challenging the well-funded, established and popular channels in the key media markets of Egypt, Gulf States, Jordan, Syria and the UAE, where content is very regionally focused and includes a strong entertainment offer. However, we have had considerable success

in other places, including Morocco and Nigeria. We are now repositioning BBC Arabic to make it more relevant and focused, with a new brand strategy and changes to the schedule.

In Iran, the extraordinary events at the time of the presidential election affected our ability to carry out audience research. The television service and bbcpersian.com were both jammed, and following the election the BBC was listed as

a proscribed organisation by the administration. However, there was strong support from audiences and we believe that the formally reported numbers do not reflect the service's true performance.

BBC Turkish has launched a television offer with partners NTV. This has proved very successful with 1.7 million weekly viewers. Other language services with a limited television offer include BBC Kyrgyz and BBC Bangla.



**TARGET:** BBC World Service to rate higher than its closest international competitor for awareness, reach, objectivity, relevance, value and loyalty. Comparison to be made for general population and for key target groups

General population	Awareness	Reach	Objectivity	Relevance	Value	Loyalty	Competitor
India (four states)	✓	✓	✓	✓	✓	✓	Voice of America (VOA)
Bangladesh	✓	✓	✓	✓	✓	✓	VOA
Indonesia (Jakarta)	✓	✓	*	*	*	*	VOA
Kenya	✓	✓	✓	✓	✓	✓	VOA
Tanzania	✓	✓	✓	✓	✓	✓	Deutsche Welle (DW)
Nigeria	✓	✓	✓	✓	✓	✓	VOA
Egypt (Cairo) <i>note 1</i>	X	X	✓	✓	X	X	VOA/Sawa/Al Hurra
Morocco	X	X	✓	✓	X	X	VOA/Sawa/Al Hurra
Saudi Arabia	X	X	✓	✓	X	=	VOA/Sawa/Al Hurra
Turkey	✓	✓	*	*	n/a	n/a	VOA
Iran <i>note 2</i>	✓	X	X	X	n/a	n/a	VOA/Radio Farda

Active Internationals	Awareness	Reach	Objectivity	Relevance	Value	Loyalty	Competitor
India (four states)	✓	✓	*	*	*	*	VOA
Bangladesh	✓	✓	✓	✓	✓	✓	VOA
Indonesia (Jakarta)	✓	✓	*	*	*	*	VOA
Kenya	✓	✓	✓	✓	✓	✓	VOA
Tanzania	✓	✓	✓	✓	✓	✓	DW
Nigeria	✓	✓	✓	✓	✓	✓	VOA
Egypt (Cairo) <i>note 1</i>	=	X	*	*	*	*	VOA/Sawa/Al Hurra
Morocco	X	X	✓	✓	X	X	VOA/Sawa/Al Hurra
Saudi Arabia	X	X	✓	=	=	=	VOA/Sawa/Al Hurra
Turkey	✓	✓	*	*	n/a	n/a	VOA

Base: all respondents

Base: people who have ever used that station/channel

✓ BBC higher than main competitor X competitor higher than BBC = results about equal n/a question not asked \* base too small for reliable analysis

Notes: 1) Egypt (Cairo): Reputation questions asked for Radio Sawa but not Al Hurra.

2) Iran: Because of the sensitive nature of the questions asked in the telephone interview and the risk that respondents would terminate the interview prematurely, the reputation questions on value and loyalty were not asked for any stations other than the BBC. It is not possible to identify Active Internationals from the questions in this study.



**TARGET:** BBC Arabic television to reach at least 17 million weekly viewers, as part of an overall BBC multimedia reach in Arabic of more than 25 million weekly users

TARGET: **17** million  
Overall reach, **25** million

ACTUAL: **12** million  
Overall reach, **22** million

As noted earlier, BBC Arabic continues to face difficulties in challenging the well-funded, established and popular channels in the key media markets of Egypt, Gulf States, Jordan, Syria and the UAE.



**BBC ARABIC TRI-MEDIA REACH IS 22M**

The estimated Arabic television audience is up 3.5 million. Morocco, Egypt and Saudi Arabia are the top three measured markets with 2.5 million, 2.1 million and 1.9 million respectively. It is now available in 15,000 hotel rooms in 17 countries. It also secured BBC World Service's largest ever commercial deal, with the US satellite platform Echostar. Additionally it is reaching 710,000 viewers in the mainly Muslim northern Nigeria, where satellite TV is prevalent.



**TARGET:** BBC Persian television to reach at least 4 million weekly viewers in Iran, as part of an overall BBC multimedia reach in Persian of more than 5 million weekly in Iran

**TARGET:** **4** million  
Overall reach, **5** million

**ACTUAL:** **3.1** million  
Overall reach, **3.4** million



**BBC PERSIAN TV HAS 3.1M WEEKLY VIEWERS IN IRAN**

Market research is difficult to undertake in Iran, so the figure may be higher. The BBC has also been repeatedly criticised by the authorities, who regularly jam BBC Persian transmissions and have stopped the service having a presence on the ground.

Despite this, BBC Persian is clearly well known among Iranians – during the election, the channel was receiving up to eight user generated items a minute and traffic to [bbcpersian.com](http://bbcpersian.com) increased by 155%. Newsweek magazine ranked BBC Persian as one of its “20 most powerful people in Iran”.



**TARGET:** BBC World Service to increase the impact of the BBC’s online offer through high-quality on-demand multimedia services in key languages: 6 million weekly users for Grant-in-Aid funded areas of the BBC website, 20 million monthly video views for Grant-in-Aid funded areas of the BBC website, 2 million monthly page impressions on BBC World Service WAP sites

**TARGET:** **6** million  
Weekly users (February 2010)

**ACTUAL:** **7.3** million

**TARGET:** **20** million  
Monthly video views  
(February 2010)

**ACTUAL:** **27** million

**TARGET:** **2** million  
BBC WAP site page impressions  
(February 2010)

**ACTUAL:** **4** million



**BBC WORLD SERVICE SITES UP 39% TO 7.3M**

The top performing sites in February 2010: **BBC BRASIL** Average weekly users 2.1m, weekly page impressions 6.6m  
**BBC MUNDO** Average weekly users 1.6m, weekly page impressions 4.6m **BBC ARABIC** Average weekly users 0.5m, weekly page impressions 3.3m  
**BBC PERSIAN** Average weekly users 0.5m, weekly page impressions 7.2m  
**BBC RUSSIAN** Average weekly users 0.4m, weekly page impressions 3.3m

# FINANCIAL REVIEW 2009/10

## OPERATING PERFORMANCE

In 2009/10 BBC World Service focused on consolidating core services. The new Arabic and Persian television channels made good progress in establishing themselves in their respective markets, our radio and online services continued to cover global events in 32 languages and the increasing use of social networking sites such as Facebook and Twitter helped us to engage with our audiences.

Financially we continued our work to deliver cost savings in order to meet our targets and cover our rising costs. These savings also helped us cope with the impact of the economic downturn. Strategic planning for the future of BBC World Service led to significant focus being placed on the management structure of the business and this led to additional restructuring costs in 2009/10 linked to newly identified savings.

Under the 2007 Comprehensive Spending Review settlement with HM Government, Grant-in-Aid (GIA) income for 2009/10 was £272m. This was subsequently reduced by £4m to £268m in an exceptional agreement with the Foreign and Commonwealth Office (FCO). We were able to manage this reduction in income by cancelling some projects and deferring others without a material adverse impact on existing operations.

The year ended with a deficit on operating activities of £0.1m. At close to break-even, this represents a satisfactory outcome for the year. Of the £8.5m total deficit, £8.4m relates to the deficit on capital expenditure. This reflects the difference between capital GIA received during the year (which is recorded as income) and capital related charges in the income and expenditure account, namely depreciation and write-offs. This timing difference is reflected in the capital reserve transfer.

On operating expenditure, the weaker pound increased our costs both for our international offices and on several international support contracts. This cost increase was partly mitigated by lower inflation in the UK which enabled savings to be made on staff costs and on contracts linked to RPI in the UK. Savings initiatives continued to make progress and we delivered over £6m of operating savings in the year. However, savings programmes frequently give rise to implementation costs and consequently £6m of restructuring charges were incurred in the year, part of which related to the restructuring of the senior management team which will deliver benefits commencing in 2010/11.

## CAPITAL

Capital expenditure in the year of £26.2m was spread across a range of projects. The largest of these is the project to move BBC World Service to the W1 development in central London as part of the BBC's new journalism hub. The move is planned for 2012 and the substantial capital commitment involved will continue to dominate capital expenditure up to that date. The project to re-engineer the transmitter station and power

facilities on Ascension Island is making good progress and will secure our transmissions to West Africa over the years ahead. In addition, we continued to invest in our international production facilities, running major projects in Dakar, Senegal for our French for Africa service, in Nairobi for our African English and Swahili services and in Islamabad for our Urdu service. These developments are crucial in helping us maintain our strong presence in core markets.

## INTERNATIONAL FINANCIAL REPORTING STANDARDS

Along with the BBC Group, BBC World Service is presenting its accounts under International Financial Reporting Standards as adopted by the EU (EU IFRS) for the first time in 2009/10. The move to IFRS has required a number of changes to the financial statements, for example by increasing the disclosures around financial risk management and through the creation of a provision for untaken holiday entitlement. Because 2009/10 is our first year of reporting under EU IFRS, the financial statements also include transitional disclosure requirements such as the inclusion of balance sheets covering three years. The underlying nature of our transactions is not affected meaning there is no effect on our use of GIA.

## BALANCE SHEET

Fixed assets, with a net book value of £141.4m reflect our ongoing investment in transmission facilities, technology and local production centres. Other balance sheet assets and liabilities are in line with plan. Cash holdings of £6.7m are higher than in prior years which partly reflects the working capital requirements of our international offices, several of which have seen significant expansion over recent years. The weaker pound has also increased the sterling value of these currency accounts. Our provision for restructuring costs remains at around £5m reflecting costs incurred on our various restructuring plans but which have yet to be settled.

## LOOKING AHEAD

The CSR 2007 funding which was fixed at £271m for 2010/11 (a reduction of £1m on 2009/10) has been reduced to £264m as part of the agreement with the FCO to assist in meeting HM Government savings targets. We expect to manage this reduction through the acceleration of savings plans and the deferral of spend on capital and discretionary projects. Uncertainty over exchange rates, pension costs and the spending plans of the new government, which are likely to have an impact on 2010/11 as well as later years, continue to make for a challenging environment. However, we will continue to manage our operations in a way that delivers value to our audiences and value for money to UK taxpayers.

## RICHARD THOMAS

CHIEF OPERATING OFFICER AND DIRECTOR OF FINANCE,  
BBC WORLD SERVICE



# AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE BOARD OF THE BBC

We have audited the group financial statements (the 'financial statements') of the BBC World Service for the year ended 31 March 2010, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the BBC Executive Board as a body in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the BBC Executive Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the BBC and the BBC Executive Board as a body, for our audit work, for this report, or for the opinions we have formed.

## RESPECTIVE RESPONSIBILITIES OF THE BBC EXECUTIVE BOARD, BBC WORLD SERVICE BOARD AND AUDITORS

The BBC Executive Board and the BBC World Service Board's responsibilities for preparing the Annual Review and the financial statements in accordance with applicable law and IFRS as adopted by the EU are set out in the Statement of Board Responsibilities.

Our responsibility, in accordance with the terms of our appointment, is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the BBC World Service has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the BBC World Service Board remuneration and other transactions is not disclosed.

In addition to our audit of the financial statements, we have engaged to review the Corporate Governance Statement as if the BBC World Service were required to comply with the Listing Rules of the Financial Services Authority in relation to these matters. We review whether the Corporate Governance Statement on pages 52 to 60 reflects the BBC's compliance with the nine provisions of the 2006 Combined Code specified for our review by the Listing Rules of the Financial Services Authority, and we report if it does not. We are not required to consider whether the statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the BBC World Service's corporate governance procedures or its risk and control procedures.

We read specified parts of the Annual Review and consider whether they are consistent with the audited financial statements. This includes the Director's overview on pages 2 to 5, the year in review on pages 6 to 23, the financial review on page 30, and the governance reports on pages 52 to 60. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the BBC Executive Board and the BBC World Service Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the BBC World Service's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## OPINION

In our opinion:

- the financial statements give a true and fair view in accordance with IFRSs as adopted by the EU of the state of the Group's affairs at 31 March 2010 and of its deficit for the year then ended; and,
- the information given in the Director's overview on pages 2 to 5, the year in review on pages 6 to 23, the financial review on page 30, and the governance reports on pages 52 to 60, is consistent with the Group financial statements.

## K WIGHTMAN (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF KPMG LLP,  
STATUTORY AUDITOR  
CHARTERED ACCOUNTANTS  
8 SALISBURY SQUARE,  
LONDON EC4Y 8BB  
14 JUNE 2010

# FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2010

	Note	2010 £m	2009 £m
Grant-in-Aid		268.0	265.0
Other income		4.1	3.7
<b>Total income</b>	1c	<b>272.1</b>	268.7
<b>Total operating costs</b>	2	<b>(280.6)</b>	(270.9)
<b>Operating deficit before interest and taxation</b>		<b>(8.5)</b>	(2.2)
Net financing income		–	0.3
<b>Deficit before taxation</b>		<b>(8.5)</b>	(1.9)
Taxation	4	–	(0.1)
<b>Deficit for the financial year</b>		<b>(8.5)</b>	(2.0)
Transfer from capital reserve		8.4	1.9
<b>Transfer from operating reserve</b>		<b>(0.1)</b>	(0.1)

There were no recognised gains or losses other than the deficit stated above.

**BALANCE SHEET**

AT 31 MARCH 2010

	Note	2010 £m	2009 £m	2008 £m
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets	5	5.9	5.4	7.0
Property, plant and equipment	5	135.5	144.2	144.4
		<b>141.4</b>	149.6	151.4
<b>Current assets</b>				
Programme related assets and other inventories	6	0.1	0.1	0.1
Trade and other receivables	7	11.0	9.7	10.2
Cash and cash equivalents	13	6.7	6.1	5.4
		<b>17.8</b>	15.9	15.7
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	8	(13.6)	(11.5)	(11.1)
Borrowings	9	(0.1)	(0.4)	(0.4)
Provisions	11	(3.8)	(3.8)	(4.9)
		<b>(17.5)</b>	(15.7)	(16.4)
<b>Non-current liabilities</b>				
Borrowings	9	(0.4)	(0.2)	(0.3)
Provisions	11	(5.9)	(5.7)	(4.5)
		<b>(6.3)</b>	(5.9)	(4.8)
<b>Net assets</b>		<b>135.4</b>	143.9	145.9
<b>Capital and reserves</b>				
Capital reserve		137.5	145.9	147.8
Operating reserve		(2.1)	(2.0)	(1.9)
<b>Total capital and reserves</b>		<b>135.4</b>	143.9	145.9

The balance sheets comprises the consolidated results of BBC World Service and its subsidiaries.

The full list of subsidiaries can be found in note 15b to the financial statements.

The balance sheets have been restated to reflect the adoption of IFRS on 1 April 2008.

Note 17 provides details on the transition to IFRS at BBC World Service.

The financial statements were approved by the BBC Executive Board and the BBC World Service Board on 14 June 2010 and signed on their behalf by:

**MARK THOMPSON**  
DIRECTOR-GENERAL, BBC

**PETER HORROCKS**  
DIRECTOR, BBC WORLD SERVICE

**RICHARD THOMAS**  
CHIEF OPERATING OFFICER AND DIRECTOR OF FINANCE, BBC WORLD SERVICE

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31 MARCH 2010

	Capital reserve £m	Operating reserve £m	Total £m
<b>At 1 April 2008</b>	147.8	(1.9)	145.9
Total comprehensive (loss)/income for the year	–	(2.0)	(2.0)
Capital reserve transfer	(1.9)	1.9	–
<b>At 1 April 2009</b>	145.9	(2.0)	143.9
Total comprehensive (loss)/income for the year	–	(8.5)	(8.5)
Capital reserve transfer	(8.4)	8.4	–
<b>At 31 March 2010</b>	<b>137.5</b>	<b>(2.1)</b>	<b>135.4</b>

**CASH FLOW STATEMENT**

FOR THE YEAR ENDED 31 MARCH 2010

	Note	2010 £m	2009 £m
<b>Operating activities</b>			
Cash generated from operating activities	12	20.8	27.1
Tax paid	4	–	(0.1)
<b>Net cash from operating activities</b>		<b>20.8</b>	<b>27.0</b>
<b>Investing activities</b>			
Interest received		–	0.3
Purchases of other intangible assets	5	(0.3)	(0.8)
Purchases of property, plant and equipment	5	(19.8)	(25.8)
Finance lease additions		0.3	0.5
<b>Net cash used in investing activities</b>		<b>(19.8)</b>	<b>(25.8)</b>
<b>Financing activities</b>			
Interest paid		–	–
Payments of obligations under finance leases		(0.4)	(0.5)
<b>Net cash used in financing activities</b>		<b>(0.4)</b>	<b>(0.5)</b>
<b>Net increase in cash and cash equivalents</b>		<b>0.6</b>	<b>0.7</b>
Cash and cash equivalents at the beginning of the year	13	6.1	5.4
<b>Cash and cash equivalents at the end of the year</b>	<b>13</b>	<b>6.7</b>	<b>6.1</b>

# STATEMENT OF ACCOUNTING POLICIES

## STATEMENT OF ACCOUNTING POLICIES

BBC World Service, funded principally by parliamentary Grant-in-Aid, is a division of the British Broadcasting Corporation, a body incorporated by Royal Charter.

## BASIS OF PREPARATION AND CONSOLIDATION

The Financial Memorandum between BBC World Service and the Foreign and Commonwealth Office requires BBC World Service to produce an Annual Review which incorporates a set of financial statements. These financial statements are required to be prepared in accordance with the provisions of the BBC's Charter.

The consolidated financial statements for BBC World Service have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB as adopted by the EU (IFRS).

The BBC World Service's 2009/10 annual accounts have been drawn up on a going concern basis. The BBC World Service is funded by the Foreign and Commonwealth Office through Grant-in-Aid, which has in recent years been awarded in three year funding settlements. The current three year settlement period runs until 31 March 2011. Whilst the BBC World Service Board has no visibility of the impact of the new Government's spending plans for the Foreign and Commonwealth Office, the Board expects the basis of future years' funding to be agreed later in 2010 and is therefore satisfied that the going concern assumption remains appropriate.

The financial statements are principally prepared on the historical cost basis. Areas where other bases are applied are identified in the accounting policies below.

BBC World Service has produced consolidated financial statements. The results are consolidated under acquisition accounting and intra-group transactions are eliminated on consolidation. All income and expenditure figures in the financial statements relate to transactions external to BBC World Service only.

BBC World Service Trust has not been consolidated as, although BBC World Service is technically the parent of BBC World Service Trust, it is exempt from consolidation. This is because the trustees have a fiduciary duty to act in the best interests of the beneficiaries and as substantially all of the income is made up of grants, which are classified as restricted funds because their use is specified by donors, BBC World Service has no direct control over, or financial interest in, the assets.

## ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

### FIRST-TIME ADOPTION OF IFRS

These are the BBC World Service's first consolidated financial statements to be prepared under IFRS and the disclosures required by *IFRS 1 First-time adoption of International Financial Reporting Standards* concerning the transition from UK GAAP to IFRS are given in note 17.

*IFRS 1* sets out the requirements for the first time adoption of IFRS. BBC World Service is required to establish its IFRS accounting policies for the year ended 31 March 2010 and, generally, apply those policies consistently in the opening IFRS balance sheet as at 1 April 2008 (the date of transition) and thereafter, subject to a number of optional exemptions permitted by *IFRS 1*.

BBC World Service has adopted the following approach to the key exemptions:

- Fair value or revaluation as deemed cost: BBC World Service has continued to measure items of plant and equipment held on 1 April 1996, and revalued to current replacement cost at that time, on the basis of that revalued amount less depreciation up to the date of transition, which is their deemed cost on transition to IFRS. All other property, plant and equipment continue to be measured on the historical cost basis.
- Leases: BBC World Service has applied *IFRIC 4 Determining whether an arrangement contains a lease* from 1 April 2008 and therefore determined whether or not an arrangement contains a lease on the basis of facts and circumstances existing at that date.

## NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

- *IFRS 1 (amended)/IAS 27 (amended) Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- *IFRS 3 (revised 2008) Business Combinations*
- *IFRS 5 (amended) Non-current Assets Held for Sale and Discontinued Operations*
- *IAS 17 Leases*
- *IAS 27 (revised 2008) Consolidated and Separate Financial Statements*
- *IAS 28 (revised 2008) Investments in Associates*
- *IFRIC 17 Distributions of Non-cash Assets to Owners*
- *IFRIC 18 Transfers of Assets From Customers*
- *IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments*
- *Improvements to IFRSs (April 2009)*

BBC World Service does not expect that the adoption of these Standards and Interpretations in future periods will have a material impact on the financial statements of BBC World Service.

## INCOME

Grant-in-Aid is recognised when received from the Foreign and Commonwealth Office. It is intended to meet estimated expenditure in the year but unexpended receipts for the year, within predetermined limits, are not liable to surrender. Grant-in-Aid is recognised as income in the financial year to which it relates.

Other income, or revenue, arises primarily from activities such as the provision of services. Revenue is recognised at the point the service has been delivered and the receipt of the income is probable. Where the delivery is over a period of time, the revenue is recognised on a straight line basis.

## SEGMENTAL ANALYSIS

In accordance with *IFRS 8 Operating Segments*, the operating segments of BBC World Service are reported in a manner consistent with the internal reports provided to the chief operating decision maker. The chief operating decision maker has been identified as the BBC World Service Board.

## FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rate of exchange ruling at that date. Foreign currency gains or losses arising from the translation of assets and liabilities at these rates of exchange, together with exchange differences arising from transactions settled during the year, are included in the income statement. Non-monetary assets and liabilities measured at historical cost are translated into sterling at the rate of exchange on the date of initial recognition.

## EMPLOYEE BENEFITS

The BBC operates both defined benefit and defined contribution schemes for the benefit of employees.

### DEFINED BENEFIT PLANS

The defined benefit plans provide benefits based on final or career average pensionable pay. The assets of the BBC's main pension scheme, the BBC Pension Scheme, to which the majority of employees belong, are held separately from those of the BBC Group. The BBC Pension Scheme is a Group wide scheme and as such the participating employers all make contributions to the scheme at the same rates and are unable to identify their shares of the net defined benefit cost. The contribution rates are set by the BBC Pension Scheme trustees based on valuations which take a longer term view of the assets required to fund the scheme's liabilities. Valuations of the scheme are performed by Towers Watson, consulting actuaries, with formal valuations undertaken at least every three years. Therefore as required by *IAS 19: Employee Benefits*, BBC World Service accounts for the contributions payable to the scheme for the year.

### DEFINED CONTRIBUTION PLANS

The amounts charged as expenditure for the defined contribution plans represent the contributions payable by BBC World Service for the accounting period in respect of these plans.

## TERMINATION BENEFITS

Termination benefits are a component of restructuring provisions and are recognised as an expense in accordance with the accounting policy for provisions.

## OTHER EMPLOYEE BENEFITS

Other short and long term employee benefits, including holiday pay and long service leave, are recognised as an expense over the period in which they accrue.

## TAXATION

The tax charge for the period comprises tax currently payable. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in reserves, in which case it is recognised in reserves.

BBC World Service is not liable to corporation tax on any surplus Grant-in-Aid income received. However, it is fully liable for corporation tax on capital gains and on all its other income. Expenditure on capital assets is not eligible for capital allowances.

Where applicable, deferred tax is provided for using the balance sheet liability method on any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Any deferred tax asset is recognised only to the extent that it is probable that sufficient taxable surplus will be available to utilise the temporary difference. Deferred tax assets and liabilities are disclosed net to the extent that they relate to taxes levied by the same authority and BBC World Service has the right of set off within the BBC Group.

## OPERATING LEASES

Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

## FINANCE LEASES

Payments made under finance leases are apportioned between financing costs and the reduction of the outstanding liability. The financing costs are allocated to each period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## BORROWING COSTS

All finance income and other borrowing costs are recognised in the income and expenditure account in the period in which they are incurred.

## INTANGIBLE FIXED ASSETS

### RESEARCH AND DEVELOPMENT EXPENDITURE – INTERNALLY-GENERATED INTANGIBLE ASSETS

Expenditure on research activities is written-off in the income statement when incurred.

Expenditure on development activities is capitalised only if all of the following conditions are met:

- An identifiable asset is created;
- It is probable that the asset will generate future economic benefits; and
- The development costs of the asset can be measured reliably.

The assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

**OTHER INTANGIBLE ASSETS**

Other intangible assets acquired separately by BBC World Service are stated at cost less accumulated amortisation and any accumulated impairment losses.

**AMORTISATION**

Amortisation is charged to the income statement on a straight line basis over the estimated useful lives of intangible assets, from the date that they are available for use, unless such lives are indefinite. The useful lives and amortisation methods for each major class of intangible asset are as follows:

- Other intangibles, including IT software – 2 to 4 years

Amortisation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted if appropriate.

**PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at the estimated current replacement cost of the assets, as adjusted for remaining service potential, as at 1 April 1996, or at cost if acquired subsequently, less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Assets held under finance leases are capitalised within property, plant and equipment and depreciation is provided as appropriate. On initial recognition the asset is measured at the lower of its fair value and the present value of the minimum lease payments.

Depreciation is provided to write off the cost or valuation, less estimated residual value, of each item of property, plant and equipment on a straight-line basis over its expected useful life. Depreciation commences from the date an asset is brought into service.

The major categories of property, plant and equipment are depreciated as follows:

**Land and buildings**

Freehold land	– not depreciated
Freehold and long-leasehold buildings	– 50 years
Short-leasehold land and buildings	– unexpired lease term

**Plant and machinery**

Computer equipment	– 3 to 5 years
Other	– 3 to 25 years

**Furniture and fittings**

– 3 to 10 years

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date.

**WORK IN PROGRESS**

Work in progress, including programmes commissioned from independent producers, is stated at the lower of cost and net realisable value. The full stock value is written off on first transmission.

**ACQUIRED PROGRAMMES**

The costs of acquired programmes are written off on first transmission.

**OTHER STOCKS**

Raw materials are stated at the lower of cost and net realisable value.

**TRADE AND OTHER RECEIVABLES**

These are recognised initially and subsequently at fair value. For trade receivables this is after an allowance for estimated impairment. The allowance is based on objective evidence that BBC World Service will not be able to recover all amounts due, through a review of all accounts and prior experience collecting outstanding balances. Changes in the carrying amount of the allowance are recognised in the surplus/deficit.

**TRADE AND OTHER PAYABLES**

These are recognised initially and subsequently at fair value.

**PROVISIONS**

A provision is recognised in the balance sheet when BBC World Service has a present legal or constructive obligation arising from past events and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions that are payable over a number of years are discounted to net present value at the balance sheet date using a discount rate appropriate to the particular provision concerned.

**RESERVES**

Grant-in-Aid is used to fund both capital and revenue expenditure and a transfer is made each year to or from the capital reserve equal to the movement in the historic cost net book value of non-current assets during the year.

The value of the capital reserve is equal to the net book value of non-current assets at historic cost less the dilapidations provision that has been charged against the capital reserve. The operating reserve is the accumulated surplus of the income and expenditure account to the balance sheet date.

**USE OF ESTIMATES AND JUDGEMENTS**

In selecting and applying the accounting policies, the BBC World Service Board is required to make judgements, estimates and assumptions that can affect the reported amounts.

**PROPERTY, PLANT AND EQUIPMENT**

Depreciation is charged to the income statement over the useful economic life of an asset, which requires an assessment to be made of the useful economic life and residual value of each asset.

**LEASES**

In assessing whether a lease is an operating lease or a finance lease, judgment needs to be exercised in determining whether or not substantially all the risks and rewards of ownership of the leased asset are held by BBC World Service.

**PROVISIONS**

Judgement and estimation techniques are employed in the calculation of the best estimate of the amount required to settle obligations.

# NOTES TO THE FINANCIAL STATEMENTS

## I. SEGMENT REPORTING

### Ia. REPORTING TO THE BBC WORLD SERVICE BOARD

BBC World Service's income primarily arises in the United Kingdom. Grant-in-Aid income from the Foreign and Commonwealth Office accounts for around 99% of the income of BBC World Service. This funding is granted by HM Government as part of its spending review cycles.

Given the relative certainty of Grant-in-Aid income in any one year, management reporting is focused on the costs of the business units which comprise BBC World Service. Grant-in-Aid income is accounted for centrally and is not allocated across the business. The business units are arranged into regions and support functions. The regions are determined by the languages in which BBC World Service broadcasts and the target audiences for those language services. The majority of programming is created within the UK although output for some services is produced locally. As a result, the regions reflect the editorial and audience focus of BBC World Service. English language broadcasting operates as a separate "region". Its programmes are produced by other BBC departments using a "service level agreement" (SLA) model. In addition to programmes in English, the department also provides some central news services to the rest of BBC World Service.

In recent years BBC World Service has undertaken a number of exercises to centralise costs in order to better identify and achieve savings. Where possible, only direct, controllable costs remain in programme making areas. Central and support costs are not allocated to spending departments for operational or reporting purposes and consequently have not been re-allocated below.

### Ib. ASSETS AND LIABILITIES

Net assets and liabilities are not reported using the regional structure. Reporting of assets is performed at the entity level and so no presentation of assets by region has been provided. Where issues arise relating to specific assets or liabilities these are reported to the BBC World Service Board by exception.

Non-current assets are not reported by operating segment. As with current assets and liabilities, issues may be reported by exception but reviews of non-current assets generally take place at the entity level.

The geographical split of non-current assets is shown in note Id below.

### Ic. REPORTABLE SEGMENTS

Segmental analysis 2010	Income £m	Operating expenditure £m	Operating surplus/(deficit) before interest and taxation £m
<b>Production areas</b>			
African Services	0.4	(14.4)	(14.0)
Arabic Service	–	(26.9)	(26.9)
Americas and Europe	3.3	(19.8)	(16.5)
Asia Pacific	0.1	(34.5)	(34.4)
World Service English	0.1	(50.0)	(49.9)
	<b>3.9</b>	<b>(145.6)</b>	<b>(141.7)</b>
Future media, transmission and distribution	–	(57.9)	(57.9)
Accommodation, support and central areas	0.2	(42.4)	(42.2)
Depreciation, write-offs and capital GIA expensed in the year	–	(34.7)	(34.7)
<b>Net operating expenditure</b>	<b>4.1</b>	<b>(280.6)</b>	<b>(276.5)</b>
<b>Grant-in-Aid funding</b>	<b>268.0</b>	<b>–</b>	<b>268.0</b>
<b>Operating surplus/(deficit) before interest and taxation</b>	<b>272.1</b>	<b>(280.6)</b>	<b>(8.5)</b>

Notes:

- Assets and liabilities are primarily held centrally and not allocated to business units.
- External income attributable to production areas arises outside the UK and is derived from co-production, business development and local distribution arrangements.
- Accommodation represents costs charged directly to BBC World Service relating to Bush House and Egton Wing, WI. Accommodation for international offices and for providers of programmes to BBC World Service under SLAs are included in the relevant business unit.
- Support and central areas include marketing, HR, finance, strategy, legal, central provisions and the costs of the BBC World Service Board.



Segmental analysis 2009	Income £m	Operating expenditure £m	Operating surplus/(deficit) before interest and taxation £m
<b>Production areas</b>			
Africa Middle East	0.3	(38.8)	(38.5)
Americas and Europe	3.1	(21.4)	(18.3)
Asia Pacific	0.1	(35.8)	(35.7)
World Service English	0.1	(50.4)	(50.3)
	<b>3.6</b>	<b>(146.4)</b>	<b>(142.8)</b>
Future media, transmission and distribution	–	(57.5)	(57.5)
Accommodation, support and central areas	0.1	(35.4)	(35.3)
Depreciation, write-offs and capital GIA expensed in the year	–	(31.6)	(31.6)
<b>Net operating expenditure</b>	<b>3.7</b>	<b>(270.9)</b>	<b>(267.2)</b>
<b>Grant-in-Aid funding</b>	<b>265.0</b>	<b>–</b>	<b>265.0</b>
<b>Operating surplus/(deficit) before interest and taxation</b>	<b>268.7</b>	<b>(270.9)</b>	<b>(2.2)</b>

**Id. GEOGRAPHICAL SPLIT OF NON-CURRENT ASSETS**

The geographical split of non-current assets is:

2010	United Kingdom £m	Rest of the world £m	Total £m
<b>Total non-current assets</b>	<b>41.8</b>	<b>99.6</b>	<b>141.4</b>
<b>Other net (liabilities)/assets</b>	<b>(7.9)</b>	<b>1.9</b>	<b>(6.0)</b>
<b>Net assets</b>	<b>33.9</b>	<b>101.5</b>	<b>135.4</b>

**2009**

Total non-current assets	54.2	95.4	149.6
Other net (liabilities)/assets	(7.3)	1.6	(5.7)
Net assets	46.9	97.0	143.9

**2008**

Total fixed assets	55.8	95.6	151.4
Other net (liabilities)/assets	(6.5)	1.0	(5.5)
Net assets	49.3	96.6	145.9

2. TOTAL OPERATING COSTS

	2010 £m	2009 £m
<b>Intangible fixed assets and property, plant and equipment</b>		
Depreciation		
– owned assets	27.9	27.9
– leased assets	0.4	0.5
	<b>28.3</b>	<b>28.4</b>
<b>Other operating costs</b>		
Payments under operating leases		
– land and buildings	10.8	10.4
Audit fees paid to KPMG	0.1	0.1
Staff costs	90.9	84.8
Other	150.5	147.2
	<b>252.2</b>	<b>242.5</b>
<b>Total</b>	<b>280.6</b>	<b>270.9</b>

“Other” costs include direct costs of programme production, costs of programmes produced under SLA arrangements with other divisions of the BBC, transmission costs and all other costs with the exception of those disclosed separately above.

BBC World Service has reported its auditors’ remuneration in accordance with the Companies (Disclosure of Auditor Remuneration) Regulations 2005.

3. EMPLOYEES AND REMUNERATION

3a. PERSONS EMPLOYED

The average number of persons employed (full-time equivalent) in the year was:

	2010 Number	2009 Number
<b>Total BBC World Service</b>	<b>2,017</b>	<b>1,952</b>

Within the averages above, 146 (2009: 154) part-time employees have been included at their full-time equivalent of 78 (2009: 83) and 26 (2009: 40) persons on guaranteed minimum contracts have been included at their full-time equivalent of 7 (2009: 13).

In addition to this, BBC World Service employed an average of 28 persons on a casual basis (2009: 49). Their payroll costs are included in note 3b.

3b. STAFF COSTS

	2010 £m	2009 £m
Salaries and wages	67.5	64.6
Social security costs	6.7	6.3
Pension costs	10.7	9.2
Redundancy costs	6.0	4.7
<b>Total</b>	<b>90.9</b>	<b>84.8</b>

A salary sacrifice arrangement was introduced on 1 June 2008 for Old and New Benefit pension scheme members. The contributions paid via the salary sacrifice arrangement have been treated as employer contributions, and a reduction in salary.

Staff costs in 2010 incorporate the effects of the standard BBC pay award, filling posts in new television services and the impact of foreign exchange movements on the cost of staff based overseas. The funding arrangements for BBC World Service incorporate efficiency savings targets. Generating savings and the consequent levels of redundancy and restructuring costs therefore represent an ongoing business activity for BBC World Service.

3c. KEY MANAGEMENT

Within the overall structure of the BBC, BBC World Service forms part of the Global News division. The Director of BBC Global News did not sit on the BBC World Service Board in the year ended 31 March 2010 apart from during the period 1 April 2009 to 14 April 2009. However, throughout the year, the Director of BBC Global News did have a role in shaping the strategy of BBC World Service as part of the overall management of Global News. A proportion of the costs of the Director of BBC Global News were charged to BBC World Service. The key management of BBC World Service for the purposes of IAS 24 (Related Party Disclosures) comprises the BBC World Service Board and the Director of BBC Global News. From 1 April 2010 the posts of Director of BBC World Service and Director of BBC Global News have been combined.

The total remuneration of the key management of BBC World Service is shown below. This represents the remuneration of the BBC World Service Board plus that proportion of the costs of the Director of BBC Global News which are attributable to Grant-in-Aid funded activity.

	2010 £000	2009 £000
Short term employee benefits	1,639	1,629
Post employment benefits	276	300
Termination benefits	590	–
<b>Total</b>	<b>2,505</b>	<b>1,929</b>

As set out in note 3b above, the BBC operates a salary sacrifice scheme for members of the BBC Pension Scheme. The short term employee benefits for the key management of BBC World Service have not been adjusted to reflect the impact of the salary sacrifice scheme. Total salary sacrifice by the key management of BBC World Service was £92,000 (2009: £69,000).

Peter Horrocks, Director of BBC World Service, joined BBC World Service on 14 April 2009. The aggregate of his remuneration to 31 March 2010 was £214,840 (2009: nil). As a member of the BBC Pension Scheme, his total accrued annual pension at 31 March 2010 was £98,135.

The highest paid member of the BBC World Service Board in the year received remuneration to 31 March 2010 of £481,073. This included a termination payment. In the year to 31 March 2009 the highest paid Director was Nigel Chapman, Director of BBC World Service to 27 February 2009. His total remuneration in the year to 31 March 2009 was £239,300.

Twelve of the thirteen permanent members of the BBC World Service Board had retirement benefits accruing under the BBC Pension Scheme at 31 March 2010 (2009: 13 members).

#### 4. TAX

##### 4a. RECOGNISED IN THE INCOME STATEMENT

The charge for the year is based on a rate of corporation tax of 28% (2009: 28%) comprised:

	2010 £m	2009 £m
<b>Current tax</b>		
UK corporation tax	–	0.1
<b>Total current tax charge</b>	<b>–</b>	<b>0.1</b>
<b>Total deferred tax</b>	<b>–</b>	<b>–</b>
<b>Total taxation expense in the consolidated income statement</b>	<b>–</b>	<b>0.1</b>

The BBC World Service tax charge is based primarily on interest receivable. Taxation in the year to 31 March 2010 was immaterial. Grant-in-Aid, the principal component of BBC World Service's income, is not subject to tax.

Any deferred tax asset is recognised only to the extent that it is probable that sufficient taxable surplus will be available to utilise the temporary difference. Given that Grant-in-Aid is not subject to tax, it is not anticipated that any deferred tax assets would be utilised by BBC World Service and hence no deferred tax assets have been recognised.

##### 4b. RECONCILIATION OF TAXATION EXPENSE

	2010 £m	2009 £m
Deficit before tax	(8.5)	(1.9)
Deficit before tax multiplied by the standard rate of corporation tax in the UK of 28% (2009: 28%)	(2.4)	(0.6)
Adjustment relating to Grant-in-Aid funded activities	2.4	0.6
Effect of taxable external income	–	0.1
<b>Total taxation expense in the consolidated income statement</b>	<b>–</b>	<b>0.1</b>

##### 4c. FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

BBC World Service anticipates a similar tax charge in future years as Grant-in-Aid, the principal component of BBC World Service's income, is not subject to tax.

5. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

5a. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AT 31 MARCH

	Property, plant and equipment				Total £m	Intangible assets
	Land and buildings £m	Plant and machinery £m	Furniture and fittings £m	Assets under construction £m		Software £m
<b>Cost or valuation</b>						
At 1 April 2008	56.5	211.4	17.5	13.8	299.2	18.0
Additions	0.3	14.0	0.6	10.9	25.8	0.8
Brought into service	0.1	9.3	0.5	(10.8)	(0.9)	0.9
Disposals	(0.2)	(1.6)	(0.3)	–	(2.1)	–
<b>At 1 April 2009</b>	<b>56.7</b>	<b>233.1</b>	<b>18.3</b>	<b>13.9</b>	<b>322.0</b>	<b>19.7</b>
Additions	–	4.5	0.3	15.0	19.8	0.3
Brought into service	–	5.5	0.3	(8.1)	(2.3)	2.3
Disposals	–	(2.2)	(0.1)	–	(2.3)	(0.1)
<b>At 31 March 2010</b>	<b>56.7</b>	<b>240.9</b>	<b>18.8</b>	<b>20.8</b>	<b>337.2</b>	<b>22.2</b>
<b>Depreciation</b>						
At 1 April 2008	39.5	108.7	6.6	–	154.8	11.0
Charge for the year	2.4	20.4	2.3	–	25.1	3.3
Elimination in respect of disposals	(0.2)	(1.6)	(0.3)	–	(2.1)	–
<b>At 1 April 2009</b>	<b>41.7</b>	<b>127.5</b>	<b>8.6</b>	<b>–</b>	<b>177.8</b>	<b>14.3</b>
Charge for the year	2.4	21.4	2.4	–	26.2	2.1
Elimination in respect of disposals	–	(2.2)	(0.1)	–	(2.3)	(0.1)
<b>At 31 March 2010</b>	<b>44.1</b>	<b>146.7</b>	<b>10.9</b>	<b>–</b>	<b>201.7</b>	<b>16.3</b>
<b>Net book value</b>						
<b>At 31 March 2010</b>	<b>12.6</b>	<b>94.2</b>	<b>7.9</b>	<b>20.8</b>	<b>135.5</b>	<b>5.9</b>
At 31 March 2009	15.0	105.6	9.7	13.9	144.2	5.4
At 31 March 2008	17.0	102.7	10.9	13.8	144.4	7.0

All fixed assets are held directly by BBC World Service as at 31 March 2010 except for £0.4m (2009: £0.2m) held by BBC do Brasil Limitada, its subsidiary.

The members of the BBC World Service Board are satisfied that there has been no impairment in the carrying values of freehold properties at the balance sheet date.

Land and buildings include freehold land at a cost of £0.1 million (2009: £0.1 million) which is not depreciated.

	2010 £m	2009 £m	2008 £m
<b>Land and buildings at net book value comprise:</b>			
Freeholds	1.3	1.8	2.3
Short leaseholds	11.3	13.2	14.7
<b>Total</b>	<b>12.6</b>	<b>15.0</b>	<b>17.0</b>

5b. PROPERTY, PLANT AND EQUIPMENT HELD UNDER FINANCE LEASES

Assets held under finance leases, capitalised and included in plant and machinery within non-current assets are as follows:

	2010 £m	2009 £m	2008 £m
<b>Finance leases</b>			
Cost	1.3	1.9	1.9
Accumulated depreciation	(0.8)	(1.3)	(1.2)
<b>Net book value</b>	<b>0.5</b>	<b>0.6</b>	<b>0.7</b>

The finance leases relate to IT equipment used in the UK that was originally leased to BBC World Service under operating leases. As at 1 April 2005, the contract was varied to allow the assets to be used by BBC World Service for substantially their entire economic lives. As a result, these assets have been capitalised and included in non-current assets.

5c. INTANGIBLE ASSETS

Intangible assets are software systems purchased and developed by BBC World Service, predominantly for programme editing, scheduling and transmission purposes.

6. PROGRAMME RELATED ASSETS AND OTHER INVENTORIES

	2010 £m	2009 £m	2008 £m
Work in progress – programmes and other	0.1	0.1	0.1
<b>Total programme related assets and other inventories</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>

7. TRADE AND OTHER RECEIVABLES

	2010 £m	2009 £m	2008 £m
<b>Receivable within one year</b>			
Trade receivables	1.6	1.1	0.9
Amounts owed by BBC Group	4.1	1.7	1.3
Amounts owed by other BBC subsidiaries	0.8	0.7	1.1
VAT recoverable	0.9	1.4	2.6
Other receivables	0.2	0.2	0.2
Prepayments	3.4	4.6	4.1
<b>Total</b>	<b>11.0</b>	<b>9.7</b>	<b>10.2</b>

8. TRADE AND OTHER PAYABLES

8a. SUPPLIER PAYMENT POLICY

It is the BBC's policy to comply with the Better Payment Practice Code in relation to the payment of suppliers, provided that the supplier is complying with the relevant terms and conditions of their contract. BBC World Service monitors compliance against the terms of this code. BBC World Service's creditor days outstanding at 31 March 2010 was 16 (2009: 16).

8b. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £m	2009 £m	2008 £m
<b>Trade payables</b>			
Programme payables	–	0.1	0.2
Other trade payables	2.9	3.3	2.8
	<b>2.9</b>	<b>3.4</b>	<b>3.0</b>
<b>Other payables</b>			
Salaries and wages	7.0	5.0	5.5
Fixed asset payables	1.1	1.0	0.9
Corporation tax	–	0.1	0.1
Accruals and deferred income	2.6	2.0	1.6
	<b>10.7</b>	<b>8.1</b>	<b>8.1</b>
<b>Total</b>	<b>13.6</b>	<b>11.5</b>	<b>11.1</b>

**9. BORROWINGS****9a. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £m	2009 £m	2008 £m
Obligations under finance leases	0.1	0.4	0.4
<b>Total</b>	<b>0.1</b>	<b>0.4</b>	<b>0.4</b>

**9b. AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR BUT NOT LATER THAN FIVE YEARS**

	2010 £m	2009 £m	2008 £m
Obligations under finance leases	0.4	0.2	0.3
<b>Total</b>	<b>0.4</b>	<b>0.2</b>	<b>0.3</b>

**9c. FINANCE LEASE OBLIGATIONS**

Finance lease obligations relate to IT equipment leased to BBC World Service. The terms of the contract allow the assets to be used by BBC World Service for substantially their entire economic lives. As a result, these assets have been capitalised and included in property, plant and equipment.

Notes 9a and 9b above show the obligations under finance leases falling due under the terms of the contract. The disclosures relate to the principal. The interest components relating to the leased assets are immaterial for the purposes of these financial statements and hence a separate finance lease obligations table has not been included. None of the obligations due under finance leases fall due after five years.

**10. FINANCIAL INSTRUMENTS**

The Group has adopted *FRS 29 (IFRS 7) Financial Instruments: Disclosure* for the first time in this financial year. Accordingly, the comparatives have been restated on a consistent basis, but the standard does not require any changes to the recognition or measurement of financial instruments.

**10a. FINANCIAL RISK MANAGEMENT**

BBC World Service manages its financial risk using a number of routes.

**Liquidity risk:** BBC World Service is primarily funded by means of Grant-in-Aid received from the Foreign and Commonwealth Office (FCO). BBC World Service submits monthly cash draw down requests to the FCO in order to secure sufficient funds to meet its obligations as they fall due. This method enables BBC World Service to manage its cash risk. Under this process, BBC World Service generally maintains a positive cash balance and, as a result, has no requirement for borrowings.

**Credit risk:** BBC World Service receives a small amount of income from third parties under programme making and distribution arrangements. This external income arises outside the UK and amounts due at year end are reflected in trade receivables. Any amounts which are considered to be impaired are provided for in line with the BBC group policy. The credit risk associated with these trade receivables is considered to be low.

**Market risk:** BBC World Service is an international organisation and undertakes some transactions in currencies other than sterling. Due to movements in exchange rates over time, the amount BBC World Service expects to receive or pay when it enters into a transaction may differ from the amount that it actually receives or pays when it settles the transaction.

Working with the BBC's group treasury function, BBC World Service benefits from forward currency arrangements, for expected expenditure in US Dollars and Euros to manage this currency risk. These allow BBC World Service to settle transactions at known exchange rates, thereby eliminating much of this uncertainty. As a result of this certainty in exchange rates BBC World Service has no significant underlying sensitivity to currency fluctuations in the year and hence no sensitivity analysis is presented. These forward currency requirements are managed by the BBC's group treasury department as part of their management of the BBC's overall currency risk. The forward contracts are not specifically attributable to BBC World Service and hence are not reflected in the accounts of BBC World Service. BBC World Service does not undertake speculative treasury transactions.

**Other risks:** As referred to above, BBC World Service does not have any requirement for external borrowings so is not exposed to interest rate risk. Due to the funding agreement with the FCO, BBC World Service does not hold excessive cash throughout the year and so is not subject to other price risks, such as market price risk.

**10b. FAIR VALUES OF FINANCIAL INSTRUMENTS**

The following table shows the fair value and carrying value of BBC World Service's financial instruments, in categories according to how the financial instrument is measured. It also shows the maturity profile for each category of financial asset and liability.

	Amounts due in less than one year £m	Amounts due between one and five years £m	Amounts due after more than five years £m	Total £m
<b>2010 – Carrying value and fair value</b>				
<b>Loans and receivables</b>				
Trade receivables	1.6	–	–	1.6
<b>Cash at bank and in hand</b>	<b>6.7</b>	–	–	<b>6.7</b>
<b>Financial liabilities measured at amortised cost</b>				
Trade payables	(2.1)	–	–	(2.1)
Obligations under finance leases	(0.1)	(0.4)	–	(0.5)
<b>2009 – Carrying value and fair value</b>				
<b>Loans and receivables</b>				
Trade receivables	1.1	–	–	1.1
<b>Cash at bank and in hand</b>	<b>6.1</b>	–	–	<b>6.1</b>
<b>Financial liabilities measured at amortised cost</b>				
Trade payables	(1.8)	–	–	(1.8)
Obligations under finance leases	(0.4)	(0.2)	–	(0.6)
<b>2008 – Carrying value and fair value</b>				
<b>Loans and receivables</b>				
Trade receivables	0.9	–	–	0.9
<b>Cash at bank and in hand</b>	<b>5.4</b>	–	–	<b>5.4</b>
<b>Financial liabilities measured at amortised cost</b>				
Trade payables	(0.9)	–	–	(0.9)
Obligations under finance leases	(0.4)	(0.3)	–	(0.7)

**10c. DERIVATIVE FINANCIAL INSTRUMENTS**

In accordance with IAS 39 *Financial Instruments*, BBC World Service has reviewed contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard. The fair value of embedded derivatives held by BBC World Service is not material.

At 31 March 2010 there were no differences (2009: no differences. 2008: no differences) between the carrying value and the fair value of the financial instruments of BBC World Service.

**II. PROVISIONS**

	Dilapidations £m	Restructuring £m	Other £m	Total £m
At 1 April 2009	3.7	5.1	0.7	9.5
Utilised during the year	–	(4.3)	(0.1)	(4.4)
Released during the year	–	(0.6)	(0.1)	(0.7)
Charge for the year	0.1	5.0	0.2	5.3
<b>At 31 March 2010</b>	<b>3.8</b>	<b>5.2</b>	<b>0.7</b>	<b>9.7</b>
Included in current liabilities	–	3.1	0.7	3.8
Included in non-current liabilities	3.8	2.1	–	5.9
<b>Total</b>	<b>3.8</b>	<b>5.2</b>	<b>0.7</b>	<b>9.7</b>
At 1 April 2008	3.6	5.6	0.2	9.4
Utilised during the year	–	(5.0)	(0.1)	(5.1)
Released during the year	–	(0.7)	–	(0.7)
Charge for the year	0.1	5.2	0.6	5.9
<b>At 31 March 2009</b>	<b>3.7</b>	<b>5.1</b>	<b>0.7</b>	<b>9.5</b>
Included in current liabilities	–	3.1	0.7	3.8
Included in non-current liabilities	3.7	2.0	–	5.7
<b>Total</b>	<b>3.7</b>	<b>5.1</b>	<b>0.7</b>	<b>9.5</b>

The dilapidations provision represents a liability to restore Bush House to its original condition on the future move of BBC World Service to Broadcasting House in London, W1. The liability falls due on 25 December 2013. The charge increases each year index linked to RPI subject to a collar of 2% and a cap of 4%. The dilapidations provision will be funded from capital Grant-in-Aid when it crystallises, therefore the £0.1 million charge applied to this provision is included in the capital reserve transfer.

In the normal course of business, restructuring provisions are generally expected to crystallise within six to twelve months after their recognition. However, this can vary from case to case and depends on a number of factors. The restructuring provisions included in non-current liabilities relate to the re-organisation of technical support services provided to BBC World Service where the full transformation is expected to take place once BBC World Service relocates to the W1 site in 2012/13.

In the normal course of business, BBC World Service has a number of contingent liabilities arising from litigation. In cases where it is considered probable that an outflow of resources will arise BBC World Service provides for its best estimate of probable damages and costs. These are reflected in other provisions.

## 12. RECONCILIATION OF OPERATING DEFICIT TO CASH GENERATED FROM OPERATIONS

	2010 £m	2009 £m
Operating deficit	(8.5)	(2.2)
Depreciation, amortisation and impairment	28.3	28.4
(Increase)/decrease in receivables	(1.3)	0.5
Increase in payables	2.1	0.3
Increase in provisions	0.2	0.1
<b>Cash generated from operations</b>	<b>20.8</b>	<b>27.1</b>

## 13. CHANGES IN NET FUNDS

	At 1 April 2008 £m	Cash flow £m	Non-cash changes £m	At 1 April 2009 £m	Cash flow £m	Non-cash changes £m	At 31 March 2010 £m
<b>Net cash</b>							
Cash in hand and at bank	5.4	0.7	–	6.1	0.6	–	6.7
<b>Debt</b>							
Finance leases	(0.7)	0.5	(0.4)	(0.6)	0.4	(0.3)	(0.5)
<b>Net funds</b>	<b>4.7</b>	<b>1.2</b>	<b>(0.4)</b>	<b>5.5</b>	<b>1.0</b>	<b>(0.3)</b>	<b>6.2</b>

## 14. LONG TERM COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

### 14a. CONTRACTS PLACED FOR FUTURE EXPENDITURE

	2010 £m	2009 £m
Fixed asset additions	1.8	4.2
Programme acquisitions and sports rights	0.2	0.1
Other commitments	31.2	46.0
<b>Total</b>	<b>33.2</b>	<b>50.3</b>

Commitments relating to future expenditure show the minimum payments expected under contracts with third parties. The amounts disclosed do not include variable payments. Commitments disclosed in other commitments include the contract between BBC World Service and VT Communications Limited for the provision of transmission services. The contract runs until March 2012.

### 14b. OPERATING LEASES – MINIMUM LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	Land & buildings 2010 £m	Land & buildings 2009 £m
Not later than one year	10.7	9.9
Later than one year and not later than five years	26.4	35.4
Later than five years	3.8	3.6
<b>Total</b>	<b>40.9</b>	<b>48.9</b>



## 15. RELATED PARTY DISCLOSURES

### 15a. ULTIMATE CONTROLLING PARTY

BBC World Service is a division of the British Broadcasting Corporation, a body incorporated by Royal Charter. The largest group in which the results of BBC World Service are consolidated is that headed by the BBC. The consolidated accounts of this group may be obtained from the Head of the BBC Executive Unit, White City Building, 201 Wood Lane, London W12 7TS.

### 15b. INVESTMENTS

BBC World Service holds the following interests in companies, at cost:

	Holding of issued ordinary shares %	Activity
<b>Subsidiaries</b>		
BBC Croatia d.o.o. (incorporated in Croatia)	100	Operated the Zagreb office (now closed)
BBC do Brasil Limitada (incorporated in Brazil)	100	Produces and distributes programmes
BBC East Asia Relay Company Limited (incorporated in Hong Kong)	100	Holds FM transmission licence
BBC Kiev LLC (incorporated in Ukraine)	100	Holds broadcasting licence
BBC Morocco SA (incorporated in Morocco)	100	Dormant
BBC Pakistan Private Limited (incorporated in Pakistan)	100	Produces and distributes programmes
BBC R (incorporated in Russia)	100	Produces and distributes programmes and holds broadcast licence
BBC Radiocom (Bulgaria) EOOD (incorporated in Bulgaria)	100	In liquidation
BBC Radiocom (Praha) s.r.o. (incorporated in the Czech Republic)	100	Operated the now closed Prague office and holds local broadcast licences
BBC Radiocom (Romania) SRL (incorporated in Romania)	100	Operated the now closed Bucharest office and holds local broadcast licences
BBC Radiocom Deutschland GmbH (incorporated in Germany)	100	In liquidation
BBC Ukraine LLC (incorporated in Ukraine)	100	Holds broadcasting licence
BBC World Service Hong Kong Limited (incorporated in Hong Kong)	100	Operating subsidiary for Hong Kong bureau
BBC World Service India Private Limited (incorporated in India)	100	Produces and distributes programmes
BBC World Service Trust *		International facing charity
<b>Associates</b>		
Multimedia Ventures Limited (incorporated in Great Britain)	50	Dormant

\* BBC World Service Trust is a charitable company limited by guarantee, of which the BBC is the sole member.

Although BBC World Service is technically the parent of the BBC World Service Trust, it is exempt from consolidation. This is because the trustees have a fiduciary duty to act in the best interests of the beneficiaries and as substantially all of the income is made up of grants, which are classified as restricted funds because their use is specified by donors, BBC World Service has no direct control over, or financial interest in, the assets.

The results and balances of the other companies listed above are presented in the consolidated financial statements and the notes to these financial statements.

The related party transactions of BBC World Service have been presented in accordance with IAS 24: *Related Party Disclosures*.

### 15c. TRANSACTIONS WITH RELATED PARTIES EXCLUDING KEY MANAGEMENT PERSONNEL

Transactions with related parties in the year were as follows:

	BBC group		Other BBC subsidiaries		BBC World Service Trust		BBC Pension Scheme	
	2010 £m	2009 £m	2010 £m	2009 £m	2010 £m	2009 £m	2010 £m	2009 £m
Rendering of services	–	–	(1.2)	(0.8)	(1.6)	(1.0)	–	–
Receiving of services	164.3	163.2	0.7	0.7	0.2	0.5	–	–
Pension contributions	–	–	–	–	–	–	10.7	9.1
	164.3	163.2	(0.5)	(0.1)	(1.4)	(0.5)	10.7	9.1

Amounts owed by and owed to related parties were as follows:

	Amounted owed by related parties			Amounted owed to related parties		
	2010 £m	2009 £m	2008 £m	2010 £m	2009 £m	2008 £m
Parent company	4.4	2.2	3.0	(0.3)	(0.5)	(1.7)
Other BBC subsidiaries	0.8	0.9	1.2	–	(0.2)	(0.1)
	<b>5.2</b>	<b>3.1</b>	<b>4.2</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>(1.8)</b>

Transactions with the parent company comprise payments made for the provision of programmes and services and the payroll costs of BBC World Service staff in the UK as the payroll is operated by the BBC group.

Transactions with other BBC subsidiaries are composed of transactions for the provision of programmes and services.

BBC World Service made grants of 0.2 million (2009: £0.4 million) during the year to the BBC World Service Trust, towards education projects and general management and administration costs.

BBC World Service Trust also procures some services from BBC World Service for the delivery of its projects. These are primarily the services of BBC World Service staff. The financial results of the BBC World Service Trust are not consolidated with those of BBC World Service. As a result, transactions with the BBC World Service Trust are not eliminated on consolidation and are included above.

During the year there were no disclosable transactions with associates.

#### 15d. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

During the year there were no disclosable transactions with key management personnel other than the remuneration disclosed in note 3c.

### 16. BBC PENSION PLANS

#### 16a. BBC GROUP PENSION PLANS

Many BBC World Service employees are members of the BBC Group's pension schemes. These comprise the BBC Pension Scheme (a defined benefit scheme), a small unfunded plan (the unfunded scheme, which is closed to new members) and the Group Personal Pension Scheme (a defined contribution scheme).

The BBC Pension Scheme provides salary related benefits on a defined benefit basis funded from assets held in separate trustee-administered funds; there are three sections to the BBC Pension Scheme, Old Benefits and New Benefits both provide benefits based on final salary (subject to differing inflation caps) and the Career Average Benefits section, which is the section open to new entrants. The pension scheme trustees manage the plan in the short, medium and long term. They make funding decisions based on valuations which take a longer term view of the assets required to fund the scheme's liabilities

BBC World Service, following the provisions within IAS 19: *Employee Benefits* for accounting in respect of Group schemes, accounts for the scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The pension cost for this scheme therefore represents contributions payable by BBC World Service to the scheme and the costs amounted to £10.7 million in the year (2009: £9.1 million). No contributions were prepaid or accrued at 31 March 2010 (2009: £nil; 2008: £nil).

The actuarial valuation was updated for IAS 19 purposes to 31 March 2010 by Towers Watson, consulting actuaries. This valuation identified a deficit of £1,640.9 million in the scheme at 31 March 2010 (2009: deficit £138.6 million; 2008: surplus £528.4 million). Additional disclosure about the scheme and its financial position under IAS 19 is presented below:

#### 16b. PENSION (LIABILITY)/ASSET INCLUDED IN THE BALANCE SHEET OF THE BBC GROUP

	Pension liability			Pension asset		
	2010 £m	2009 £m	2008 £m	2010 £m	2009 £m	2008 £m
BBC Pension Scheme	(1,640.9)	(138.6)	–	–	–	528.4
Unfunded Scheme	(6.2)	(4.7)	(5.1)	–	–	–
<b>Total</b>	<b>(1,647.1)</b>	<b>(143.3)</b>	<b>(5.1)</b>	<b>–</b>	<b>–</b>	<b>528.4</b>

#### 16c. BBC PENSION SCHEME

The BBC Pension Scheme is the main pension plan of the Group and covers the majority of employees. This plan provides salary related benefits on a defined benefit basis funded from assets held in separate trustee-administered funds.

**16c(i) Scheme financial position**

	2010 £m	2009 £m	2008 £m	2007 £m	2006 £m
<b>IAS 19 valuation</b>					
Scheme assets	<b>8,154.8</b>	6,454.0	8,042.0	8,117.9	7,843.4
Scheme liabilities	<b>(9,795.7)</b>	(6,592.6)	(7,513.6)	(7,788.6)	(7,675.9)
<b>(Deficit)/surplus</b>	<b>(1,640.9)</b>	(138.6)	528.4	329.3	167.5

**16c(ii) Changes in the present value of plan liabilities**

The table below illustrates the movement on the plan liabilities during the year. The key factors which affect this are the additional year of pension benefits earned (and employee contributions made), interest charged on existing liabilities, any gains or losses relating to participants leaving the pension scheme, changes in assumptions made and benefits paid out during the year.

	2010 £m	2009 £m	2008 £m
Opening present value of plan liabilities	<b>6,592.6</b>	7,513.6	7,788.6
Current service cost	<b>128.2</b>	161.8	164.8
Past service (income)/cost	<b>(301.5)</b>	24.2	21.5
Gains on curtailments	–	(10.0)	–
Interest on pension plan liabilities	<b>463.4</b>	508.4	413.6
Experience (gains)/losses arising on plan liabilities	<b>(33.2)</b>	(171.3)	149.1
Changes in assumptions underlying plan liabilities	<b>3,266.1</b>	(1,138.1)	(786.0)
Contributions by plan participants	<b>7.2</b>	14.2	53.1
Benefits paid	<b>(327.1)</b>	(310.2)	(291.1)
<b>Closing present value of plan liabilities</b>	<b>9,795.7</b>	6,592.6	7,513.6

**16c(iii) Changes in the fair value of plan assets**

The table below illustrates the movement on the plan assets during the year. The key factors which affect this are the additional year of contributions made, changes in the value of the pension plan assets (including the investment return) and benefits paid during the year.

A salary sacrifice arrangement was introduced on 1 June 2008 for Old and New Benefit members. The contributions paid via the salary sacrifice arrangement have been treated as employer contributions.

	2010 £m	2009 £m	2008 £m
Opening fair value of plan assets	<b>6,454.0</b>	8,042.0	8,117.9
Expected rate of return on plan assets	<b>443.4</b>	626.0	562.7
Actuarial gains/(losses) on plan assets	<b>1,363.0</b>	(2,094.0)	(584.6)
Contributions by employer	<b>214.3</b>	176.0	184.0
Contributions by plan participants	<b>7.2</b>	14.2	53.1
Benefits paid	<b>(327.1)</b>	(310.2)	(291.1)
<b>Closing present value of plan assets</b>	<b>8,154.8</b>	6,454.0	8,042.0

**16c(iv) Plan assets**

The allocation of assets by the Trustees is governed by a need to manage risk against the desire for high returns and any liquidity needs.

A high percentage of assets are held in equities which the Trustees expect will produce higher returns in the long term. The target allocation, based on market values, for equities is 50% (UK equities 25% and overseas equities 25%), bonds 30%, property 10% and alternatives 10%.

Type of asset	2010		2009		2008	
	£m	%	£m	%	£m	%
Equities	<b>4,573</b>	<b>56</b>	3,313	51	4,624	58
Bonds	<b>1,825</b>	<b>22</b>	1,598	25	1,693	21
Property	<b>787</b>	<b>10</b>	796	12	1,001	12
Alternatives*	<b>719</b>	<b>9</b>	508	8	455	6
Cash	<b>251</b>	<b>3</b>	239	4	269	3
<b>Total assets</b>	<b>8,155</b>		6,454		8,042	
Actual return on pension plan assets **	<b>1,806</b>		(1,468)		(22)	

\* Alternatives include private equity, debt and currency.

\*\* This constitutes realised gains from the receipt of investment income (e.g. dividends and rent), transactions where assets are sold and unrealised fair value changes.

**16c(v) Funding the Scheme**

As a result of the 2007 actuarial valuation by Towers Watson, it was agreed between the BBC and the Pension Scheme trustees that employer contributions would increase to 19.35% from 1 July 2008. Employee contributions rose from 6% to 6.75% from 1 April 2009 and will rise to 7.5% from 1 April 2010 and employer contributions decreased from 19.35% to 18.6% from 1 April 2009 and will decrease to 17.85% from 1 April 2010. Employee contributions for Career Average Benefit members are set at 4%.

An interim valuation was performed as at 1 April 2009. The next formal actuarial valuation is expected to be performed as at 1 April 2010.

	Projection		Actual		
	2011	2010	2009	2008	2007
Contribution rates	%	%	%	%	%
Employer	17.85	<b>18.6</b>	18.8/19.35	18.8	7.5
Employee (Old and New Benefits)	7.5	<b>6.75</b>	6.0	6.0	5.5/6.0
Employee (Career Average Benefits)	4.0	<b>4.0</b>	4.0	4.0	4.0**
Underlying cost of scheme to BBC as % of pensionable salaries*	17.85	<b>18.6</b>	18.8/19.35	18.8	19.3/18.8

\* Excludes the cost effectively paid for by the employee and the salary sacrifice element.

\*\* The Career Average Benefit scheme started on 1 November 2006.

On the basis assumed above, the BBC Group expects to make contributions to the scheme totalling £179.4 million in 2011.

**16c(vi) Principal actuarial assumptions**

The calculation of the scheme liabilities and pension charges, for IAS 19 purposes, requires a number of assumptions, both financial and demographic, to be made. The principal assumptions used by the actuaries, at the balance sheet date were:

	2010	2009	2008
Principal financial assumptions	%	%	%
Rate of increase in salaries	<b>3.7</b>	4.4*	5.6
Rate of increase in pension payments:			
Old Benefits	<b>3.7</b>	3.0	3.6
New Benefits	<b>3.5</b>	2.7	3.4
Career Average Benefits	<b>2.4</b>	2.4	2.5
Inflation assumption	<b>3.7</b>	2.9	3.6
Discount rate	<b>5.5</b>	7.2	6.9

\* This is the assumption from 1 April 2011. The assumption to 31 March 2011 is 3.9% per annum.

The average life expectancy assumptions, for members after retirement at 60 years of age, are as follows:

	2010	2009	2008
Principal demographic assumptions	Number of years	Number of years	Number of years
Retiring today			
Male	<b>27.0</b>	26.9	26.6
Female	<b>29.7</b>	29.6	29.1
Retiring in 20 years			
Male	<b>29.0</b>	28.9	28.1
Female	<b>31.8</b>	31.7	30.7

The longevity assumptions have been selected to reflect the characteristics and experience of the membership of the scheme. This has been done by adjusting standard mortality tables (PMAC07MC+0.5 and PFAC07MC+I) which reflect recent research into mortality experience in the UK.

The demographic assumptions have been updated from those used for the actuarial valuation of the scheme as at 1 April 2007 to reflect the likely assumptions which will be used for the actuarial valuation of the scheme as at 1 April 2010.

**16c(vii) Group Personal Pension Scheme and other schemes**

The BBC also operates its own defined contribution pension schemes, including those operated in the USA and Australia. The pension cost represents contributions payable by BBC World Service to the funds and this amounted to £0.03 million in the year (2009: £0.07 million).

**17. CONVERSION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Following the BBC World Service's adoption of IFRS, the 2009 and where relevant 2008 comparative financial information in these accounts has been restated and represented under IFRS. The reconciliations below highlight the key impacts on both the surplus for the financial year and the net assets.

	Year ended 31 March 2010	Year ended 31 March 2009
	£m	£m
<b>Reconciliation of surplus from UK GAAP to IFRS</b>		
Deficit (UK GAAP)	<b>(8.4)</b>	(2.1)
IAS 19 – Employee benefits	<b>(0.1)</b>	0.1
Deficit (IFRS)	<b>(8.5)</b>	(2.0)

	2010	2009	2008
	£m	£m	£m
<b>Reconciliation of net assets from UK GAAP to IFRS</b>			
Net assets (UK GAAP)	<b>136.2</b>	144.6	146.7
IAS 19 – Employee benefits	<b>(0.8)</b>	(0.7)	(0.8)
Net assets (IFRS)	<b>135.4</b>	143.9	145.9

The principal IFRS adjustment in the accounts of BBC World Service is as follows:

**IAS 19 – EMPLOYEE BENEFITS.** Under UK GAAP, BBC World Service did not make a provision for holiday pay, i.e. holiday earned but not taken prior to the year end. In contrast, IAS 19 requires the cost of short-term compensated absences to be recognised when employees render the service that increases their entitlement. As a result an additional accrual has been made to reflect this.

# GOVERNANCE

## THE BBC WORLD SERVICE CORPORATE GOVERNANCE FRAMEWORK

BBC World Service is funded by a Parliamentary Grant-in-Aid, administered by the Foreign and Commonwealth Office (FCO) of the British government. Operationally BBC World Service is part of the BBC. The FCO, in close consultation with BBC World Service, is involved in the process of deciding which languages are broadcast, but production and editorial control rests entirely with the BBC.

The relationship between BBC World Service and the FCO is governed by two documents: the Broadcasting Agreement which sets out the aims and objectives of BBC World Service and provisions for performance assessment; and the Financial Memorandum which sets out the financial arrangements. The BBC World Service Board is operationally responsible for complying with these two documents.

Within the BBC ultimate responsibility for BBC World Service is vested in the BBC Trust, which is the sovereign body of the Corporation. The BBC Trust and the BBC Executive Board ensure that BBC World Service operates responsibly and maintains high standards of editorial integrity and content. The respective responsibilities of the BBC Trust and the BBC Executive Board relating to the operation of BBC World Service are outlined in a protocol published by the BBC Trust.

This and the following pages contain reports on BBC World Service's policies, procedures and compliance on governance matters, namely:

- BBC World Service Responsibility Statement;
- BBC Executive Board Report on BBC World Service Trading Protocols;
- Statement on Internal Control;
- Our People;
- The BBC World Service Board; and,
- Compliance and Accountability.

## BBC WORLD SERVICE RESPONSIBILITY STATEMENT STATEMENT OF BOARD RESPONSIBILITIES IN RESPECT OF THE ANNUAL REVIEW

The Charter requires the BBC to prepare an audited annual report and statement of accounts. The statement of accounts of the BBC incorporates the financial results of BBC World Service. The Financial Memorandum with the Foreign and Commonwealth Office (FCO) requires BBC World Service to prepare its own accounts and produce an Annual Review.

The BBC Executive Board and the BBC World Service Board have accepted their responsibility for the preparation of an operating and financial review, statements of compliance with applicable codes and regulations and the statement of accounts which are intended by them to give a true and fair view of the state of affairs of the BBC World Service and of the income and expenditure for that period. The accounts have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU ('EU IFRS'), reflecting the fact that IFRSs are widely used in the UK, are being adopted in the public sector, and that their use is permitted under the Companies Act 2006.

The BBC Executive Board and BBC World Service Board must not approve the statement of accounts (or 'financial statements') unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the BBC World Service and of the surplus or deficit for that period.

In preparing the financial statements the BBC Executive Board and BBC World Service Board have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether they have been prepared in accordance with IFRS as adopted by the EU; and,
- prepared the financial statements on the going concern basis as they believe that BBC World Service will continue in business.

The BBC Executive Board and BBC World Service Board are responsible for keeping proper accounting records that are sufficient to show and explain the transactions of BBC World Service and disclose with reasonable accuracy at any time its financial position and enable them to ensure that the financial statements comply with the BBC's Charter and with the Financial Memorandum with the FCO. The Boards also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the BBC World Service and to prevent and detect fraud and other irregularities.

The BBC Executive Board and BBC World Service Board are responsible for the maintenance and integrity of the BBC World Service's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The BBC Executive Board and BBC World Service Board members who held office at the date of approval of the Annual Review confirm that, to the best of each of their knowledge and belief:

- the financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and deficit of BBC World Service; and,
- the operating and financial review includes a fair review of the development and performance of the business and the position of BBC World Service, together with a description of the principal risks and uncertainties that it faces.

## STATEMENT OF DISCLOSURE OF INFORMATION

The BBC Executive Board and BBC World Service Board members who held office at the date of approval of this Annual Review confirm that, so far as they are each aware:

- there is no relevant audit information of which the BBC World Service's auditors are unaware; and,
- that each BBC Executive Board member and BBC World Service Board member has taken all the steps that they ought to have taken as a BBC Executive Board or BBC World Service Board member to make themselves aware of any relevant audit information and to establish that the BBC World Service's auditors are aware of that information.

## GOING CONCERN

A review of the financial position of BBC World Service is included on page 30. This, together with the Director's overview on pages 2 to 5, provides an assessment of BBC World Service's performance and current position. The BBC World Service's approach to risk management is outlined on pages 55 and 56. This includes regularly reviewing the risks faced by the business including the impact of the current economic climate and the likelihood of securing adequate ongoing funding.

The BBC World Service's 2009/10 annual accounts have been drawn up on a going concern basis. The BBC World Service is funded by the FCO through Grant-in-Aid, which has in recent years been awarded in three-year funding settlements. The current three-year settlement period runs until 31 March 2011. Whilst the BBC Executive Board and BBC World Service Board have no visibility of the impact of the new Government's spending plans for the Foreign and Commonwealth Office, the BBC Executive Board and BBC World Service Board expect the basis of future years' funding to be agreed later in 2010 and are therefore satisfied that the going concern assumption remains appropriate.

This statement was approved by the BBC Executive Board and the BBC World Service Board on 14 June 2010 and signed on their behalf by:

**MARK THOMPSON**  
DIRECTOR-GENERAL, BBC

**PETER HORROCKS**  
DIRECTOR, BBC WORLD SERVICE

## BBC EXECUTIVE BOARD REPORT ON BBC WORLD SERVICE TRADING PROTOCOLS

BBC World Service is responsible for commissioning and scheduling its own programmes and for making programmes for its language services, but purchases English language programme making and technical and support services from other parts of the BBC ('the Suppliers'). BBC World Service also receives services from and supplies services to the BBC's commercial subsidiaries ('the Subsidiaries').

It was agreed by a joint Foreign and Commonwealth Office (FCO)/BBC World Service Working Group that the BBC would draw up guidelines to govern the trading relationship between BBC World Service and other parts of the BBC in order to ensure that BBC World Service maintains its distinctive voice and to preserve the clear separation between Grant-in-Aid and licence fee income. Each of the Suppliers then drew up detailed agreements with BBC World Service.

KPMG LLP (the BBC's external auditors) have received a summary of the value of transactions and the related cash flows which have taken place during the year between BBC World Service and the Suppliers and Subsidiaries. KPMG LLP have reported to the BBC's Executive Fair Trading Committee that, in their opinion, the information included in the summary of transactions for the year ended 31 March 2010 has been accurately extracted from the books and records of BBC World Service and the Suppliers and Subsidiaries, and has been properly prepared on the basis of cost allocation and apportionment methods set out in the agreements between BBC World Service and the Suppliers and Subsidiaries and, on this basis, there has been no material cross-subsidy between Grant-in-Aid and licence fee funds or between Grant-in-Aid and the BBC's commercial subsidiaries.

## BBC EXECUTIVE BOARD STATEMENT ON BBC WORLD SERVICE TRADING PROTOCOLS

The BBC Executive Fair Trading Committee is responsible for monitoring and reviewing compliance with the Trading Protocols. Following reports by the Controller, Fair Trading & BBC Compliance Officer and by internal and external auditors, the BBC Executive Fair Trading Committee is satisfied that the BBC has complied with the Trading Protocols and that there has been no material cross-subsidy between Grant-in-Aid and licence fee funds or between Grant-in-Aid and the BBC's commercial subsidiaries.

## STATEMENT ON INTERNAL CONTROL

The BBC has an obligation under its Charter to apply the highest standards of corporate governance. BBC World Service recognises the importance of, and is committed to, applying these standards. As a result, BBC World Service voluntarily complies with the *2008 Financial Reporting Council Combined Code (2008 FRC Code)* to the extent that it is applicable.

BBC World Service has achieved substantial compliance throughout the year ended 31 March 2010 with the *2008 FRC Code*. Those areas where compliance has not been achieved are noted below:

### *i) those requirements relating to shareholders*

BBC World Service is not accountable to external shareholders. Rather, through the stewardship of the BBC Trust, it is accountable to the Foreign and Commonwealth Office, to Parliament and to taxpayers.

### *ii) those requirements relating to non-executive directors, remuneration and audit committees*

The BBC Executive Board considers that BBC World Service should comply with the *2008 FRC Code* in a manner which is common practice for an entity whose parent is complying with it. Hence the BBC Executive Board does not require BBC World Service to have separate non-executive directors or remuneration and audit committees from those established by the BBC, or to disclose the remuneration of the individual members of the BBC World Service Board, except to the extent that this is required by the Companies Act 2006. Although not a requirement under the *2008 FRC Code*, BBC World Service does have its own audit committee which forms part of its risk management process. Also, in addition to following the Companies Act 2006 requirements on remuneration, a voluntary disclosure of the remuneration of BBC World Service Board members is made on page 59.

## OUR STRUCTURE

### BBC World Service Board

The structure of the BBC World Service Board is shown on page 24. As explained above, BBC World Service does not have non-executive directors. The BBC World Service Board meets every month. Other members of management attend as required. A formal schedule of matters is reserved for Board decisions. This includes:

- considering management structure and senior management responsibilities;
- agreeing membership and terms of reference of Board committees and task forces and receiving minutes, reviewing decisions taken and deciding action on recommendations;
- agreeing contracts with major suppliers;
- deciding significant staff and industrial relations issues;
- agreeing business strategy;
- approving the financial statements; and,
- approving annual budgets, subject to final approval by the BBC Executive Board.

BBC World Service Board members have access to the advice and services of the BBC World Service's Head of Governance and Public Affairs who is responsible for ensuring that Board procedures are followed.

### BBC Executive Board

The operations of the BBC are managed by the BBC Executive Board, made up of BBC executive directors and chaired by the Director-General. The Board also contains a significant minority of non-executive directors, nominated by the Board and approved by the BBC Trust. The interests of BBC World Service are represented on the BBC's Executive Board by the Deputy Director-General.

The functions of the BBC Executive Board and the BBC Trust are clearly defined. Operational responsibility rests with the BBC Executive Board, and the BBC Trust, as the body responsible for the strategic direction of the BBC, scrutinises the performance of the Board in delivering the BBC's services and activities. The BBC Trust's oversight of BBC World Service is represented by its general duty to act in the public interest and to exercise rigorous stewardship of public money. More information on how the BBC Executive Board is run can be found in the BBC Annual Report and Accounts.

In practice, the BBC Executive Board delegates some of its responsibility to other managerial groups. Any delegation from the BBC Executive Board is stated in the relevant standing orders for each group and a framework for reporting and review is established.



In accordance with the requirements and provisions of the Charter, the following committees continued to operate in the year:

- Executive Fair Trading Committee
- Executive Audit Committee
- Remuneration Committee
- Nomination Committee

The main responsibilities of these committees are explained in the BBC Annual Report and Accounts as is the attendance record of BBC Executive Board members.

### INTERNAL CONTROLS AND AUDIT

The responsibilities in relation to internal control are clearly defined. The BBC Trust is ultimately responsible for the proper use of public money whilst the BBC Executive Board and BBC World Service Board are responsible for executing this requirement.

The BBC Executive Board is responsible for ensuring there is a process for managing significant risks to the BBC, and for maintaining an adequate system of internal control and reviewing its effectiveness.

The processes for reviewing, managing and reporting on risks within BBC World Service are set out below:

#### Control environment

The key aspects of the control environment operating throughout the year are described below:

##### *i) risk identification and management*

An ongoing process for identifying, evaluating, managing, monitoring and reporting significant risks to the BBC, which accords with the Turnbull guidance, has been in place for the year ended 31 March 2010 and up to the date of approval of this Annual Review. The overall management of risk within BBC World Service is considered to be most effectively managed through the engagement of the BBC World Service Board and the BBC World Service Audit Committee.

The BBC World Service Audit Committee forms a key part of the risk management process and is separate from the BBC Executive Audit Committee. The BBC World Service Audit Committee has reviewed the risks associated with the achievement of BBC World Service's objectives for the year. The risks identified, and the actions planned in response, are maintained in a risk register. The risk register is subject to regular review and assessment throughout the year and feeds into the consideration of risk exposure at both BBC World Service Board, BBC Journalism Group Board and BBC Executive Board level.

##### *ii) business unit controls*

The BBC World Service Board has defined the system of controls and procedures with which each business unit within BBC World Service is required to comply. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives: although no system of internal control can provide absolute assurance against material misstatement or loss, the BBC World Service's controls are designed to provide reasonable assurance that assets are safeguarded, transactions are appropriately authorised and material errors or irregularities are either prevented or detected on a timely basis.

Key controls over major business risks include formal authorisation processes, regular financial reporting, the annual performance review process, and exception reporting of financial and non-financial matters. Internal audit reviews by BBC Business Assurance monitor the operation of controls.

##### *iii) financial reporting and business performance*

BBC World Service has a comprehensive budgeting system with an annual budget approved by the BBC Executive Board, prepared in line with the BBC World Service Three Year Plan. Monthly financial information is reported against budget figures, with corrective action being taken by the BBC World Service Board as appropriate. All capital expenditure over certain upper thresholds must be approved by a BBC investment approval committee and, in some cases, by the FCO.

##### *iv) business and broadcast continuity*

BBC World Service business continuity plans have been further strengthened in the past year. The second phase of a major project to build a new emergency production facility outside central London has been completed and has considerably enhanced our capability to maintain programme output and other critical services in the event of an incident.

Continuity plans have been tested and successfully invoked on a number of occasions to respond to incidents both in the UK and internationally. Work is currently underway to enhance the continuity plans for a number of key international offices to reflect their increased role in delivering services to our audience.

BBC World Service has maintained and improved controls and procedures over the security of data held on IT systems. Arrangements are in place to protect key data and maintain the operation of critical IT systems in the event of an incident affecting normal operations.

##### *v) controls over outsourced functions*

The outsourcing of key services presents a significant change to the BBC's risk profile and as a consequence, that of BBC World Service. Risk is not necessarily outsourced with these services. To address this, the BBC has processes in place to manage the risks associated with the outsourcing of key business services (e.g. finance transaction processing, HR services, technology systems and support) and to ensure continuity of ongoing business operations.

##### *vi) whistle-blowing*

The BBC has a 'whistle-blowing' or 'protected disclosure' policy. This policy facilitates the confidential communication via a number of routes of any incident in which there is a suspicion that there has been a breach of the BBC's codes. The BBC fosters an environment where all staff should feel free to report concerns and suspicions to line management. However as there may be sensitivities regarding actual or suspected incidents, we also provide the alternative of a 'whistle-blowing' hotline. This is administered by an independent external company to ensure anonymity. Each incident or suspicion reported via any route is investigated in a confidential manner, a response is communicated and action taken as appropriate. The BBC Executive Audit Committee ensures that there are suitable arrangements in place for the proportionate and independent investigation of matters reported, and for appropriate follow up action.

### vii) fraud awareness

Although incidents of fraud are rare, BBC World Service takes its responsibilities to minimise the risk of fraud, and the consequential loss to the taxpayer, very seriously. The BBC has implemented a clear fraud policy which clarifies responsibilities for ensuring that the appropriate controls are in place to minimise the risk of fraudulent activity and to ensure that all suspected incidents of fraud are thoroughly investigated. The policy is managed by the BBC Anti-Fraud Group which reports to the BBC Executive Audit Committee.

From time to time BBC World Service undertakes anti-fraud workshops to identify key fraud risks and to promote fraud awareness across the business. This applies to staff working in international offices as well as in the UK.

Potential risks of fraudulent activity, and the actions planned in response, are maintained in a risk register and reviewed and assessed throughout the year as described above in the section on risk identification and management.

### Internal Audit

BBC World Service is within the remit of the BBC's Business Assurance function which is led by the Director of Risk and Assurance. Business Assurance comprises Internal Audit, Risk Management and Investigation Services. The authority and independence of Internal Audit is assured by the Director of Risk and Assurance's independent and direct access to the BBC Executive Audit Committee and to the BBC Director-General.

Internal Audit undertakes regular testing of control systems and core business processes, evaluating their adequacy and effectiveness and ensuring their consistent application across the BBC. The work plan is based on a continuing assessment of key risks and is agreed annually with the BBC Executive Audit Committee. It covers financial, operational and compliance controls, including the exercise of the BBC's right of audit over external parties, including independent production companies and suppliers of key outsourced business services. Any significant control failings or weaknesses identified are reported promptly to appropriate levels of management. The findings, and the status of corrective actions taken to address them, are reported to the BBC Executive Audit Committee.

### BBC Executive Audit Committee

The BBC Executive Audit Committee has its authority delegated to it by the BBC Executive Board. The members of the BBC Executive Audit Committee, all first appointed in January 2007, are non-executive Directors David Robbie (Chairman), Dr Mike Lynch and Dr Samir Shah. The BBC Executive Board is satisfied that David Robbie has significant, recent and relevant financial experience. The Committee augments the broad range of skills of its three members, gained from considerable experience in senior roles with other organisations, with advice as necessary from internal and external professionals, on relevant matters including developments in financial reporting and company law. Meetings are also attended by the Director-General, the Chief Financial Officer, the Director of Risk and Assurance, and representatives from Internal Audit, Risk Management and the external auditors.

During the year, the BBC Executive Audit Committee has reviewed its terms of reference and has approved their continued application, deeming them appropriate to ensure the Committee's continued effectiveness.

The BBC Executive Audit Committee met four times during the financial year. The Committee meets at least annually with the external auditors without any member of management present. The Chairman of the BBC Executive Audit Committee meets with the Director of Risk and Assurance, alone or with the external auditors, but without management, and also meets privately with the external audit lead partner.

Minutes of each Committee meeting, once approved, are available to the BBC Executive Board and to the BBC Trust. Recommendations of the Committee on any area within its remit where action or improvement is needed are reported back to the Board by whatever route is deemed most appropriate to the nature and circumstances of the issue. The Committee Chairman formally reports to the Board at least once a year on all matters within the Committee's duties and responsibilities.

The BBC Executive Audit Committee has fulfilled its responsibilities for the year. In doing so it has:

- reviewed the effectiveness of the system of internal controls. In doing so it has considered the findings of the internal and external auditors and sought assurance from management that any control issues highlighted are being addressed. It has also considered reports from management on processes for managing significant risks;
- reviewed the BBC's arrangements for the adoption of IFRS;
- reviewed its group financial statements and those of BBC World Service, including accounting policies, compliance with legal and regulatory requirements, and the findings of the external auditors;
- overseen the BBC's relationship with the external auditors, including their engagement, the scope of and approach to their work, their fees, their performance and their independence, including the approval and compliance with the policy on non-audit work;
- approved the work plan of Internal Audit; and,
- reviewed the fraud detection processes and whistle-blowing arrangements.

### Independence of external auditors

BBC World Service, as part of the BBC, complies with the 2008 FRC Code guidance on maintaining an appropriate relationship with external auditors. The BBC re-appointed KPMG LLP as external auditors during 2008 for a period of three years starting with 2008/09, after a formal tender process. This period is extendable twice by one year each time, subject to a formal review process to be led by the BBC Executive Audit Committee. The Committee is satisfied that KPMG has adequate safeguards in place to avoid the possibility of its audit objectivity and independence being compromised, including appropriate rotation of its team, as well as an appropriate quality assurance programme.

To safeguard and support the external auditors' independence and objectivity the BBC Executive Audit Committee has set a clear policy which defines the threshold above which proposed non-audit work to be carried out by KPMG LLP must be approved in advance by the Committee, and also defines when it must be submitted to competitive tender. In all cases, KPMG LLP are not considered for work which might compromise their ability to independently opine on the BBC's financial statements. Recruitment from KPMG LLP into any senior management position in the BBC requires the prior approval of the BBC Executive Audit Committee.

**Fair trading**

The BBC must work to ensure that it meets its fair trading obligations as set out in the BBC's Charter, Agreement and the BBC Trust's Statement of Policy on Fair Trading. These are encapsulated in the BBC's Fair Trading Guidelines which can be found at [bbc.co.uk/info/policies/fairtrading](http://bbc.co.uk/info/policies/fairtrading). These Guidelines, which include the BBC World Service Trading Protocols, were updated on 1 April 2009, following a public consultation.

Compliance with the Fair Trading Guidelines was overseen during the year through formal sub-committees of the BBC Trust (Finance & Compliance Committee, formerly the Public Value and Fair Trading Committee) and BBC Executive Board (Executive Fair Trading Committee).

The BBC Trust commissions independent auditors, Deloitte LLP, to undertake an annual fair trading audit to determine whether BBC management has established and applied a system of internal controls which provides reasonable assurance that it has complied with the fair trading policy. Details of the audit and opinion can be found at [bbc.co.uk/bbctrust/research](http://bbc.co.uk/bbctrust/research).

**OUR PEOPLE**

BBC World Service employs approximately 2,000 people of which around a quarter are based outside the UK, spread across 45 countries. The diversity of our staff and our presence in so many key locations around the world contributes to making BBC World Service the leading voice in international broadcasting. We operate a number of schemes to ensure we recruit, retain and develop the right people for the right roles.

**TRAINING AND DEVELOPMENT**

Training and development remains a key priority for BBC World Service. During 2009/10 just under £2m was spent on staff development inside and outside the UK.

The introduction of the International HR and Development Managers (IHRDMs) in late 2009 has allowed us to deliver more bespoke training across our international offices. The IHRDMs have also played a key role in ensuring the BBC World Service Training team can gain accurate on the ground assessments of training needs.

The close formal link between training, planning and the programme review process meant that the right people were targeted to attend the right courses, for the right reasons. The conversations BBC World Service Training was able to have with most editors and team leaders continued to help create a close match between the training needs raised in staff appraisal conversations and the training actually delivered.

In the coming year, emphasis is being placed on delivering much more journalism training, with a focus on multimedia and emerging technologies and platforms to the hundreds of BBC World Service people based outside the UK. This is to be achieved by close collaboration with BBC News through the BBC's College of Journalism, sharing resources and, where possible, funding.

**INTERNAL COMMUNICATION**

All BBC World Service managers are expected to hold a face-to-face team meeting with their staff at least once a month. These meetings are part of a two-way internal communications cycle of information and feedback where issues of importance to the team are regularly discussed. In response to a staff survey, senior managers were required to brief teams outside their normal area of responsibility as a way of sharing information and creative ideas.

Regular formal and informal discussions are held with the recognised trade unions: Bectu (Broadcasting Entertainment Cinematograph and Theatre Union) and the NUJ (National Union of Journalists).

The BBC Global Reith Awards were held in March 2010. Presented by Annie Lennox and George Alagiah, the awards recognised excellence and celebrated achievement across BBC Global News, encompassing BBC World Service. The BBC Global News Craft Award was introduced to recognise "behind the scenes" work in programme-making, and the One BBC Award (for innovative collaboration across the BBC) was voted for by staff for the first time. Notably, BBC Persian television won four awards, receiving particular recognition for its coverage of the Iranian Presidential election and its aftermath just six months after the channel's launch. The Professional Services Award went to VT Group's Thailand Relay Station team, who went to incredible lengths to keep the BBC World Service on air when the station became flooded.

**DIVERSITY**

**Proportion of ethnic minorities**

The composition of the workforce of BBC World Service reflects the multilingual nature of its broadcasting and therefore exceeds the BBC's targets including the BBC target for senior managers.

	At 31 March 2010 %	At 31 March 2009 %	BBC group target %
Staff working in the UK	49	47	12.5
Senior managers working in the UK	16	13	7.0

**Gender representation**

BBC World Service closely monitors gender representation within the workforce. At the end of March 2010, women represented 40.4% of the workforce (2009: 39.5%).

**People with disabilities**

Of the staff employed by BBC World Service, 2.3% declare themselves to have a disability (2008: 3%). This continues to remain a priority for BBC World Service and steps are being taken to increase this towards the BBC target of 5.5%.

### SENIOR EMPLOYEES

Details of the number of senior employees earning over £50,000 per annum are set out below. Senior employees are defined as staff on the BBC's "senior manager" grade. Earnings represent base pay for the year to 31 March 2010 for staff employed at that date. Where staff are part time, the full time equivalent salary is given. Staff on maternity or unpaid leave are excluded.

Salary band	2010	2009
£60,000-£69,999	5	4
£70,000-£79,999	8	7
£80,000-£89,999	7	7
£90,000-£99,999	1	2
<b>Total</b>	<b>21</b>	<b>20</b>

BBC World Service Board members are excluded from the table. Details of their remuneration and the associated remuneration policy is contained on pages 58 and 59.

### OCCUPATIONAL RISK MANAGEMENT

The management of occupational risk has continued to be a high priority for BBC World Service in the past year and a number of improvements have been made. These include publishing a new health and safety policy and developing a new approach to assessing risks associated with our production work. This process is supported by a new guide and training course for our production teams.

Health and safety risks have been managed as an integral part of the overall risk management strategy and processes at BBC World Service. With an increasing number of staff working internationally, ensuring their safety and security continues to be a key area of work. A rolling programme to review risk management in international offices has continued and additional health and safety training is being provided.

Advising, training and equipping staff deployed to hostile environments, including war zones and areas affected by natural disasters, remains a vital area of work and BBC World Service continues to be supported by the BBC's specialist High Risk Team. Over 200 staff have received training to equip them to work in higher risk environments in the past year.

Work has also taken place in a variety of areas to ensure compliance with new or changing legislation and to strengthen our management of risk. This includes noise management, reporting & investigation of accidents, and provision of training for staff. All activities are contained within a divisional action plan.

### THE BBC WORLD SERVICE BOARD

The members of the BBC World Service Board who served during the year are detailed on page 59.

#### Remuneration policy

In the year to 31 March 2010 the remuneration package for the Director of BBC World Service was set by the Director of BBC Global News, and approved by the BBC Director-General and the Director of BBC People.

The Director of BBC World Service assesses the performance of the Board members before recommending their annual remuneration and bonus awards. Their remuneration is approved by the BBC Director-General and the Director of BBC People. The BBC World Service's Director of Human Resources, provides technical support in this respect, but has no input into decisions affecting his own remuneration.

The BBC aims to ensure that the packages offered to BBC World Service Board members:

- enable BBC World Service to attract, retain and motivate high-calibre executives;
- remunerate individuals fairly for individual responsibility and contribution, while providing an element of performance-related pay, reflecting the underlying performance of BBC World Service;
- take into account salary policy within the rest of the BBC and the relationship that should exist between the remuneration of Board members and that of other employees.

The remuneration arrangements for the members of the BBC World Service Board include the following components:

#### Base pay

Base pay is reviewed in August each year, taking into account external market levels and internal comparisons as well as the individual's responsibilities and performance.

#### Benefits

In addition to salary and bonus, the main contractual benefits provided to members of the BBC World Service Board are a car allowance, private health insurance, pension and life assurance.

#### Pensions

Members of the BBC World Service Board are eligible to participate in the BBC Pension Scheme, which generally provides salary-related pension benefits on a defined benefit basis. For any employee joining on or before 1 November 2006 the accrual rate is 1/60th of final salary per year of service, subject to the HM Revenue and Customs earnings cap where appropriate. Normal retirement age is 60. For members of the Board who joined after this date, the accrual is 1.67% of their average base pay adjusted in line with price inflation, with a normal pensionable age of 65. Only base pay is pensionable and does not include any bonuses or other payments. The scheme provides for early retirement on medical grounds and life assurance cover of four times base pay up to a prescribed limit.

#### Annual bonus

In 2008/09 the BBC took a decision not to award any bonuses relating to that financial year and similarly no bonuses are expected to be paid to BBC senior managers, including the BBC World Service Board, for the 2009/10 year.

#### Remuneration in the year

The remuneration of the permanently appointed members of the BBC World Service Board is set out below. As several of the Board members have responsibilities across the BBC Global News these remuneration totals contain only those costs borne by BBC World Service. Remuneration costs are allocated in proportion to the amount of time spent on BBC World Service matters. The proportion of the costs to be allocated to BBC World Service is assessed separately for each Board member. These allocations are assessed on an annual basis.

**BBC World Service Board Remuneration**

	Note	2010			2009		Share of costs allocated to GIA %
		Base pay £000	Allowances and benefits £000	Compensation for loss of office £000	Total £000	Total £000	
<b>Members serving at 31 March 2010</b>	<b>1, 2</b>						
Behrouz Afagh		105	9	–	114	112	100
Nikki Clarke		90	9	–	99	97	100
Mariita Eager	3	22	2	–	24	–	100
Jim Egan		95	4	–	99	99	67
Peter Horrocks	4	206	9	–	215	–	100
Liliane Landor	5	25	2	–	27	–	100
Sanjay Nazerali	6	80	6	–	86	91	57/65/13
Lindsey North	7	74	4	–	78	77	85
Hugh Saxby		76	6	–	82	80	90
Richard Thomas		134	8	–	142	140	95
Richard Thurston	8	2	–	–	2	–	80
Jerry Timmins		122	9	–	131	128	100
Gwyneth Williams		138	8	–	146	131	100
		1,169	76	–	1,245	955	
<b>Members leaving during 2009/10</b>							
Richard Burdon	9	66	3	–	69	81	80
Mike Cronk	10	112	9	360	481	130	95
John Renner	11	68	10	230	308	94	100
		246	22	590	858	305	
<b>Members leaving during 2008/09</b>							
Nigel Chapman	12	–	–	–	–	239	100
Lesley Granger	13	–	–	–	–	27	80
		–	–	–	–	266	
<b>Total</b>		<b>1,415</b>	<b>98</b>	<b>590</b>	<b>2,103</b>	<b>1,526</b>	

**Notes:**

- Remuneration shows the proportion of each BBC World Service Board member's costs attributable to Grant-in-Aid funded activity. Because a number of Board members have roles which cover other parts of the BBC, a proportion of their costs are charged to those areas. The proportions charged to Grant-in-Aid are listed above.
- Allowances and benefits include, where applicable, car allowance, health insurance and any adjustments relating to buying or selling leave. Compensation for loss of office has been charged in full to Grant-in-Aid.
- Mariita Eager joined the BBC World Service Board on 1 January 2010.
- Peter Horrocks joined BBC World Service on 14 April 2009.
- Liliane Landor joined the BBC World Service Board on 1 January 2010.
- In 2008/09 57% of the costs of Sanjay Nazerali were charged to Grant-in-Aid. On 1 April 2009 this figure was revised to 65%. On 1 January 2010 Sanjay Nazerali joined the BBC's Journalism Group, after which time 13% of his costs were charged to Grant-in-Aid.
- Lindsey North's contracted employment is for 4 days per week.
- Richard Thurston joined BBC World Service on 23 March 2010.
- Richard Burdon joined BBC World Service on 12 May 2008 and left on 31 December 2009.
- Mike Cronk left the BBC on 31 March 2010 after 34 years' service.
- John Renner left the BBC on 31 December 2009 after 30 years' service.
- Nigel Chapman was Director of BBC World Service until 27 February 2009. His 2008/09 remuneration includes a payment for unused annual leave.
- Lesley Granger, previously Director of HR at BBC World Service, retired from the BBC on 30 June 2008.

BBC World Service employer contributions to the BBC Pension Scheme for BBC World Service Board members in the year were £257,000 (2009: £280,000). In addition, the BBC operates a salary sacrifice scheme for members of the BBC Pension Scheme. Under this arrangement the terms and conditions of employment of participating members are altered such that employee pension contributions made via salary sacrifice are treated as employer contributions, with a corresponding reduction in base salary. The base pay for the BBC World Service Board shown above has not been adjusted to reflect the impact of the salary sacrifice scheme. Total salary sacrifice of the BBC World Service Board was £85,000 (2009: £64,000).

For the purposes IAS 24 (*Related Party Disclosures*) the key management of BBC World Service in 2009/10 is defined as the BBC World Service Board and Richard Sambrook who served as Director of BBC Global News until leaving the BBC in February 2010. As a result, the proportion of Richard Sambrook's costs charged to Grant-in-Aid are included in the remuneration of key management in note 3c. For the period between 28 February 2009 and 14 April 2009 Richard Sambrook also served as Acting Director of BBC World Service.

## COMPLIANCE AND ACCOUNTABILITY

### FREEDOM OF INFORMATION

Like other public bodies, BBC World Service is subject to the UK Freedom of Information Act 2000. Twenty-seven requests for information were lodged under the terms of the Act during the year ended 31 March 2010. This represented a small increase on the previous year's figure of twenty-four. Requests for information came from a range of academics, journalists and members of the public and covered areas such as editorial decisions, availability of broadcasts, programme costs, the BBC's history and personnel matters. All were responded to within the deadlines laid down in the Act.

The Head of Governance & Public Affairs conducted four internal reviews (appeals) relating to information withheld by other parts of the BBC in response to requests made under the Freedom of Information Act.

### DATA PROTECTION

BBC World Service did not receive any requests under the UK Data Protection Act 1998. During 2009/10, 84 BBC World Service staff attended face to face training sessions on the Data Protection Act. A further 170 staff completed a data protection online training module.

### COMPLAINTS

BBC World Service wants to be open, responsive and accountable to its audiences. The handling of complaints demonstrates its commitment to these principles. The complaints handling policy operated at BBC World Service is the same as that for the wider BBC.

BBC World Service receives a lot of feedback, both negative and positive, but considers something to be a complaint if it is a specific criticism of BBC editorial judgement or controls which expects a response and, implicitly or explicitly, would like things to be changed. Complaints are also handled which deal with non-editorial issues such as audibility.

Complaints are logged and managed by Audience Champions across BBC World Service, and replies are sent from the relevant department or a senior BBC World Service editor. During the year, 682 complaints were received concerning 62 different issues. Of these, over half (354) were about non-use of an unauthenticated video clip during coverage of violence following an international football match, and were rejected.

A further 116 related to coverage of the Ugandan parliamentary debate on its Anti-Homosexuality Bill, in particular the question "Should homosexuals face execution?" (reflecting a key proposal of the bill) which was posed as the title of an *Africa Have Your Say* online forum. The BBC accepted that this question was too stark and apologised for any offence caused, but maintained that impartial coverage of the issue was legitimate.

Other complaints alleged political bias, factual errors or inaccuracies, poor use of language and excessive or insufficient coverage of news events. Of these, 14 were upheld, and in these cases editors were made aware of shortcomings and required to make sure lessons were incorporated into future output.

Complaints alleging a serious breach of BBC editorial standards may be escalated to the BBC's independently run Editorial Complaints Unit (ECU). Finally, an appeal may be made to the BBC Trust's Editorial Standards Committee (ESC). One complaint was handled by the ECU, relating to the privacy of a contributor to an *Outlook* report on Zimbabwe. This was not upheld by the ECU.

A BBC Trust review of BBC Arabic recommended that the complaints system be made more transparent and rigorous to improve editorial oversight and help build audience engagement. An Audience Champion was subsequently appointed and considerations for improvement are being incorporated into a review of complaints handling across BBC World Service.

BBC World Service is represented on the BBC's Complaints Management Board which takes regular reports and promotes the learning points arising from them.

Further information about the BBC's complaints management process and a selection of responses is published on [bbc.co.uk/complaints](http://bbc.co.uk/complaints). The BBC Trust publishes its appeal findings at [bbc.co.uk/bbctrust/appeals](http://bbc.co.uk/bbctrust/appeals).

### DONATIONS AND GIFTS

BBC World Service does not make political donations or gifts.

The Financial Memorandum with the FCO does permit BBC World Service to make gifts of equipment subject to no single item exceeding £50,000. Government accounting guidelines on gifts must be followed. However, no gifts of equipment, services or cash were made during the year.

# FURTHER INFORMATION

## BBC WORLD SERVICE CONTACT DETAILS

Bush House, PO Box 76, Strand, London WC2B 4PH, UK  
 Telephone: **+44 (0)20 7240 3456**  
 Email: [worldservice@bbc.co.uk](mailto:worldservice@bbc.co.uk)  
 Visit: [bbcworldservice.com](http://bbcworldservice.com)

## HOW TO LISTEN

Visit [bbcworldservice.com/programmeguide](http://bbcworldservice.com/programmeguide)

## WEEKLY PROGRAMME INFORMATION

Subscribe to the free weekly email service by signing up at [bbcworldservice.com/email](http://bbcworldservice.com/email)

## AUDIENCE FEEDBACK

Contact BBC World Service at the above email and postal address, or air your views via the independently produced programme *Over to You*, by emailing [overtoyou@bbc.co.uk](mailto:overtoyou@bbc.co.uk)

## HOW TO COMPLAIN

To make a formal complaint about BBC World Service, write to the above address or visit the BBC's centralised complaints site online at [bbc.co.uk/complaints](http://bbc.co.uk/complaints)

## MEDIA RELATIONS

The direct telephone line to the BBC World Service press team is **+44 (0)20 7557 2941** or the centralised email is [press.office@bbc.co.uk](mailto:press.office@bbc.co.uk). For the latest press releases visit [bbc.co.uk/press\\_office](http://bbc.co.uk/press_office)

## BUSINESS RELATIONSHIPS

BBC World Service has a number of formal partnerships with organisations across the globe. If you are interested in knowing more, email [worldservice@bbc.co.uk](mailto:worldservice@bbc.co.uk)

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 Visit: [monitor.bbc.co.uk](http://monitor.bbc.co.uk)

### BBC WORLD NEWS

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 Telephone: **+44 (0)20 8433 2221** (weekdays 0930-1730 UK time)  
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 Visit: [bbcworldnews.com](http://bbcworldnews.com)

### BBC WORLD SERVICE TRUST

Bush House, PO Box 76, Strand, London WC2B 4PH, UK  
 Telephone: **+44 (0)20 7557 2462**  
 Email: [ws.trust@bbc.co.uk](mailto:ws.trust@bbc.co.uk)  
 Visit: [bbcworldservicetrust.org](http://bbcworldservicetrust.org)

## FURTHER INFORMATION ONLINE

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You can also broaden the BBC World Service experience by downloading podcasts and taking part in social networking opportunities via blogs, Facebook, Flickr, Twitter and social networking sites in various languages.

Visit the BBC Global News online magazine *World Agenda* at [bbcworldservice.com/worldagenda](http://bbcworldservice.com/worldagenda) to keep up to date with how BBC World Service and its international colleagues deliver news and information to millions across the world.

To access the BBC World Service Annual Review online, visit [bbcworldservice.com/annual\\_review2010](http://bbcworldservice.com/annual_review2010).

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