



Broadcasting Act 1981

1981 CHAPTER 68

PART I

THE INDEPENDENT BROADCASTING AUTHORITY

Accounts, audit and annual reports

42 Accounts and audit

- (1) The Authority shall keep proper accounts and proper records in relation to the accounts, and shall prepare in respect of each financial year a statement of accounts in such form as the Secretary of State with the approval of the Treasury may direct, being a form which shall conform with the best commercial standards.
- (2) The accounts of the Authority shall be audited by auditors to be appointed by the Authority with the approval of the Secretary of State, and a person shall not be qualified to be so appointed unless he is a member of one or more of the following bodies—
 - the Institute of Chartered Accountants in England and Wales;
 - the Institute of Chartered Accountants of Scotland ;
 - the Association of Certified Accountants ;
 - the Institute of Chartered Accountants in Ireland ;
 - any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1) (a) of the Companies Act 1948 by the Secretary of State.
- (3) The Authority shall at all reasonable times upon demand made by the Secretary of State or by any person authorised by him in that behalf—
 - (a) afford to him or them full liberty to examine the accounts of the Authority, and
 - (b) furnish him or them with all forecasts, estimates, information and documents which he or they may require with respect to the financial transactions and engagements of the Authority.

43 Annual reports

- (1) As soon as may be after the end of every financial year, the Authority shall prepare a general report of their proceedings during that year, and transmit it to the Secretary of State who shall consider it and lay copies of it before each House of Parliament.
- (2) The report shall have attached to it the statement of accounts for the year and a copy of any report made by the auditor on that statement, and shall also include such information relating to the plans, and past and present activities, of the Authority, and to the financial position of the Authority, as the Secretary of State may from time to time direct.
- (3) The report for any financial year shall also include—
 - (a) an account of the way in which the power to make grants under section 41 has been exercised during that year; and
 - (b) a description of the provision made by the various programme contractors for the training of persons employed by them in the preparation or making of programmes.
- (4) The report for any financial year in which the Authority provide both ITV and the Fourth Channel shall include the following information—
 - (a) a general description of the programmes broadcast on ITV and the Fourth Channel respectively, with particular reference to programmes containing news or news features and programmes of an educational nature, and a general account of how the programmes broadcast on the Fourth Channel differed from those broadcast on ITV, with particular reference as aforesaid ;
 - (b) an account of the way in which the Authority have discharged their duty under section 11(1)(c) as regards the encouragement of innovation and experiment in the form and content of programmes for broadcasting on the Fourth Channel;
 - (c) a description of the sources from which the programmes broadcast on ITV and the Fourth Channel respectively were obtained, and an account of the extent to which the Authority have discharged their duty under section 12(3)(b) as regards the sources of programmes broadcast on the Fourth Channel;
 - (d) a description of the arrangements made by the Authority with respect to the broadcasting of advertisements on ITV and the Fourth Channel respectively, and a general account of—
 - (i) any complaints received by the Authority about those arrangements or about the conduct of TV programme contractors in connection with the sale of advertising time in those services respectively ; and
 - (ii) the action taken by the Authority in relation to those complaints.

In this subsection " programmes " means programmes other than advertisements.

- (5) Subsection (4) does not apply in relation to programmes broadcast by the Authority, whether on ITV or otherwise, for reception in Wales.
- (6) Subsections (3) and (4) are without prejudice to the power of the Secretary of State under subsection (2) to give directions as to the information to be included in any report under this section; and that power shall include power to direct the Authority to include in any such report such information relating to any matter required by subsection (3) or (4) to be dealt with in the report as may be specified in the directions.