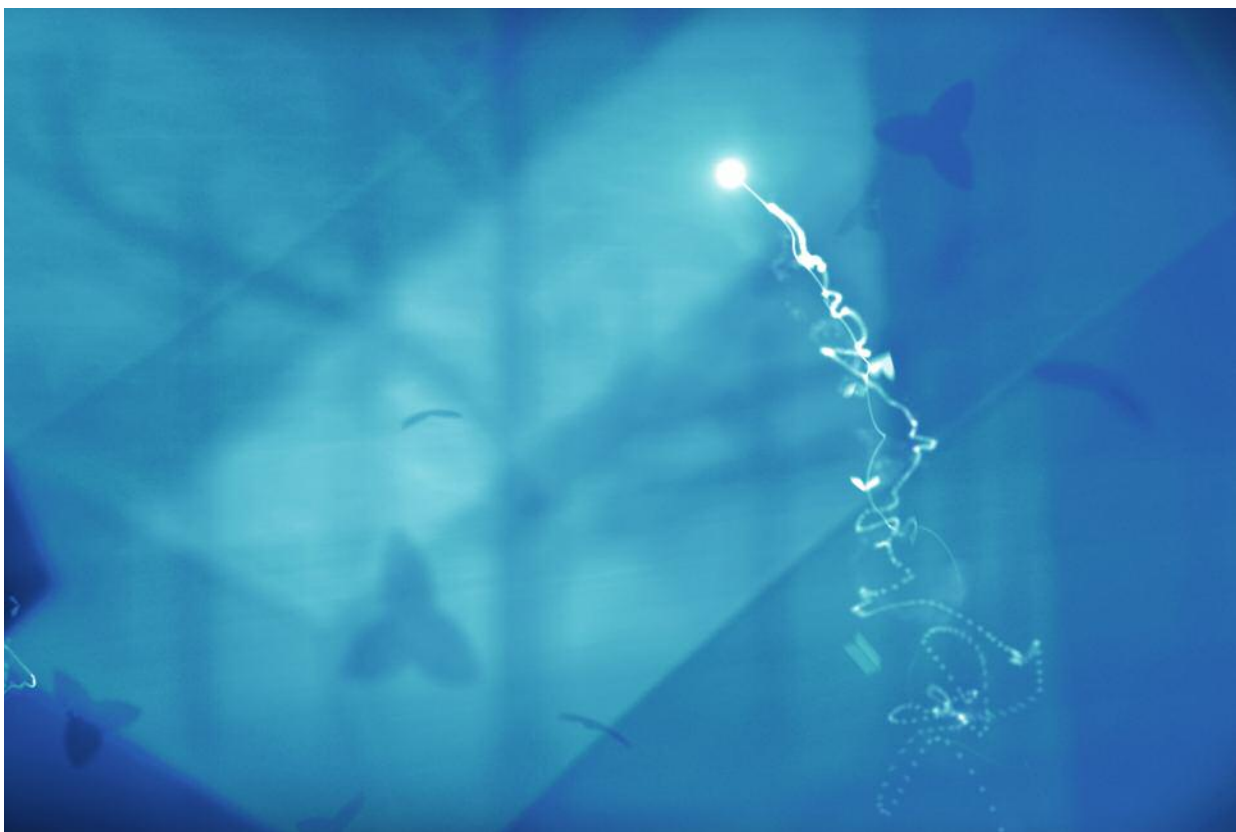




Annual Report 2013

TG4



Annual Report 2013

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Mission, Vision and Core Values

TG4's mission is "to provide an attractive and innovative television and content service that celebrates Irish creativity and identity – language, culture, music and sport – and to connect to, and entertain, audiences in Ireland and worldwide".

TG4's vision is "to promote successfully Irish language and culture and ensure a central place for TG4 in Irish people's lives, both in Ireland and abroad".

TG4's vision and mission can be encapsulated in TG4's motto *súil eile*, which recognises the need to stay mainstream with niche programming through the commissioning/acquisition and broadcasting of high quality programmes, capable of competing for, achieving and maintaining strong viewership levels.

TG4's values influence the way in which its strategy will be achieved, the style in which it operates and overall, reflect the principles which are the core characteristics of the organisation. It is expected that each TG4 employee will use these values as their guiding principles to direct their on-the-job behaviours.

TG4's Core Values

Connection:

- To provide a daily link for the Irish language to every household in the country.
- To put our audiences at the centre of everything we do.
- To offer an alternative viewpoint on national and international affairs.

Quality and Value-for-Money:

- To provide a high quality programme schedule.
- To operate a cost effective and efficient structure.

Creativity:

- To be creative in our output and everything we do.
- To continue to deliver innovative and unique programmes.

Proactive:

- To maintain the "can do" attitude cultivated and now established within our organisation and staff.

"I know I go on a bit sometimes about TG4. I'm at it again. This week alone I watched Bliain in Árann Mhór, a brilliant series about a life on the island off Donegal."

Paddy Murray
SUNDAY WORLD





TG4's Commitments for 2013

For 2013, TG4 presented 41 commitments across six themes as follows:

- i Content provision
- ii Promotion and development of the Irish language and culture
- iii Service and technology development
- iv Use of public funds
- v Governance
- vi Responsive and trustworthy broadcasting

Content Provision

In 2013, TG4 will:

1. Deliver a minimum of 1,712 hours of new, high quality Irish language content across all genres, characterised by TG4's distinctive *súil eile* perspective.
2. Deliver a minimum of 371 hours of new children and young people's Irish language content.
3. Provide independent and in-depth coverage and analysis of, and an alternative viewpoint on, news and current affairs throughout the island of Ireland and inform our understanding of the world.
4. Reflect the important role that sport, particularly Irish sport, holds in Irish life and culture. Broadcast major and live sporting events and overall, ensure Irish language sports coverage is a key part of the 2013 schedule.
5. Continue to engage and entertain audiences with strong Irish language drama, documentary and

entertainment/lifestyle content.

6. Feature content which supports the personal development of audiences, stimulating interest in and knowledge of the arts, music, religion, history, science and technology.
7. Inspire and support creativity and innovation in our content and broadcasting services.
8. Source a significant share of our content from the Irish language production sector to ensure our schedule is unique and reflects Irish cultural identity.
9. Maximise value-for-money and innovation in content creation by working in partnership with other organisations.
10. Increase accessibility of our content and services to audiences with physical, sensory or intellectual disability.
11. Continue to move towards a 35 week core television programming schedule.

Promotion and Development of the Irish Language and Culture

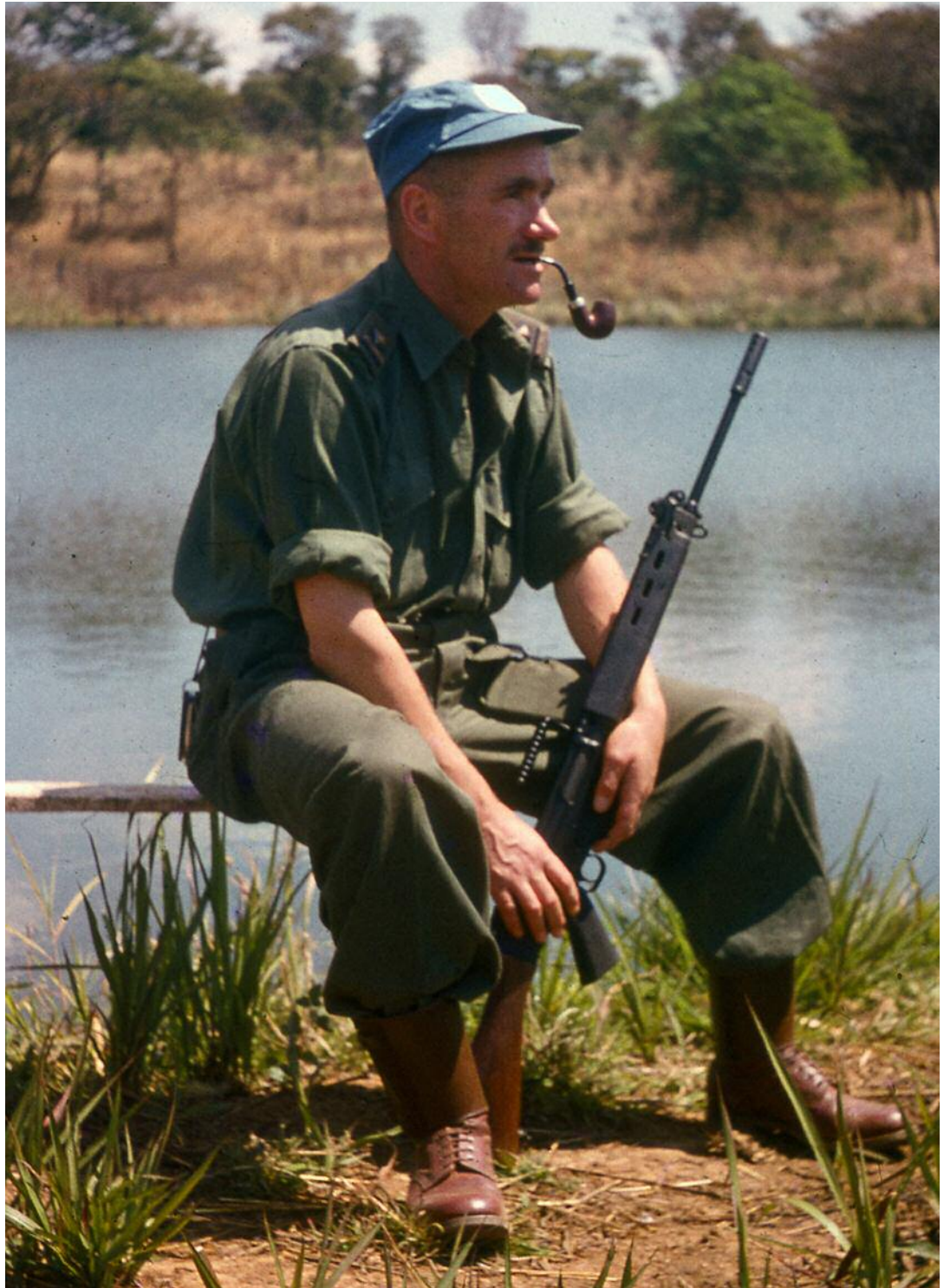
In addition to broadcasting a minimum of 1,712 hours of new, high quality Irish language content during the year, in 2013, TG4 will:

12. Deliver a high quality service, primarily in the Irish language, which promotes and celebrates the Irish language and identity and provides an attractive daily link to the Irish language for every household with access to TG4.

"TG4's autumn line-up is a glowing testament to the fact that the breadth of the imagination, not the size of the budget that matters. Súil eile is right."

Pat Stacey
THE HERALD





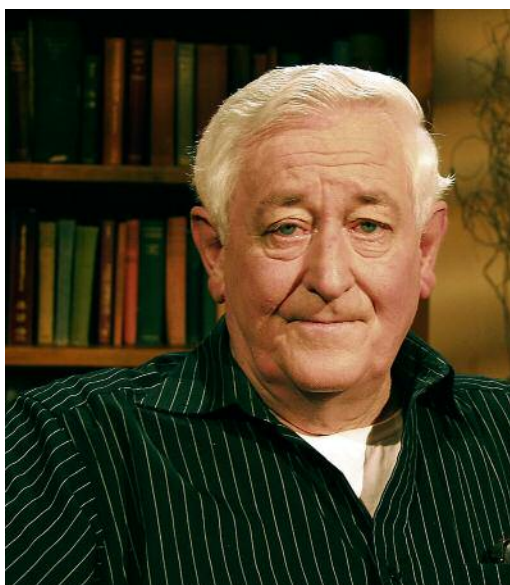
13. Engage younger audiences with the Irish language and with TG4 by delivering a range of new interactive and entertaining services and content which can be used as an Irish educational resource.
14. Ensure that our programming reflects the culture of the people of the island of Ireland and in particular, those of the Gaeltachtaí and households whose daily language is Irish.
15. Support the Government to revitalise the Irish language by working closely with it to deliver the 20 Year Strategy for the Irish language (2010-2030).
16. Provide a worldwide Irish language service and continue to move towards establishing TG4 as a global hub for all Irish language and Irish-related audiovisual content.
17. Develop an archive which provides public access to TG4 content and which supports and celebrates the Irish language and culture.
18. Play a pivotal role in strengthening the Irish language independent production sector.



Service and Technology Development

In 2013, TG4 will:

19. Maintain and if possible increase our audience.
20. Continue to enhance access to our content and engage with our audiences across all digital platforms and devices by implementing our Digital Strategy targets for 2013.
21. Conclude the implementation of our all-island broadcast platform availability strategy.
22. Secure approximately €3.112m in commercial revenues in 2013 including new revenues from digital content and services.
23. Continue the transition to HDTV capability by the end of 2013.
24. Continue to invest in our broadcasting and administrative systems and to leverage digital technologies to drive efficiencies.
25. Maximise TG4's impact through implementation of our Digital Marketing Strategy and innovative



"TG4 reveals that life on the edge makes you sharper. As exciting, unpredictable and vibrant as always, which is what we've come to expect from TG4."

Daragh McManus
IRISH INDEPENDENT

marketing campaigns.

26. Continue to develop our staff and skills.



Use of Public Funds

In 2013, TG4 will:

27. Spend at least 70% of our public funding on Irish language content and no more than 15% each on its broadcast and on overheads. Limit use of public funding to the achievement of our public service objects and duties.
28. Maintain competitive programming per hour costs.
29. Continue to operate as cost effectively as possible and to deliver value-for-money.
30. Provide circa 100 jobs and support approximately 300 full-time jobs in the independent production sector, enhancing Ireland's capability in the knowledge-based creative sectors.
31. Build on the previous year's contribution to the national economy by adding circa €58m to national earnings and by having an associated employment impact of some 700 additional jobs.

Governance

In 2013, TG4 will:

32. Work closely with the TG4 Board, the DCENR and the BAI to maintain best-practice governance and

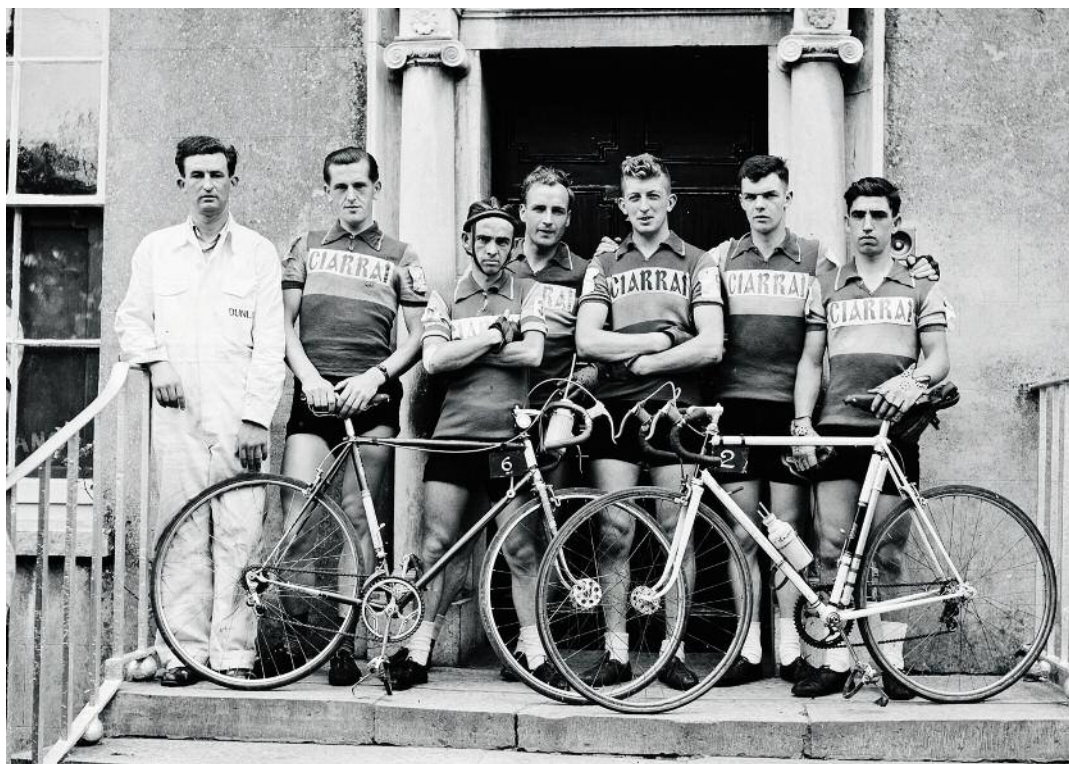
reporting systems and to ensure we comply with all relevant and binding codes and regulations under which we function.

33. Engage in ongoing dialogue with key industry stakeholders, regulators, broadcasters, policy-makers and other key bodies on all aspects of broadcasting operations, codes and regulations.
34. Deliver three Internal Audits and a Risk Management review of TG4.

Responsive and Trustworthy Broadcasting

In 2013, TG4 will:

35. Deliver all our statutory requirements as reflected in our objects, broadcasting codes and regulation etc.
36. Ensure we meet the needs of our audiences and that we cater for the expectations of the communities we serve.
37. TG4 will be independent, impartial and reliable in all we do.
38. Develop and embed enhanced values in TG4 which reflect the importance of fulfilling our audience needs to the highest standards.



“Something for everyone as TG4 reveals its autumn line-up.”

Bernie Ní Fhlatharta
CONNACHT TRIBUNE

- 39. Endeavour to exceed required standards in our Codes and regulatory requirements.
- 40. Draft and publish an updated Statement of Strategy and continue to position the case with the Government for an increase in funding and a multi-annual funding approach as reflected in the Broadcasting Act 2009.
- 41. Foster awareness and understanding of other cultures amongst our audiences.





Key TG4 Performance Highlights of 2013

Performance against Targets

TG4 performed well in fulfilling its commitments in 2013 despite the continuation of a difficult financial environment:

- TG4 “fully achieved” 40 of its 41 commitments for 2013. Of these, 13 exceeded target performance.
- TG4 did not achieve one commitment – delivery of the Archive project – due to lack of funding.

Audiences: Impact and Reach

TG4’s track record in recent years proves that it can deliver enough strong, unique and entertaining content to attract a significant audience. TG4 maintained the 8th position as the most watched channel in Ireland in 2013 – a very strong performance given the hundreds of channels available to viewers in Ireland.

In 2013, TG4 secured an average daily reach of 13% (526,700 viewers tuning into the channel daily). Almost 1.6m people tuned into TG4 on a weekly basis.

Reach amongst Irish language user audiences is even higher and TG4 performed strongly with this audience base during the year. TG4 has commissioned a new measurement system and has established a new Irish language user audience panel *Fios Físe* in conjunction with the National University of Ireland Galway (NUIG) and the Acadamh na hOllscolaíochta Gaeilge. The panel will provide feedback on a weekly basis across a range of issues relating to TG4 performance. First results will be produced at the end of Q1 2014 and early indications are very positive.

Ofcom, the UK regulator, reports a 13% weekly reach for TG4 in Northern Ireland in 2013. The *Fios Físe* survey will also cover Northern Ireland which will enable TG4’s performance with Irish language audiences to be measured on an all-island basis.

The numbers of unique web visitors, page impressions, programme streams and App downloads all increased significantly in 2013, demonstrating TG4’s success with non-broadcast content development and distribution. In 2013, TG4 delivered a strong performance online and on the Player service showing growth in both services. The number of unique visitors to the website grew by almost 32%, from 1.2m in 2012 to 1.59m in 2013. Associated with this growth is the number of page impressions which grew almost 66% from 11.48m in 2012 to 19m in 2013. The Player service likewise performed well over the year with 1.66m programme streams achieved in 2013 – this was a growth of over 4% on 2012 streams. Apps downloads performance in 2013 was strong with a 6.4% increase on downloads in 2012.

High Quality and Distinctive Content

TG4’s total new/original Irish language programming output was 1,767 hours in 2013, an average of 4.84 hours of new Irish language programming per day. TG4’s targets for 2013 were 1,712 hours and an average of 4.69 hours per day which means that TG4 exceeded its targets by 3.2%. The number of new Irish language programme hours delivered by TG4 increased from 1,669 in 2012 to 1,767 in 2013. This was a 6% increase – a very positive development during a year in which there was no additional funding.

Total Irish language broadcast hours were 5,188 in 2013 – almost 60% of total broadcast hours. This compares positively to 58% in 2012.



Irish language programming highlights in 2013 included the regular, trusted programmes such as *Ros na Rún*, *Geantraí*, *Comhrá* and *7 Lá* in addition to new series such as *Bealach na mBusanna*, *Ceol na nOileán*, *Rónán ar an Camino*, *Bliain in Árinn Mhór*, *Wwoofáil*, *Draíocht* and *Róisín*. For the first time, 2013 saw the broadcast of 20 hours of live programming from *Fleadh Cheoil na hÉireann* in Derry. This was a huge success with TG4 audiences and reached an audience of 850,000.

Sports also featured strongly in 2013 in the TG4 schedule, with live Gaelic games and Rugby being key features. A cornerstone of the TG4 Irish language sports



schedule is also Ladies football. The Ladies Gaelic football finals were broadcast from Croke Park and secured TG4 its highest ever audience for the event – 625,000. TG4 also broadcast the Tour de France, racing from Listowel and tennis from Wimbledon. Other programming of note in the 2013 schedule included the strong Oireachtas na Gaeilge programming including a special tribute programme on the late Maidhc Dainín Ó Sé. TG4's news service *Nuacht TG4* remained an important part of the schedule. During 2013, TG4 continued to provide a comprehensive Irish language news service with an emphasis on regional and Gaeltacht-based reports in addition to reporting from around the world.

The TG4 online service has continued to go from strength to strength and TG4's website is ranked number 1 in the world rankings of Irish language websites. Every year, TG4 enhances its online services, investing additional resources in order to make them more accessible and entertaining. TG4 has established an interactive children's web presence with games for specific *Cúla4* programmes. All Irish language web games are aimed at pre-school/early primary-school audiences.

In 2013, TG4 developed and launched four new Irish language Apps: *Cúla Aimsir* (a kids weather game); *Bia Linn* (a kids App to support the TG4 Bia Linn broadcast series); *Cúlacaint 3* (a kids Irish language learning App); and *Zou* (story time and games). TG4 has to date developed/issued eight Irish language Apps which are available for pre-school children, which is a very significant input to high quality educational Apps for this segment of the population.

In 2013, TG4 also launched the TG4 Player App for iOS which provides access for audiences on mobile devices and tablets. 2013 also saw ongoing development on the TG4 Player App for iPads and the TG4 Smart TV App.

A major new on-line resource for all those interested in traditional singing in Irish was added to the TG4 website in October 2013. The new portal www.tg4.ie/seannos is a unique (and free to access) space that provides a substantial selection of TG4's recordings of the most loved sean-nós songs, available to all users worldwide. The songs, recordings and broadcasts from the TG4 archive are performed by the current masters of this art form and uniquely, the words sung are also presented alongside the performance with a transcription of the actual lyrics for each performance. The site currently makes available over 300 performances from more than 60 singers and will continue to be expanded. The site features songs and singers from all the major Gaeltacht regions and other areas. It has been hailed as a major addition to the resource materials available for learners and followers of sean-nós.

2013 saw the continuation of the large number of awards and nominations for TG4 which reflect the quality and distinctiveness of its programming and other areas of TG4's service. In 2013, TG4 secured 75 awards and nominations of which 49 were for programmes and content. TG4 secured 5 IFTA awards for *Lón sa Spéir*, *Congo 1961*, *Jockey Eile*, *Gaeil Nua Eabhrac* and *Am an Ghátair*. It also secured 5 awards at the Celtic Media Festival, its highest number ever, including the Spirit of the Festival Award for *Rás Tailteann*. TG4's awards and nominations total included 4 Media Awards from the Oireachtas na Gaeilge awards also.

In 2013, TG4 had 1,370 programmes with a reach of more than 70,000 and 763 with a reach of more than 100,000.

Promotion and Development of the Irish Language and Culture

In addition to providing an Irish language TV service and Irish language content online and on mobile, TG4 undertook a number of other activities over 2013, which supported the promotion and development of the Irish language and culture:

- **TG4 continues to support the Government's 20 Year Strategy for the Irish language:** TG4 met directly with the Government Ministerial Sub-committee on the Irish Language in July 2013 chaired by An Taoiseach. At this meeting, the public broadcasters and their



“Because of its scope and energy, Imeachán TG4 is by far the best home-produced TV arts programme.”

Bernice Harrison
IRISH TIMES

regulator briefed the Ministers and their senior officials on the role and contribution of broadcasting in promoting the Irish language and in contributing to the delivery of the overall Strategy. TG4’s objective is that its content should be available to first, second and third level schools and colleges – in Ireland and abroad and it is being proactive to ensure this happens. It is also supporting the move to an emphasis on oral-skills in new post-primary curriculum. A workshop was delivered by TG4 at Tionól Teagaisc, the annual conference of second level Irish language teachers, to demonstrate how TG4 content could be used directly in the classroom to deliver the new curriculum. TG4 also established a dedicated space on its website with content in Irish which is not subtitled in English (www.tg4.ie/foghlaim). This has been welcomed by teachers and learners of Irish as a resource that aids and improves comprehension skills and fluency.

- **Promotion and development of the Irish language with children and young people:** Over 2013, TG4 continued to engage younger audiences with the Irish language through the development of new or en-

hanced services. In addition to a strong children and young people’s broadcast schedule, TG4 delivered a range of online and mobile content and services for younger audiences. e.g., TG4 delivered almost 220 hours of new Irish language children’s programming and extended the range of children’s content available on the Cúla4 player. TG4 also launched three new DVDs with Irish language options and four new Irish language Apps for mobile in addition to more interactive games for preschool children.

- **Provision of a worldwide Irish language service:** TG4 online and Player services provide broadcast content on a worldwide basis which promotes the Irish language and culture.
- **Supporting development of the Irish language independent production sector:** Through commissioning activities and through individual support and educational measures, TG4 supports the independent production sector, particularly companies which operate in the Irish language. TG4 is also focusing on supporting production companies which are based in the Gaeltachtaí. It commissioned a new comedy series from the Donegal Gaeltacht during 2013.
- **Supporting Irish Sport and Cultural Bodies:** TG4 strengthened partnerships further, in 2013, with Irish language, cultural and sporting bodies such as Oireachtas na Gaeilge, the Ladies Gaelic Football Association, the GAA, Tionól Teagaisc, (annual conference of post-primary Irish language teachers), Comhar na Naíonraí, Gaelscoileanna and An Coiste Téarmaíochta (the national body involved in developing and approving new terminology in Irish) etc. e.g. the extended TG4 Sean-Nós Archive was launched in 2013. This is a pioneering innovation not available anywhere else and totally free of charge to users. TG4 attended Comhdháil na Naíonraí, Gaelscoileanna and





Tionól Teagaisc to present TG4 content as a resource. TG4 supported the Roinn na Gaeltachta initiative through providing merchandising and Cúla4 promotional material and through promoting the *Tacaíocht Teaghlaigh* scheme. In May 2013, TG4 was invited to make a private address to the inaugural gathering in Dublin of national Language Commissioners from 12 countries at which the role broadcasting in the promotion of indigenous languages world-wide.

- **Support the Gaeltacht-based local economy:** In 2013, TG4 spent a major share of its expenditure with production companies located in Gaeltacht areas. Over 300 full-time jobs in the production sector are directly sustained by TG4 commissions. Many but not all of these jobs are in the Gaeltacht areas. The presence of TG4 itself also makes it an important part of the economic and social fabric of the Gaeltacht. In addition, TG4's Irish language soap, *Ros na Rún*, is in its 18th year of production, creating a notable amount of direct employment and contracted personnel in the local economy.

Irish Language Independent Production Sector

As a publisher broadcaster, TG4 sources a major proportion of its broadcast programming from the Irish language independent production sector. Not only does this help to ensure that TG4's schedule is distinctive and reflects Irish cultural identity, it also helps to support the

preservation and development of the Irish language production sector. Of key importance also, is that it enhances Ireland's capabilities in the knowledge-based creative sectors and makes a strong contribution to jobs and earnings.

During 2013, TG4 continued to work closely with the sector. In partnership with it, TG4 delivered original, strong, attractive and entertaining programming for Irish audiences both at home and abroad. TG4 commissioned almost 700 hours of new Irish language programming, over 250 hours of re-voiced material and 400 hours of new subtitling in 2013.

In doing so, TG4 spent €21.5m with the sector on Irish language programming and services. This was a 5.2% increase on TG4's expenditure in 2012, demonstrating its commitment to investing in independent production, in jobs and in the local economy.

In 2013, TG4 productions secured €4.7m from the *Sound & Vision* fund and the Northern Ireland Irish Language Broadcast Fund (ILBF) by working in partnership with the production sector. This funding is received directly by the independent production sector. In 2013, 13 *Sound & Vision* programming projects were supported and 20 ILBF programming projects were co-funded. TG4 continued to be the main supporter of ILBF-funded productions in Northern Ireland.

TG4 supported over 300 jobs in the independent production sector directly.



“TG4 has succeeded in making the language accessible.”

An Irishman's Diary
(John G O'Dwyer)
IRISH TIMES



Economic Benefits

As part of its value-for-money, TG4 endeavours to ensure that its expenditures have a positive economic impact on the Irish economy. In 2013, the investment made by TG4 in the independent production sector and through its expenditure with other Irish service providers, had a significant impact on the national economy. TG4's contribution to national earnings is estimated to be over €66m with an associated employment impact of over 960 jobs including 300 jobs in the independent production sector. Every €1 invested by TG4 in the creative industries in Ireland is estimated to have been worth almost €2 to the economy of Ireland in 2013. TG4 therefore continued to have important financial, employment and creative benefits for the Irish economy more generally.

Transparency and Efficiency

In 2013, TG4 continued to focus on maximising value-for-money and on securing the best value across all areas of



its business. TG4 ensured that 75% of public funding went directly into the production and broadcasting costs of Irish language programming and content. TG4 also confined the use of public funding to the achievement of public service objects and duties. TG4 has continued to operate as cost effectively as possible and to deliver value-for-money in all that it does. Key points to note are:

- TG4 operating expenditure stayed the same as 2012 levels.

- An increased proportion of public funding was spent on Irish language content – 75% in 2013 compared to 72% in 2012.
- Programme costs represented 67% of total operating expenditure – up from 64% in 2012, a very positive development showing that more and more of TG4's expenditure is spent on programming.
- The cost-per-hour of new Irish language content fell in 2013 (by 7.4%) and the cost-per-broadcast hour fell by 2.4% from €4.1k per hour to €4k per hour.
- Cost-per-viewer hour increased from 24.25 cents in 2012 to 26 cents in 2013 (an increase of 7.2%). This was despite the fact that operating expenditure was held constant. It was due to:
 - An overall decrease in television viewing audiences which has a direct impact on cost-per-viewer as the measure is based on television viewing audience levels. The year 2013 saw a 2.7% decline in viewing to a TV set in the Republic of Ireland (RoI).
 - TG4 invested more in programming and content in 2013 and will continue to invest as much as possible in 2014. This is critical for maintaining audience share but is not reflected commensurately in cost-per-viewer hour.

In terms of comparisons of TG4's costs-per-hour for commissioned programme, for the most part, TG4's costs across key genres come in below those of S4C in Wales, the BBC and RTÉ. While recognising market differences, it provides evidence of TG4's focus on cost efficiency and value-for-money.

Technology

TG4 continues to invest in new broadcast and digital technologies to support its broadcast and content services. This is critical for ensuring that TG4 remains an effective place of work and that it delivers value-for-money through productivity and efficiency.

During 2013, TG4 completed a significant investment programme to convert to High Definition (HD) transmission. It also commenced the delivery of a new Content Distribution System at the end of 2013. This will enable TG4 to provide content to an increasing range of distribution platforms, at minimum cost, and to develop more Irish language interactive and online content services such as new Apps, games and interactive content, particularly for children and young people. The Content Distribution System will be rolled out in 2014 starting with a Smart TV App, uninterrupted Player stream and personal play lists.





Trust and Good Governance

TG4's performance during 2013 remained strong. It maintained best practice governance and reporting systems, complied with all Codes and broadcasting regulations and delivered all public service and statutory obligations.

TG4 endeavoured to deliver and maintain the highest standards of editorial integrity and to deliver a diverse range of high quality programming during 2013. No complaints were made about TG4's services to the BAI.

In 2013, the Broadcasting Authority of Ireland commissioned consultants Crowe Horwath to undertake the statutory five-year review of funding for public service broadcasters. Part of this review required an analysis of the costed strategic plan of each public service broadcaster. Crowe Horwath provided positive feedback on TG4's Statement of Strategy with a key recommendation made that TG4 should also investigate a plan based on present revenue allocations only. TG4 delivered this revised funding plan in 2013 as well as addressing the two other recommendations arising from the review. These were: (i) the development of methodologies for identifying and quantifying TG4's audience among Irish language speakers and (ii) initiatives to ensure a continued effective relationship with RTÉ. TG4 addressed both of these during the year through the

commencement of *Fios Físe* as outlined earlier and through the revision of a protocol with RTÉ in November 2013.



"If you want outstanding drama, look no further than TG4, which had the foresight to snap up Breaking Bad a couple of years back and has now made some first rate acquisitions."

John Boland
IRISH INDEPENDENT



The Board of Teilifís na Gaeilge and other information

The Board of Teilifís na Gaeilge was established in April 2007 under the provision of the Broadcasting Act, 2001. The Board members were appointed by the Minister for Communication, Marine and Natural Resources.

On the 31st of March 2012 the term of the Chairman and 8 Board members expired. On the 17th of April 2012, the Minister of Communications, Energy and Natural Resources appointed a Chairman and 6 Board members and reappointed one Board member from the previous Board.

The Board met 7 times during the 12 months to the 31st December 2013.

Board Members and Director General at 31st December 2013:



Siún Ní Raghallaigh
(Chairman)



Pól Ó Gallchóir
(Director General)



Seosamh
Ó Conghaile



Rónán
Ó Coisdealbha



Concubhar
Ó Liatháin



Andréa
Ní Éalaithe



Des
Geraghty



Mairéad
Ní Cheóinín



Micheál
Seoighe



Mairéad
Ní Suibhne



Michelle
Ní Chróinín

Company Secretary and Registered Office

Mary Uí Chadhain
TG4
Baile na hAbhann
Co. na Gaillimhe

Secretary to the Board

Pádhraic Ó Ciardha

Sub-Committees of the Board

There are three sub-committees of the Board as follows::

Audit Committee

Des Geraghty (Chairman)

Micheál Seoighe

Michelle Ní Chróinín

During the 12 months to 31st December 2013, the Audit Committee met on 4 occasions after which they reported to the Board. The Internal Audit function reports directly to the Audit Committee.

Remuneration Committee

Siún Ní Raghallaigh (Chairman)

Andréa Ní Éalaithe

Mairéad Ní Suibhne

The Remuneration Committee met once in the year to 31st December 2013.

Digital Committee

Mairéad Ní Cheóinín (Chairman)

Concubhar Ó Liatháin

Rónán Ó Coisdealbha

The Digital Committee met twice in the year to 31st December 2013.

Auditor

Comptroller and Auditor General

Treasury Block

Dublin Castle

Dublin 2

Solicitor

Landwell Solicitor

One Spencer Dock

North Wall Quay

Dublin 1

Bankers

AIB

Lynch's Castle

Shop Street

Galway

Actuary

Pricewaterhouse Coopers

One Spencer Dock

North Wall Quay

Dublin 1

Chairman's Report

I have the pleasure of presenting TG4's Annual Report for 2013.

2013 was yet another difficult year. Despite the early signs of a recovery, the Irish economy continued to experience many challenges as part of the most severe recession in decades.

All industry sectors have felt its impact in 2013, with broadcasting no exception. 2013 also saw changes in audience viewing habits take effect. The first decline in viewing to a TV set since 2009, happened in Ireland during the year. The Internet and mobile video have brought a wave of change, with developments in mobile and Smart devices, Internet television and social media enabling audiences to change how they use and interact with content. Content viewed on non-TV devices now accounts for 11% of all viewing in Ireland and this is expected to grow as technology becomes more accessible and faster and as mobile screens increase in size.



Our Audiences

In such a crowded marketplace, TG4 has to work hard for audience share. We are delighted that TG4 increased its linear share in 2013 (to almost 2%) and the number of viewers who tune into TG4 on a daily and weekly basis remained strong. In 2013, 527k viewers tuned into the channel daily and 1.6m weekly. TG4 maintained its position as the 8th most watched channel in Ireland in 2013 – a great performance given the hundreds of

channels available to viewers here.

Reach amongst TG4's core Irish language user audience is even higher. TG4 commissioned a new measurement system in 2013 to monitor and report on its performance with Irish language user audiences and the early results and feedback from this system are very positive.

Not only did our linear share increase, TG4's unique web visitors, page impressions, programme streams and App downloads also experienced strong growth in 2013. The number of unique visitors to the website grew by 32%, page impressions by 66%, Player streams by 4% and App downloads by 6.4%. TG4's website ranked number 1 in the world for Irish language websites.

Content – Anytime, Anywhere

While the core of TG4's services is a television service primarily in the Irish language, TG4 also continued its progression in 2013, to being a strong multi-platform content provider and broadcaster, offering a wide range of digital content and services, meeting audience requirements for "content anytime, anywhere".

Content remains at the heart of TG4's service and its priority is to continue the development of original, attractive and entertaining programmes for audiences across television, mobile, computers and tablet devices and to engage with audiences across these platforms.

TG4's share, reach and online/mobile performance most certainly reflect that a strong demand exists for Irish language content and programming. It also demonstrates how effective TG4 is in helping to establish a bilingual society by putting Irish language content and programmes on a regular footing with those in English.

Our Fundamental Purpose

Underpinning these achievements is TG4's fundamental purpose to be a key driver in the promotion and development of the Irish language and culture. TG4 was established to promote and foster the Irish language and culture as a vital element of Government policy on the preservation and revitalisation of the Irish language and the Gaeltacht. This remains TG4's core purpose and drives all its broadcast, content and other activities.

Economic Impact

As part of its value-for-money, TG4 endeavours to ensure that its expenditures have a positive economic impact in the Irish economy. In 2013, the significant investment

made by TG4 in the independent production sector and through its expenditure with other Irish service providers, had a significant impact on the national economy. TG4's contribution to national earnings is estimated to be over €66m with an associated employment impact of 960 jobs including 300 jobs in the independent production sector. Every €1 invested by TG4 in the creative industries in Ireland was estimated to be worth almost €2 to the economy of Ireland in 2013.

TG4 sources a major share of its Irish language content from the Irish language production sector. This strengthens the sector and delivers jobs. Many of these jobs are located in Gaeltacht areas and this fact, in conjunction with the presence of TG4 itself, makes it an important part of the economic and social fabric of the regional economy and Gaeltacht areas.

Investment in Technology

TG4 continues to embrace new digital technologies to enhance its broadcast service and multi-platform content and services. It completed a major two year programme in 2013 to convert to HD transmission. It is also embarking on the delivery of a new Content Distribution System. This will enable TG4 to provide content to an increasing range of distribution platforms, at minimum cost, and to develop more Irish language interactive and online content services such as new Apps, games and interactive content, particularly for children and young people.

We would like to thank Minister Pat Rabbitte T.D. and

his officials at the Department of Communications, Energy and Natural Resources, not only for their support with this important project, but also for their continued support throughout 2013.

My Thanks

I would also like to thank a number of other individuals and organisations.

I thank my fellow Board members for their commitment to TG4 and also the Audit, Digital and Remuneration sub-committees of the Board and the Board Secretaries. My thanks also go to the Audience Council for its crucial feedback on TG4's content and services.

I give my thanks to the Broadcasting Authority of Ireland and the Northern Ireland Irish Language Broadcast Fund for their continued support and to RTÉ for its annual statutory provision of 365 hours of Irish language content.

Finally, I would like to thank TG4's management and staff under the dedicated leadership of the Ardstiúrthóir, Pól Ó Gallchóir. Despite another challenging year, Pól and his team have ensured a strong performance by TG4. The Board and I look forward to working together with them in the year ahead to successfully address the many challenges and exciting opportunities facing the organisation.

Siún Ní Raghallaigh
Cathaoirleach

Director General's Report 2013

Introduction

2013 was the sixth challenging year in succession, both economically and financially, for the Irish economy and for TG4. In spite of the difficult market and financial conditions, TG4 performed strongly during the year. We increased our linear audience share for the first time since 2009. This was despite of the fact that viewing to a television set fell for the first time since 2009 during the year – by almost 3% in the Republic of Ireland. We also experienced a strong increase in the level of audience engagement with our website, Player and Social Media services, demonstrating the demand for entertaining and original Irish language content.

I am also pleased to report that once again, we achieved all our key targets for the year.

Irish Language Programming and Content

TG4 continues to focus on audiences and we had many programming and audience successes during the year. The number of new Irish language programme hours delivered by TG4 increased – from 1,669 in 2012 to 1,767 in 2013. This was a 6% increase – a very positive development during a year where we secured no additional funding or income. Some of our Irish language programming highlights in 2013 included the regular, trusted programmes such as *Ros na Rún*, *Geantraí*, *Comhrá* and *7 Lá* in addition to new series such as *Bealach na mBusanna*, *Ceol na nOileán*, *Rónán ar an Camino*, *Bliain in Árainn Mhór*, *Wwoofáil*, *Draíocht* and *Róisín*. For the first time, 2013 saw the broadcast of 20 hours of live programming from Fleadh Cheoil na hÉireann in Derry. This was a huge success with TG4 audiences and reached an audience of 850,000.

Sports also featured strongly in 2013 in the TG4 schedule, with live Gaelic games and rugby being key features. A cornerstone of the TG4 Irish language sports schedule is also Ladies Gaelic Football. The Ladies Football All-Ireland Finals 2013 were broadcast live from Croke Park and secured TG4 its highest ever audience for this event – 625,000. We also broadcast the Tour de France, racing from Listowel and Wimbledon.

Other programming of note in our 2013 schedule included the strong Oireachtas na Gaeilge programming including a special tribute programme on the late Maidhc Dainín Ó Sé. TG4's news service *Nuacht TG4* remained an important part of our schedule. During 2013, TG4 continued to provide a comprehensive Irish language news service with an emphasis on regional and Gaeltacht-based reports in addition to reporting from around the world.

Our programming would not be of the quality it is, without the wonderful talent of Irish writers and producers. We would like to especially mention Éamon de Buitleár who passed away in 2013. During his long

career, he produced many programmes for TG4 and we are grateful to have this legacy as a key part of our broadcast heritage – not just for its linguistic significance, but also for its unique perspective on Irish wildlife and our landscape.

The TG4 online service has continued to go from strength to strength and our website is ranked number 1 in the world rankings of Irish language websites. Every year, we enhance our online services, investing in additional resources to make them more accessible and entertaining. TG4 has established a children's web presence with interactivity and games for specific *Cúla4* programmes to make Irish more accessible and fun for young people worldwide. All Irish language web games are aimed at pre-school/early primary audiences. We have to date developed/issued 8 Irish language Apps which are available for pre-school children, which is a tremendous input to high quality educational Apps for this segment of the population.

In 2013, TG4 also launched the TG4 Player App for iOS which provides access for audiences on mobile devices and tablets. 2013 also saw ongoing development on the TG4 Player App for iPads and the TG4 Smart TV App.

A major new on-line resource for all those interested in traditional singing in Irish was added to the TG4 website in October 2013. The new website portal www.tg4.ie/seannós is a unique and free to access space that provides a substantial selection of TG4's recordings of the most loved sean nós songs, available to all users world-wide. The songs from the TG4 archive are performed by the current masters of this art form and uniquely, the words are also to be seen alongside in an exact transcription of the actual lyrics delivered in each performance. The site features songs and singers from all the major Gaeltacht regions and other areas. It has been hailed as a major addition to the resource materials available for learners and followers of sean-nós.

Irish Language Independent Production Sector

As a publisher broadcaster, TG4 sources a significant proportion of our broadcast programming from the Irish language independent production sector. Not only does this help to ensure that TG4's schedule is distinctive and reflects Irish cultural identity, it also helps to support the preservation and development of the Irish language production sector. Of key importance also, is that it enhances Ireland's capabilities in the knowledge-based creative sectors and makes a strong contribution to jobs and earnings.

During 2013, we continued to work closely with the Irish language independent production sector. In partnership with the sector, we delivered original, strong, attractive and entertaining programming for Irish audiences both at home and abroad. TG4 commissioned

almost 700 hours of new Irish language programming, over 250 hours of re-voiced material and 400 hours of new subtitling in 2013. Reflecting this, we spent €21.5m with the sector on Irish language programming and services. This was a 5.2% increase on our expenditure with the sector in 2012, demonstrating our genuine commitment to investing in independent production, in jobs and in the local economy.

Audiences

The level of competition and complexity in the broadcasting market today is unprecedented. For the Irish audience, television can now be delivered by satellite, cable and terrestrial broadcast platforms in addition to online and there are more than 200 channels available to Irish audiences, a number which is increasing annually. In addition to broadcast competition, online and mobile video have brought another wave of change. In such a crowded marketplace, TG4 has to deliver enough strong, unique and entertaining content to persuade audiences to interact with our content services.

TG4's track record in recent years proves that we can do this and attract a significant audience. TG4 maintained the 8th position in the rankings of most watched TV channels in Ireland in 2013 – a very strong performance given the hundreds of channels available to viewers in Ireland.

In 2013, we secured an average daily reach of 13% (526,700 viewers who tuned into the channel daily). Almost 1.6m people tuned into TG4 on a weekly basis in 2013. Reach amongst Irish language user audiences is even higher and TG4 performed strongly with this audience base during the year. Following on from the the statutory five-year review of funding for public service broadcasters, the Department of Communications, Energy and Natural Resources requested TG4 to develop methodologies for identifying and quantifying our audience among Irish language speakers on a systematic basis. While we regularly publish research on our Irish language speaking audiences, it had been acknowledged that there are issues with the systematic market data on Irish language users audience reach. TG4 has commissioned a new measurement system and has established a new Irish language user audience panel, *Fios Físe*, in conjunction with the National University of Ireland Galway (NUIG) and the Acadamh na hOllscolaíochta Gaeilge. The panel will provide feedback on a weekly basis across a range of issues relating to TG4 performance. First results will be produced at the end of Q1 2014 and early indications are very positive indeed. We would like to thank NUIG and the Acadamh na hOllscolaíochta Gaeilge for this great development.

In terms of our share of audiences in Northern Ireland, Ofcom, the UK regulator, reports a 13% weekly reach for

TG4. The *Fios Físe* measurement survey will now cover Northern Ireland also which again is a positive development and will allow us to measure our performance with Irish language audiences on an all-island basis.

While the core of TG4's services is a television service primarily in the Irish language, TG4's role also includes creation and provision of content on other digital platforms and engaging with audiences across these platforms. The numbers of unique web visitors, page impressions, programme streams and App downloads have all increased significantly over the past few years demonstrating our success with non-broadcast content development and distribution. In 2013, TG4 delivered a strong performance online and on the Player service showing strong positive growth in both services. The number of unique visitors to the website grew by almost 32%, from 1.2m in 2012 to 1.59m in 2013. Associated with this growth is the number of page impressions which grew almost 66% from 11.48m in 2012 to 19m in 2013. The Player service likewise performed well over the year with 1.66m programme streams achieved in 2013 – this was a growth of over 4% on 2012 streams. Apps downloads performance in 2013 was strong with a 6.4% increase on downloads in 2012.

Awards

2013 saw the continuation of the large number of awards and nominations for TG4 which reflect the quality and distinctiveness of our programming and other areas of our service. In 2013, TG4 secured 75 awards and nominations of which 49 were for programmes and content. We secured 5 IFTA awards for *Lón sa Spéir*, *Congo 1961*, *Jockey Eile*, *Gaeil Nua Eabhrach* and *Am an Ghátair*. We also secured 5 awards at the Celtic Media Festival, our highest number ever, including the Spirit of the Festival Award for *Rás Tailteann*. Our awards and nominations total included 4 Oireachtas na Gaeilge Media Awards also. We are very proud that our strong programming and content is recognised with these awards and nominations.

Technology

TG4 continues to invest in new broadcast and digital technologies to support our broadcast and content services. This is critical for ensuring that we are an effective place of work and that we deliver value-for-money through productivity and efficiency.

We completed a significant investment programme in 2013 to convert to High Definition (HD) transmission. We also commenced the delivery of a new Content Distribution System at the end of 2013. We would like to thank the Department for its support with this project. The Content Distribution System will be rolled out in 2014 starting with a Smart TV App, Uninterrupted player

stream and personal play lists. This project will enable us to deliver content across the full range of distribution platforms, at least cost, and to continue to increase our range of Irish language interactive and online content services including Apps, games and interactive content. We will continue to build on the four Apps we launched in 2013, for example.

20 Year Strategy for the Irish Language

TG4 continues to support the Government's 20-Year Strategy for the Irish Language. We met the Government sub-committee on the Irish language in July 2013. This meeting was chaired by An Taoiseach at which the public service broadcasters and their regulator briefed the Ministers and their senior officials on the role of broadcasting in promoting the Irish language and in contributing to the delivery of the overall Strategy.

Our objective is that TG4 content should be available to first, second and third level schools and colleges – in Ireland and abroad and we are being proactive to ensure this happens. We are also being proactive with supporting the move to an oral-skills approach in new post-primary curriculum. November 2013 saw a workshop devised and delivered by TG4 at the annual Tionól Teagaisc conference of second level Irish language teachers. This workshop demonstrated how TG4 content can be used directly in the classroom to deliver the new curriculum. In addition, the creation in mid-2013 of a dedicated space on the TG4 website which contains content in Irish that is not subtitled in English (www.tg4.ie/foghlaim) has been welcomed by learners of Irish as a resource that aids and improves comprehension skills and fluency.

TG4 is also focusing on supporting production companies which are based in the Gaeltachtaí. We are delighted that we commissioned a new comedy series from the Donegal Gaeltacht during 2013.

Five-Year Review

In 2013, the Broadcasting Authority of Ireland commissioned Crowe Horwath to undertake the statutory five-year review of funding for public service broadcasters. Part of this required an analysis of the costed strategic plan of each public service broadcaster. Crowe Horwath provided positive feedback on TG4's Statement of Strategy with a key recommendation made that we should also investigate a plan based on present revenue allocations only.

TG4 delivered this revised funding plan in 2013 as well as addressing the two other recommendations arising from the review. These were: (i) the development of methodologies for identifying and quantifying TG4's audience among Irish language speakers and (ii) initiatives to ensure a continued effective relationship with RTÉ. TG4 addressed both of these in 2013, with the

commencement of *Fios Físe* as outlined earlier and with the revision of our protocol with RTÉ, which was agreed in November 2013.

TG4 Value for Money

In terms of efficiency, TG4 continued to focus on maximising value-for-money and on securing the best value across all areas of our business. In 2013, we ensured that 75% of public funding went directly into the production of Irish language programming and content. We also confined the use of public funding to the achievement of public service objects and duties. We have continued to operate as cost effectively as possible and to deliver value-for-money in all that we do.

Key points to note are:

- Our operating expenditure stayed the same as 2012 levels.
- A significantly increased proportion of our public funding was spent on Irish language content – almost 75% in 2013 compared to 72% in 2012.
- Programme costs represented 67% of total operating expenditure – up from 64% in 2012, a very positive development showing that more and more of TG4's expenditure is on programming.
- The cost-per-hour of new Irish language content fell in 2013 (by 7.4%) and the cost-per-broadcast hour fell by 2.4%.

Outlook for 2014

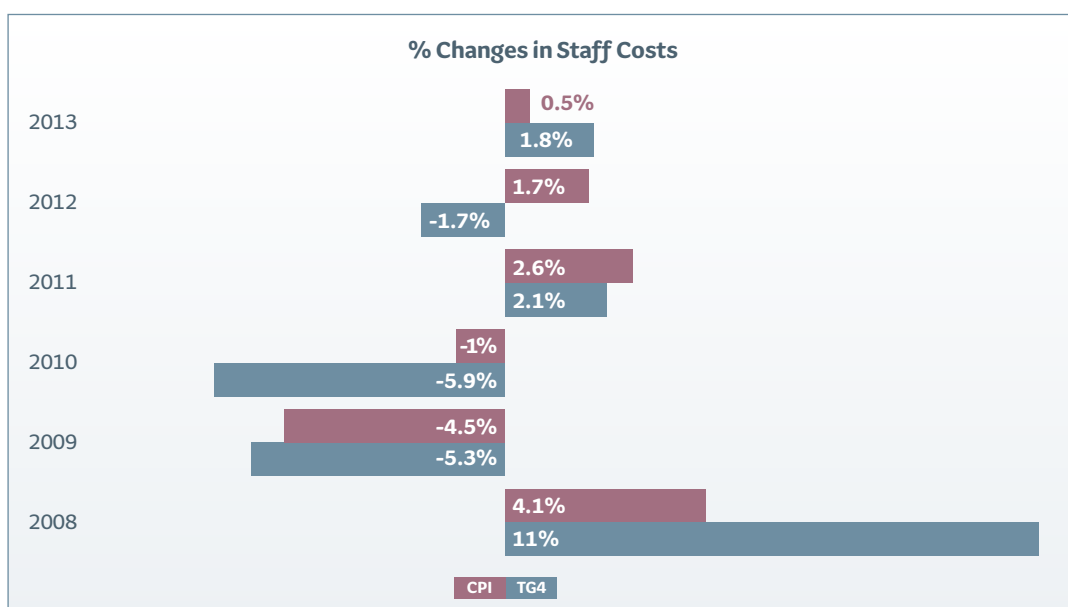
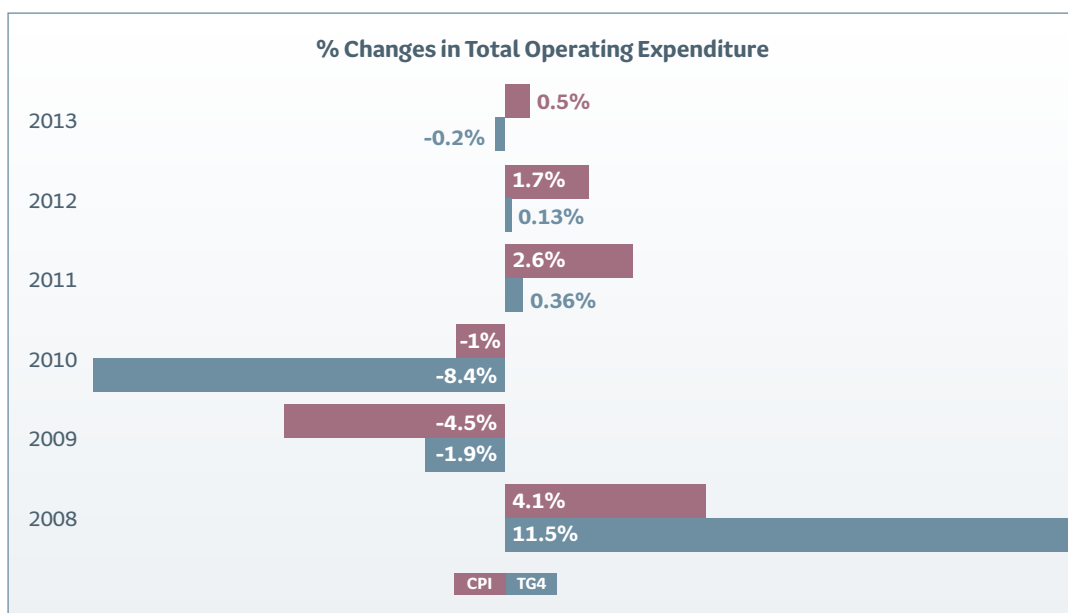
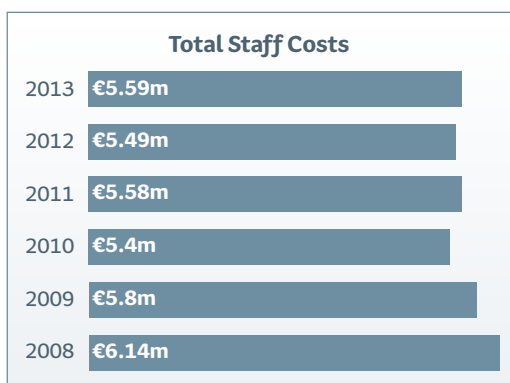
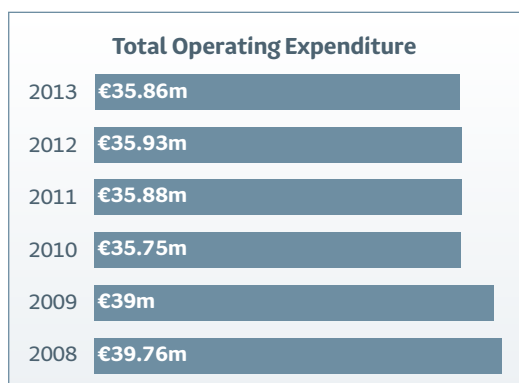
We expect that 2014 will be another difficult year – for the economy and for broadcasting. However, there are early signs of economic recovery and we anticipate some further improvement in the advertising sector and in our commercial revenues. An important target for TG4 will be the development of new commercial income opportunities and the diversification of commercial income sources.

During 2014, our aim is to maximise our broadcast and other platform audiences by delivering an attractive range of strong, unique and entertaining content (both short and long form) in the Irish language. We expect that our content commitments for 2014 will incur an expenditure of almost €26m, representing over 72% of our budget – a significant investment.

Thanks

There are a number of individuals and organisations I would like to thank.

Firstly, I would like to thank Minister Pat Rabbitte T.D. and his Department officials for their ongoing support for TG4 during 2013. We were delighted with the Minister's visit in December, when he met the Board, was given a tour of TG4's headquarters and studios and was briefed on our Content Distribution System plans. We are grateful for his support with this critical project.



I wish to thank the TG4 Board members and Chairperson Siún Ní Raghallaigh for their dedication to TG4 and for the guidance they provided to the TG4 Executive during the 2013 year.

Our gratitude also goes to the Broadcast Authority of Ireland, Bord Scannán na hÉireann, the Northern Ireland Irish Language Broadcast Fund and Údarás na Gaeltachta. In particular, I would like to thank RTÉ and its Director General Noel Curran for its support for TG4 and its annual provision of 365 hours of Irish language content to the TG4 service.

Thanks are also due to many other organisations with which we work to develop the Irish language and culture. We are grateful to them all and look forward to working with them again in 2014. A key part of this is the

independent production sector. This sector provides the Irish language programming which so greatly enhances TG4's broadcast schedule. We recognise and appreciate the creative talent which makes this sector such a valued contributor of our programming and content.

Finally, I would like to sincerely thank my colleagues, the management and staff of TG4. It has been a challenging but exciting year and I would like to express my gratitude for their continued hard work and dedication to TG4. I look forward to working with them all again in the year ahead.

Pól Ó Gallchóir
Ardstiúrthóir

Corporate Governance

Implementation of the Code of Practice for the Governance of State Bodies

The Board formally adopted the revised Code of Practice for the Governance of State Bodies, as issued by the Department of Finance in May 2010, at its meeting held in July 2010.

The new Board, at its induction meeting in May 2012, was briefed on and noted the terms of the 2010 Code.

The Audit Committee affirmed that it had carried out a review of the internal financial controls of Teilifís na Gaeilge in 2013. The Board accepted this and it was reported in the minutes of the Board meeting of the 16th December 2013.

All Board members have also received guidance on ethical codes of conduct and in particular their responsibilities with regard to the code of conduct for members and staff of Teilifís na Gaeilge.

Ethics in Public Office Act 1995 and Standards in Public Office Act 2001

The Board of Teilifís na Gaeilge is a prescribed public body for the purpose of the Ethics in Public Office Act, 1995 and Standards in Public Office Act 2001.

All Board members, as holders of designated directorships and members of staff who have designated positions have been advised of their obligations under the ethics legislation and given appropriate guidance.

Risk Management

Recognising the importance of risk management, the Board undertook a full risk review of the organisation in 2013. A risk assessment report was presented to the Board at its meeting held in December 2013. The Board at the meeting, as outlined in the report, accepted the potential risks and risk mitigation strategies.

It was further agreed that this is an on-going process. Therefore the risk register will be updated during 2014 and presented to the Board in due course.

The Board has established the following committees to assist in the performance of their duties.

These are the Audit Committee, the Remuneration Committee and the Digital Committee. The membership of these committees is listed under The Board of Teilifís na Gaeilge and Other Information.

The role and responsibilities of the Audit Committee include:

- Agreeing the internal audit plan for the forthcoming year.
- Reviewing reports from internal audit on the

effectiveness of systems of internal control and monitoring progress and implementation of recommendations.

- Monitoring and reviewing the effectiveness of the company's internal audit function in the context of the company's overall risk management system.

The role and responsibilities of the Remuneration Committee include:

- Determining and agreeing with the Board the framework for the remuneration of the company's Director General and other members of the executive management.
- Reviewing the ongoing appropriateness and relevance of the remuneration policy.
- Approving performance related pay schemes operated by the company and approving the total annual payments made under such schemes.
- Being responsible for selecting any remuneration consultants who advise the company.

Emoluments to Directors

TG4 has complied with the Guidelines covering the payment of fees to the Chairpersons and Director of State Bodies, issued by Minister of Finance in July 1992. (See table below).

TG4 Board	Fees €'000	Expenses €'000	Number of Meetings Attended
Pól Ó Gallchóir (Director General)	–	–	7
Seosamh Ó Conghaile	12.6	–	6
Rónán Ó Coisdealbha	12.6	–	7
Concubhar Ó Liatháin	12.6	3	6
Siún Ní Raghallaigh (Chairman)	21.6	–	7
Andréa Ní Éalaithe	12.6	1	5
Des Geraghty	12.6	2	7
Mairéad Ní Cheoinín	12.6	2	6
Micheál Seoighe	12.6	–	6
Mairéad Nic Suibhne	–	2	5
Michelle Ní Chróinín	–	–	6
Secretarial and sundry expenses	–	7	–
Board members' fees and expenses	109.8	17	

At the 31st December 2013 there were 10 non-executive members and one executive member, being the Director General, on the Board.

Finance Review 2013

Income and Expenditure Reviews

This report reviews TG4's income and expenditure performance in 2013 in terms of the key sources and use of income, the channel's principal cost drivers and its overall focus on efficiency and value-for-money. The review also compares TG4's performance in 2013 to that of 2012 under the following 4 headings:

1. **Income**
2. **Operating Expenditure**
3. **Cost Control and Efficiency in 2013**
4. **Irish Language Content Expenditure 2013**

1. Income

As can be seen from Table 1 below, total income (exchequer current funding and commercial revenue) in 2013 was €35.8m (2012: €35.9m). Compared to the previous year TG4's total income decreased marginally by 0.2%. Exchequer current funding was €32.75m (2012: €32.75m) of this and represented 91.4% (2012: 91.2%) of TG4's total income with the commercial income share representing 8.6% in 2013 at €3.09m (2012: €3.17m).

Commercial income decreased by 2%. This was a solid performance in a challenging environment.

Table 1: Income TG4 2013

Description	2013		2012	
	€'000	%	€'000	%
Grant-in-aid	32,750	91.4%	32,750	91.2%
Commercial (advertising and sponsorship)	1,782	4.9%	1,762	4.9%
Other commercial	1,311	3.7%	1,409	3.9%
Total income	35,843	100%	35,921	100%

2. Operating Expenditure

In terms of annual operating expenditure, TG4 placed a continued emphasis on an operating model, which works

as efficiently as possible and on cost management to ensure value-for-money across all activities. Total operating expenditure was €35.86m in 2013, a 0.19% decrease on the €35.93m spent in 2012. See Table 2 below.

Table 2: Operating Expenditure TG4 2013 Vs 2012

	€'000		% Change 2013 vs 2012
	2013	2012	
Cost of Sales	636	565	12.57%
Staff Costs	5,586	5,260	6.19%
Programme Expenditure	24,190	22,981	5.26%
Other Expenditure (Overheads, Transmission and Marketing costs included)	5,450	7,124	(23.5%)
Total Operating Expenditure	35,862	35,930	0.19%

3. Cost Control and Efficiency

TG4 continued to operate efficiently, cost effectively and prudently in 2013. Savings were achieved across a wide range of cost centres and internal resources were further utilised to provide content at more cost effective rates.

Overall, TG4 provided 1767 hours of original Irish Language content in 2013 from a target of 1712. This represented an increase of 5.87% from 2012.

4. Irish Language Content Expenditure 2013

As reflected in its commitments for the year, TG4 committed to spend at least 70% of its Exchequer current funding on the production of Irish language content. As shown in Table 3 below, the actual spend was 75% of Exchequer funding. Transmission, broadcast and promotion of schedule and general overheads accounted for the remaining 25% of Exchequer funding in 2013.

Overall, there was an increase in TG4's daily output levels of new Irish language content from 4.57 to 4.84 hours per day.

Table 3: Irish Language Content Expenditure

Description	2013		2012	
	€'000	%	€'000	%
Current Exchequer funding	32,750	100%	32,750	100%
Irish language programmes: Commissioned	18,558	56.7%	17,785	54.3%
Acquired/dubbed/subtitled	4,374	13.4%	3,851	11.8%
Production staff costs (including salaries)	1,523	4.7%	1,758	5.4%
Total Irish Language Content Production Costs	24,455	75%	23,394	72%

Financial Statements

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Financial Statements

Statement of Board Members' Responsibilities

For the year ended 31st December 2013

The Board is required by the Broadcasting Act, 2009 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Teilifís na Gaeilge and of its income and expenditure for that year.

In preparing those statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Disclose and explain any material departures from applicable accounting standards and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Teilifís na Gaeilge will continue in existence

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Teilifís na Gaeilge and to enable the Board to ensure that the financial statements comply with the Act and with Generally Accepted Accounting Principles in Ireland.

The Board is also responsible for safeguarding the assets of Teilifís na Gaeilge and for taking reasonable steps for the prevention and the detection of fraud and other irregularities. The Board's books of account are held in Teilifís na Gaeilge offices in Baile na hAbhann, Co. na Gaillimhe.

On behalf of the Board of Teilifís na Gaeilge:

Siún Ní Raghallaigh
Cathaoirleach

16 June 2014

Financial Statements

Statement on Internal Financial Control

For the year ended 31st December 2013

On behalf of the Board of Directors of Teilifís na Gaeilge (TG4), I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely manner.

The Board has taken steps to ensure an appropriate control environment exists by:

- Establishing procedures at management level to monitor the activities and safeguard the assets of the organisation;
- Clearly defining the organisational structure and management responsibilities and powers with corresponding accountability;
- Establishing procedures for reporting significant control failures and ensuring appropriate corrective action.

A process for the identification, evaluation, mitigation and management of business risks has been established which includes:

- Identifying the nature, extent and financial implication of risks facing TG4, including ranking all significant risks;
- Assessing the likelihood of the identified risks occurring and TG4's ability to manage and mitigate the risks that do occur;
- Monitoring and reporting on the risk management process.

TG4 has in place a contingency plan which will ensure continuity of all essential services in the event of any interruptions to existing supplies of such services.

The system of internal financial control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with an annual budget, which is reviewed and approved by the Board of Directors;
- Regular reviews by the Board of Directors of monthly and annual financial reports which indicate activity and financial performance against forecasts;
- Setting targets to measure financial and other performances
- Procedures for the control of capital investment
- Project management disciplines.

TG4 has an outsourced internal audit function which operates in accordance with the Code of Practice for the Governance of State Bodies and which reports directly to the Audit Committee.

The annual internal audit plan is informed by the results of the risk management process and is designed to confirm that the internal controls relied upon continue to operate.

The analysis of risk and internal audit plan are endorsed by the Audit Committee, which meets on a regular basis, and not less than four times a year, to review reports prepared by the Internal Audit function. The Audit Committee reports regularly to the Board in relation to the matters it has considered.

The Board's monitoring and review of the effectiveness of the system of internal financial control is assisted and informed by the work of the Internal Auditor, the Board's own Audit Committee and the senior managers within TG4 who have responsibility for the development and maintenance of the financial control framework.

I confirm that in the year ended 31st December 2013 the Board conducted a review of the effectiveness of the system of internal financial control.

Signed on behalf of the Board

Siún Ní Raghallaigh
Cathaoirleach

16 June 2014

Financial Statements

Report of the Comptroller and Auditor General for Presentation to the Houses of the Oireachtas

For the year ended 31st December 2013



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Teilifís na Gaeilge

I have audited the financial statements of Teilifís na Gaeilge for the year ended 31 December 2013, under the Broadcasting Act 2009. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared in the form prescribed under Section 109 of the Act, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Board

The Board of Teilifís na Gaeilge is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of Teilifís na Gaeilge's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to Teilifís na Gaeilge's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read Teilifís na Gaeilge's annual report to identify if there are any material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of Teilifís na Gaeilge's affairs at 31 December 2013 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by Teilifís na Gaeilge. The financial statements are in agreement with the books of account.

Matters on which I Report by Exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in Teilifís na Gaeilge's Annual Report is not consistent with the related financial statements, or
- the statement on internal financial control does not reflect Teilifís na Gaeilge's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

Director General's Contract

I draw attention to note 3 which sets out that government consent was not obtained for the Director General's contract as required under Section 89(3) of the Broadcasting Act 2009.

Seamus McCarthy
Comptroller and Auditor General

28 June 2014

Financial Statements

Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1. Establishment of Teilifís na Gaeilge

Teilifís na Gaeilge is the Irish language broadcaster established under Statute and continues in being under the Broadcasting Act 2009.

2. Basis of accounting

The financial statements have been prepared on an accrual basis, under the historical cost convention and in accordance with generally accepted accounting principles. Financial reporting standards as issued by the Accounting Standards Board are adopted as they become applicable.

The financial statements are denominated in Euro.

3. Income recognition

Commercial income

Commercial income represents revenue from airtime sales, sponsorship and ancillary activities. Sales, which are shown net of VAT, are recognised in the Income and Expenditure Account when the service is provided.

Commission in relation to these sales is charged to the Income and Expenditure Account as incurred.

4. Expenditure

Expenditure comprises operational and capital expenditure.

Net operating expenditure comprises programming and administration expenditure, net of commercial revenue.

Programme expenditure is charged to the Income and Expenditure Account as incurred.

5. State grants

Net operating expenditure of Teilifís na Gaeilge is funded by way of a grant received from the Department of Communications, Energy and Natural Resources.

The grant is recognised in the Income and Expenditure Account in the year of receipt.

Capital expenditure is funded by the Department of Communications, Energy and Natural Resources by way of capital grants. These grants are amortised on the same basis as the related assets are depreciated.

6. Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, except land, at rates calculated to write off the original cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows;

	%
Buildings	2.5
Equipment	20
Fittings	10

Software development costs on major systems are capitalised and depreciated in line with the related equipment cost from the date of implementation.

7. Financial assets – investment in Multiplex Broadcasting Services Northern Ireland Limited

Teilifís na Gaeilge accounts for its investment in Multiplex Broadcasting Services Northern Ireland Limited at cost. Fixed Assets includes an amount of €1 in respect of its investment in the ordinary shares of that company.

The company was established as a not for profit organisation with costs being funded by RTÉ and the UK Department of Culture, Media and Sport. As a result, Teilifís na Gaeilge financial statements do not reflect any revenues or costs in respect of the joint venture.

8. Taxation

Corporation tax payable is provided on taxable profits at current rates.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between surplus as computed for tax purposes and surplus as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Financial Statements

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

9. Foreign currency

Transactions denominated in foreign currencies are translated into Euro at the exchange rates ruling at the day of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the exchange rate ruling at the Balance Sheet date and resulting gains or losses are included in the Income and Expenditure Account for the year.

10. Pensions

Teilifis na Gaeilge makes contributions in respect of a defined contribution and a defined benefit scheme.

Defined Contribution Scheme

Teilifis na Gaeilge operates a defined contribution scheme for certain employees. Payments to the scheme are charged to the Income and Expenditure Account in the year to which they relate.

Defined Benefit Scheme

Teilifis na Gaeilge operates a defined benefit scheme in respect of two of its officers, the Director General and the Deputy Chief Executive. The scheme is funded by contributions from Teilifis na Gaeilge and the officers concerned, and these are transferred to a separate trustee administered fund.

The pension charge in the Income and Expenditure Account comprises the current service cost plus the difference between the expected return on scheme assets and the interest cost of the scheme liabilities.

Actuarial gains and losses arising from changes in actuarial assumptions and from experienced surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses for the year in which they occur.

Pension scheme assets are measured at fair value. Pension scheme liabilities are measured on an actuarial basis using the projected unit method. An excess or deficit of scheme liabilities over assets is presented on the Balance Sheet as a liability or asset as the case may be.

The pension reserve represents the funding surplus on the defined benefit scheme.

Financial Statements

Teilifís na Gaeilge			
Income and Expenditure Account for the year ended 31 December 2013			
	Notes	2013 €'000	2012 €'000
Sales			
Commercial income	2	3,093	3,171
Cost of sales	2	(636)	(565)
Net Sales		2,457	2,606
Expenditure			
Staff costs	3	5,586	5,260
Board members' fees and expenses	4	127	142
Programme expenditure	5	24,190	22,981
Transmission costs		1,696	3,557
Marketing and research	6	1,589	1,528
Overheads	7	2,015	1,868
Depreciation	9	2,691	1,753
Total Expenditure		37,894	37,089
Net operating expenditure for the year		(35,437)	(34,483)
Interest receivable and similar income	8	20	7
Surplus/(deficit) on disposal of fixed assets		–	2
		(35,417)	(34,474)
State funding	11	35,412	34,474
Surplus/(deficit) on ordinary activities before taxation		(5)	–
Taxation	12	(6)	(3)
Retained surplus/(deficit) for the financial year		(11)	(3)

The notes 1 – 27 form an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Siún Ní Raghallaigh

Cathaoirleach

Pól Ó Gallchoir

Ardstiúrthóir

16 June 2014

Financial Statements

Teilifís na Gaeilge Statement of Total Recognised Gains and Losses for the year ended 31 December 2013			
	Notes	2013 €'000	2012 €'000
Retained surplus/(deficit) for the financial year		(11)	(3)
Actuarial gain/(loss) on pension scheme assets	19	(30)	(56)
Total recognised losses for the year		(41)	(59)

The notes 1 – 27 form an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Siún Ní Raghallaigh

Cathaoirleach

16 June 2014

Pól Ó Gallchoir

Ardstiúrthóir

Financial Statements

Teilifís na Gaeilge					
Balance Sheet as at 31 December 2013					
	Notes	€'000	2013 €'000	€'000	2012 €'000
Fixed Assets					
Tangible assets	9		9,158		10,902
Financial assets	22		–		–
			<u>9,158</u>		<u>10,902</u>
Current Assets					
Debtors	13	1,327		1,599	
Cash at bank and in hand	14	50		124	
			<u>1,377</u>	<u>1,723</u>	
Current Liabilities					
Creditors – falling due within 1 year	15	(1,791)		(2,132)	
Net Current Liabilities			(414)		(409)
Net Assets Excluding Pension Asset			<u>8,744</u>		<u>10,493</u>
Pension asset	19		45		79
Net Assets Including Pension Asset			<u><u>8,789</u></u>		<u><u>10,572</u></u>
Capital and Reserves					
Capital grants	10		8,904		10,646
Pension reserves	16		45		79
Revenue reserves	16		(160)		(153)
			<u><u>8,789</u></u>		<u><u>10,572</u></u>

The notes 1 – 27 form an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Siún Ní Raghallaigh

Cathaoirleach

Pól Ó Gallchoír

Ardstiúrthóir

16 June 2014

Financial Statements

Teilifís na Gaeilge Cash Flow Statement for the year ended 31 December 2013			
	Notes	2013 €'000	2012 €'000
Operating Activities – Net Cash (Outflow)/Inflow – (net of state grant)	17	(55)	241
Return on Investment and Servicing of Finance			
Interest received		14	5
Net Cash Inflow from Returns on Investment and Servicing of Finance		14	5
Taxation			
Tax charge for the year	12	(6)	(3)
Net Cash Outflow from Taxation		(6)	(3)
Capital Expenditure			
Payments to acquire tangible fixed assets	9	(947)	(1,060)
Receipts from sale of fixed assets		–	25
State capital grants	10	920	835
Net Cash Outflow from Capital Expenditure		(27)	(200)
Net Cash (Outflow)/Inflow	18	(74)	43

The notes 1 – 27 form an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Siún Ní Raghallaigh

Cathaoirleach

16 June 2014

Pól Ó Gallchoir

Ardstiúrthóir

Notes to the Financial Statements

Notes			
1.	Principal Activity Teilifís na Gaeilge's principal activity is the operation of the Irish language television channel TG4.		
2.	Net Sales	2013 €'000	2012 €'000
	Commercial Income		
	Airtime and sponsorship sales	1,782	1,762
	Facilities charge-out	580	575
	Sundry income	731	834
		3,093	3,171
	Cost of Sales		
	Commission on advertising and sponsorship sales	357	277
	Direct costs	279	288
		636	565
	Net sales	2,457	2,606
3.	Staff Costs The average number of employees employed by Teilifís na Gaeilge during the year was 84 (2012: 84). Employee costs during the year comprised:	2013 €'000	2012 €'000
	Wages and salaries	4,438	4,406
	Social welfare costs	491	488
	Pension costs	472	430
	Travel and subsistence	102	106
	Training	43	32
	Other staff costs	40	26
		5,586	5,488
	Staff costs capitalised	–	(228)
	Total staff costs	5,586	5,260
	Emoluments of Director General		
	Basic salary	175	171
	Employer's pension contributions	64	62
	Other benefits	3	3
	Board Fees	–	3
	(No Board Fees paid to The Director General post April 2012)		
		242	239

The Director General's current contract covers the period 2010 - 2014. This was submitted to the Department of Communications, Energy and Natural Resources in 2012. Government consent for the contract was not obtained, as required under Section 89(3) of the Broadcasting Act 2009. The Board of TG4 and the Department are in the process of regularising the position.

Notes to the Financial Statements

Notes		2013 €'000	2012 €'000
4.	Board Costs		
	Fees (note 20)	110	120
	Travel and subsistence	17	22
		127	142
5.	Programme Expenses		
	Commissioned programmes	18,558	17,784
	Acquired programmes	2,717	2,601
	Dubbing and other costs	2,915	2,596
		24,190	22,981
6.	Marketing and Research		
	Advertising and marketing	1,467	1,361
	Audience measurement and research	117	162
	Audience Council expenses	5	5
		1,589	1,528
7.	Overheads		
	Premises and equipment expenses	668	684
	Professional and financial expenses	237	220
	Industry levies paid	572	421
	General and office expenses	538	543
		2,015	1,868
8.	Interest Received		
	Interest received on bank deposit accounts (gross)	20	7

Notes to the Financial Statements

Notes	9.	Tangible Fixed Assets	Land & Buildings	Equipment	Assets under construction*	Fixtures and fittings	Total
			€'000	€'000	€'000	€'000	€'000
		Cost					
		At 1 January 2013	7,608	18,163	2,135	628	28,534
		Transfer	–	2,135	(2,135)	–	–
		Additions	84	691	154	18	947
		At 31 December 2013	7,692	20,989	154	646	29,481
		Accumulated Depreciation					
		At 1 January 2013	2,608	14,453	–	571	17,632
		Charge for the year	191	2,484	–	16	2,691
		At 31 December 2013	2,799	16,937	–	587	20,323
		New Book Value					
		At 31 December 2013	4,893	4,052	154	59	9,158
		At 31 December 2012	5,000	3,710	2,135	57	10,902
		<p>*Assets Under Construction relate to the development of a High Definition (HD) Transition project. Expenditure in the year related to expenditure on equipment related to the project. In 2013, the HD system was substantially commissioned and as a result, an amount of €2,135,000 was transferred to equipment.</p>					
		Tangible Fixed Assets held under Finance Lease					
		Included in Tangible Fixed Assets are assets held under Finance Lease as follows:					
			2013		2012		
			Net Book Value	Depreciation Charge	Net Book Value	Depreciation Charge	
			€'000	€'000	€'000	€'000	
		Equipment	–	4	4	4	
	10.	Capital Grants			2013	2012	
					€'000	€'000	
		Capital grants – received and receivable					
		Opening balance			17,193	16,358	
		Grants received during the year (Note 11)			920	835	
		Closing balance			18,113	17,193	
		Amortisation					
		Opening balance			6,547	4,823	
		Amortised during the year			2,662	1,724	
		Closing balance			9,209	6,547	
		Net book value – capital			8,904	10,646	

Capital grants represent state funding received in relation to capital expenditure incurred by Teilifís na Gaeilge. Capital grants are amortised on the same basis as the related assets are depreciated.

Notes to the Financial Statements

Notes			
11.	State Funding		
	Grants received from the Department of Communications, Energy and Natural Resources represent state funding received in relation to current expenditure incurred by Teilifís na Gaeilge.		
	State funding credited to the Income and Expenditure Account in the year	2013 €'000	2012 €'000
	Grant received in the year	32,750	32,750
	Capital grant amortised (Note 10)	2,662	1,724
		35,412	34,474
	The total allocation for 2013 was €33.67m comprising of:		
	Grants received for current expenditure (Vote 29 – Subhead B5)	32,750	32,750
	Grants applied for capital purposes (Vote 29 – Subhead B5)	920	835
	Total received	33,670	33,585
12.	Tax on Profit on Ordinary Activities	2013 €'000	2012 €'000
(a)	<i>Analysis of tax charge in year</i>		
	Corporation tax charge for year	6	3
	Charge in respect of previous years	–	–
		6	3
(b)	<i>Factors affecting the tax charge for the year</i>		
	The effective rate of tax for the year is higher than the standard corporation tax in Ireland of 12.5%. The differences are explained below:		
		2013 €'000	2012 €'000
	Profit/(Loss) on ordinary activities before taxation	(5)	–
	Profit/(Loss) on ordinary activities multiplied by the standard rate of corporation tax in Ireland of 12.5% (2012: 12.5%).	(1)	–
	Effects of:		
	Income taxable at a higher rate of taxation	10	11
	Excess of capital grants amortised and capital allowances over depreciation	(1)	–
	Non-deductible expenditure	(2)	(8)
		6	3

Notes to the Financial Statements

Notes			
		2013 €'000	2012 €'000
13.	Debtors		
	Trade debtors	951	750
	VAT repayable	76	300
	Corporation tax repayable	2	9
	Prepayments and accrued income	298	540
		1,327	1,599
	All balances are deemed recoverable within one year.		
14.	Cash at Bank and in Hand		
	Cash in hand	2	1
	Bank accounts	48	123
		50	124
15.	Creditors – falling due within 1 year		
	Trade creditors	303	722
	Accruals and deferred income	1,420	1,342
	Pension contributions creditor	68	68
		1,791	2,132
16.	Reserves		
		Pension Reserve €'000	Revenue Reserve €'000
	Opening balance as at 1 January 2013	79	(153)
	Retained deficit for the year	–	(11)
	Actuarial loss/(gain)	(30)	–
	Pension reserve adjustment	(4)	4
	Closing balance as at 31 December 2013	45	(115)
			Totl €'000

Notes to the Financial Statements

Notes 17.	Reconciliation of Surplus for the Year to Net Cash Flow from Operating Activities		2013 €'000	2012 €'000
	Surplus/(deficit) on ordinary activities before taxation		(5)	–
	Non-Operating Activities			
	Interest received (net)		(14)	(5)
	(Profit)/loss from sale of fixed assets		–	(2)
	Non-Cash Items			
	Depreciation		2,691	1,753
	Amortisation of capital grants		(2,662)	(1,724)
	Pension asset adjustment		4	(26)
	Decrease/(increase) in debtors		272	(46)
	(Decrease)/increase in creditors		(341)	291
	Net cash (outflow)/inflow from operating activities		(55)	241
	18.	Analysis of Changes in Net Funds	Opening balance €'000	Cash flows €'000
Cash at bank and in hand		1	1	2
Short term deposits		123	(75)	48
		124	(74)	50
19.	Pension			
	a) Description of scheme			
	Teilifís na Gaeilge operates a defined benefit scheme and a defined contribution scheme for its employees. The schemes are funded and the assets are held separately from those of Teilifís na Gaeilge.			
		2013 €'000	2012 €'000	
	The following pension costs were incurred in the year:			
	Defined contribution scheme	363	354	
	Defined benefit scheme cost (Note 19 (g))	109	76	
		472	430	
	Contributions are made to the defined benefit scheme at rates recommended by independent qualified actuaries.			
	The latest full actuarial valuation was prepared as at 31 December 2013. The liabilities and cost calculations were carried out using membership data supplied by the scheme's administrators at the effective date. The liabilities and costs have been assessed using the projected unit method.			

Notes to the Financial Statements

Notes			
19.	Pension (continued)		
b)	Financial assumptions		
	The principal actuarial assumptions used by the actuary as at 31 December 2013 used for FRS 17 purposes were as follows:		
		2013	2012
		%	%
	Discount rate	3.40%	3.70%
	Increase in consumer price indexing	2.50%	2.50%
	Increase in pensionable earnings	4.00%	4.00%
	Increase in pension payment	4.00%	4.00%
	Bonds	3.30%	3.10%
	Other	0.00%	0.50%
	Overall Expected Return	2.55%	2.50%
	The overall expected return of the scheme's assets has been derived as the weighted average of the expected return on the categories of assets held by the scheme at the opening balance sheet date.		
c)	Demographic assumptions		
	The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 60).		
	The table below shows the life expectancy for members attaining age 60 in 2013 and 2033.		
		2013	2033
	Life expectancy – male	86.4	86.3
	Life expectancy – female	88.3	88.2
d)	Change in benefit obligation	2013	2012
		€'000	€'000
	Present value of scheme obligations at the beginning of the year	619	388
	Current service cost	122	95
	Interest cost	25	21
	Actuarial loss	17	115
	Present value of scheme obligations at the end of the year	783	619
e)	Change in scheme assets	2013	2012
		€'000	€'000
	Fair value of scheme assets at the beginning of the year	698	497
	Expected return on scheme assets	19	20
	Actuarial (loss)/gain	(13)	59
	Employer contributions	105	102
	Member's contributions	19	20
	Fair value of scheme assets at the end of the year	828	698

Notes to the Financial Statements

Notes			
19.	Pension (continued)		
f)	Amounts recognised in the balance sheet	2013 €'000	2012 €'000
	Present value of funded obligations	(783)	(619)
	Fair value of scheme assets	828	698
	Net asset	45	79
g)	Pension costs	2013 €'000	2012 €'000
	Current service cost	122	95
	Interest cost	25	21
	Expected return on scheme assets	(19)	(20)
	Member's contributions	(19)	(20)
	Total	109	76
h)	The net actuarial loss recognised in the Statement of Total Recognised Gains and Losses for the year ended 31 December 2013 amounted to €30,000 (2012: €56,000).		
i)	History of defined benefit obligations, assets and experienced gains and losses	2013 €'000	2012 €'000
	<i>Difference between expected and actual return on plan assets;</i>		
	Amount	(13)	59
	Percentage of plan assets	(1.6%)	8.5%
	<i>Experience gains and losses on plan liabilities;</i>		
	Amount	24	(5)
	Percentage of plan liabilities	3.1%	(0.8%)
j)	Contributions		
	The company expects to contribute €105,000 to its pension scheme in 2014.		
k)	Actuarial gain/(loss) on pension scheme assets	2013 €'000	2012 €'000
	Actual less expected return on pension scheme assets	(13)	59
	Experience gains and losses arising on the liabilities	24	(5)
	Changes in assumptions underlying the present value of liabilities	(41)	(110)
	Actuarial gain/(loss) on pension scheme assets	(30)	(56)

Notes to the Financial Statements

Notes

20.

Directors and Secretary and their Interests'

The Directors and Secretary who served during the year are as stated below:

Director/Secretary	2013 €'000	2012 €'000
Peadar Ó Cuinn (Chairman – Cessation date 31 March 2012)	–	5.4
Pól Ó Gallchóir (Director General)	–	3.4
Pádraic Mac Donncha (Cessation date 31 March 2012)	–	3.2
Regina Uí Chollatáin (Cessation date 31 March 2012)	–	3.2
Bríd Ní Neachtain (Cessation date 31 March 2012)	–	3.2
Fergal Ó Sé (Cessation date 31 March 2012)	–	3.2
Méabh Mhic Gairbheith (Cessation date 31 March 2012)	–	3.2
Eilís Ní Chonaola (Cessation date 31 March 2012)	–	3.2
Méadhbh Nic an Airchinnigh (Cessation date 31 March 2012)	–	3.2
Seosamh Ó Conghaile	12.6	12.1
Rónán Ó Coisdealbha	12.6	12.6
Concubhar Ó Liatháin	12.6	12.6
Siún Ní Raghallaigh (Chairman)	21.6	15.4
Andréa Ní Éalaithe	12.6	9.0
Des Geraghty	12.6	9.0
Mairéad Ní Cheoinín	12.6	9.0
Micheál Seoighe	12.6	9.0
Mairéad Nic Suibhne	–	–
Michelle Ní Chróinín	–	–
Pádraic Ó Ciardha (Rúnaí an Bhoird)	–	–
Mary Uí Chadhain (Rúnaí)	–	–
	109.8	119.9

Board members' expenses in 2013 were €17,000 (2012: €23,000), of which: domestic travel accounted for €8,000 (2012: €13,000), subsistence €2,000 (2012: €3,000) and other expenses (including secretarial, entertainment and training) €7,000 (2012: €7,000).

The Board adopted procedures in accordance with the requirements of the Broadcasting Act 2009 in relation to the disclosure of interests by Board members and these procedures have been adhered to in the year.

21. Premises

Teilifís na Gaeilge operates from premises located in Baile na hAbhann, Co na Gaillimhe. Teilifís na Gaeilge owns the freehold to the premises and also rents offices in Dublin under licence for a term of three years commencing on the 24th November 2013 at an annual rental charge of €23.5k.

22. Financial Assets

Multiplex Broadcasting Services Northern Ireland Limited (MBSN) was established as a not for profit joint venture company by TG4 and RTE in October 2012. The joint venture was set up to facilitate the transmission of free to air digital television services in Northern Ireland in relation to RTE1, RTE2 and TG4. The company's share capital comprises three ordinary shares, two owned by RTE and one owned by TG4. MBSN concluded an agreement with RTE and the UK Department of Culture, Media and Sport which provided for transmission costs incurred by MBSN to be funded by RTE (two thirds) and the UK Department of Culture, Media and Sport (one third). Other costs such as pre incorporation expenses and on-going administration costs are funded in the same proportion by RTE and the UK Department of Culture, Media and Sport.

Notes to the Financial Statements

Notes			
23.	Programme/Rights Purchase Commitments		
	Teilifís na Gaeilge has programme/rights purchase commitments as follows:	2013 €'000	2012 €'000
	Contracted for but not provided for at the year end	9,019	17,813
24.	Commitments		
	Teilifís na Gaeilge has capital commitments as follows;	2013 €'000	2012 €'000
	Contracted for but not provided for at the year end.	196	597
25.	RTÉ Transactions		
	Teilifís na Gaeilge received 365 hours (2012: 365 hours) of Irish language programming free of charge from RTÉ in the year ended 31 December 2013.		
26.	Foreign Currency Exposure		
	Foreign currency exposures arise primarily from payments for acquired programmes. Teilifís na Gaeilge hedges its foreign currency exposures by entering into US Dollar forward contracts when it deems it appropriate. The total value of such contracts in 2013 was \$nil (2012: \$300,000). There were no contracts outstanding at the year end (2012: \$0).		
27.	Approval of the Financial Statements		
	The Board of Directors approved the financial statements on the 28 April 2014.		