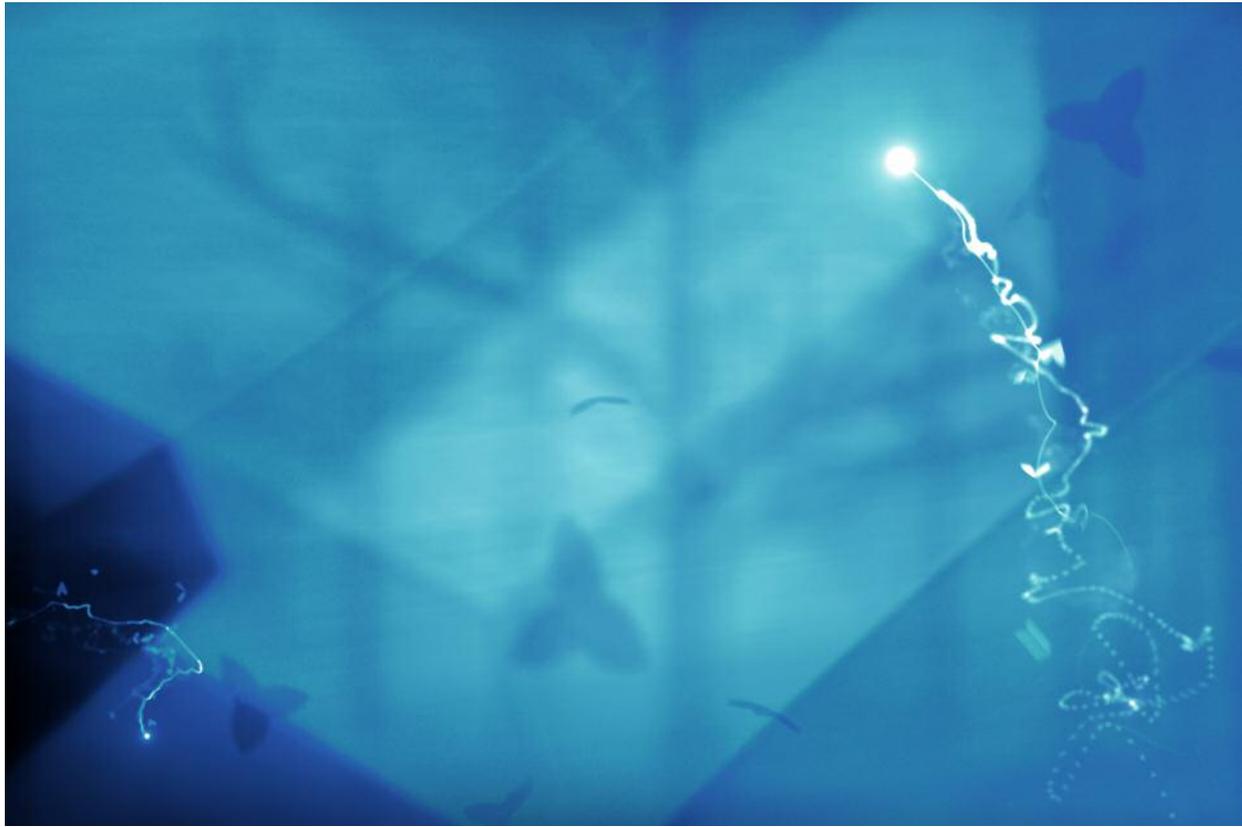




Annual Report 2014





Annual Report 2014

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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.

"TG4 continues to impress with some really interesting innovative programming."

Marketing Magazine





TG4's Commitments for 2014

For 2014, TG4 presented 17 commitments across 5 themes as follows:

- i Audiences – impact and reach
- ii Content – high quality and distinctive
- iii Promotion and development of the Irish language and culture
- iv Transparency and efficiency
- v Trust and good governance

Audiences – impact and reach

In 2014, TG4 will:

1. Ensure an increase in TG4's reach among Irish language users and all television broadcast audiences in Ireland.
2. Achieve greater audience engagement with TG4 across all key media platforms.
3. Endeavour to fulfil our audiences' needs and ensure TG4 addresses their expectations.
4. Increase accessibility of TG4's content and services to audiences with physical, sensory or intellectual disability.

Content – high quality and distinctive

In 2014, TG4 will:

5. Deliver high quality "must see" content across TG4 priority genres, characterised by a distinctive *súil eile* perspective.
6. Continue to extend TG4's core Irish language broadcast schedule and deliver a minimum of 1,710 hours of new Irish language programming.
7. Invest in content technology and systems to support creativity and innovation.

Promotion and development of the Irish language and culture

In 2014, TG4 will:

8. Deliver a worldwide Irish language content service that promotes and celebrates the Irish language and identity.
9. Have a positive influence on the awareness and development of the Irish language and culture.

"TG4 has forged an excellent reputation for documentaries that are artful, contemplative and – most important."

IRISH INDEPENDENT





10. Continue to engage younger audiences with the Irish language and TG4.

11. 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).

12. Play a key role in supporting the Irish language independent production sector. Enhance Ireland’s capabilities in the knowledge-based creative sectors and make a strong contribution to jobs and earnings.



Transparency and efficiency

In 2014, TG4 will:

13. Spend at least 70% of TG4’s public funding on Irish language content and no more than 15% each on its broadcast and overheads. Limit use of public funding to the achievement of our public service objects and duties.

14. Continue to operate as cost effectively as possible and deliver value-for-money.

15. Secure approximately €3.1m in commercial revenues and maximise all commercial opportunities.



“It’s in the area of drama that TG4 has really punched above its weight.”

THE HERALD



Trust and Good Governance

In 2014, TG4 will:

16. Maintain best-practice governance and reporting systems and ensure TG4 complies with all relevant and binding codes and regulations under which we function.
17. Deliver our public service and statutory requirements as reflected in our objects and public service statement and in all broadcasting codes and regulations.



Key TG4 Performance Highlights of 2014

Performance against Targets

TG4 continued to face financial pressures in 2014 but despite this, it performed well in fulfilling its commitments:

- TG4 fully achieved 15 of its 17 commitments for 2014 and almost fully achieved the remaining two.
- Four of TG4's directly measurable audience and financial commitments exceeded target performance which was a great result given the difficult financial environment.

Audiences: Impact and Reach

TG4 commissioned a new measurement system, Fios Físe, to quantify TG4's audience among Irish language speakers. This was established in conjunction with the National University of Ireland Galway and the Acadamh na hOllscoláíochta Gaeilge. It is an independent and transparent panel which measures TG4's performance with Irish language audiences in both the Republic of Ireland and Northern Ireland. 2014 was the first full year of measuring Irish language user audience reach and TG4 achieved a strong performance with its core audience. In 2014, weekly reach with Irish language audiences was 93%.

Audience satisfaction rating was also measured through Fios Físe with audiences having a 79% satisfaction rating with TG4's services in 2014.

In 2014, TG4 secured an average daily reach of 12% across all television audiences (487.8k viewers tuning into the channel daily). Weekly reach was 37% with almost 1.54 million people tuning into TG4 on a weekly basis in 2014. In an increasingly competitive market for audiences, this was a strong performance. However, it does reflect a decline on 2013 reach levels. Daily reach declined by 7.4% in 2014 and weekly reach by 3.3%. Reflecting the much more competitive and fragmented broadcasting market in Ireland, the reach of all of the main channels fell in Ireland, apart from 3e (which increased by only 0.6%). TG4's performance was therefore in keeping with the other channels and for TG4, this was a reasonable performance as it has the additional challenge of being the only channel broadcasting in the Irish language.

TG4's linear audience share was 1.8% in 2014, again reflecting more competition in the television broadcast market and greater fragmentation of market share due to the numbers of channels available. TG4's share is, along with that of other broadcasters, measured by Nielsen TV Audience Share Ireland. This share measurement does not include the viewing of TG4 on other digital platforms (i.e. the TG4 Player service) or some deferred viewing. It also does not include TG4's share in the North of Ireland or its share in pubs and clubs in the Republic. In

“TG4's slick thriller (Corp + Anam) about danger-seeking TV crime reporter Cathal Mac Iarnáin earned strong reviews in 2011, and this sequel should be warmly received.”

IRISH INDEPENDENT





this regard, it is important to highlight that TG4's Player hours watched in 2014 significantly increased – by 55% compared to 2013 hours – to 323.5k hours. This reflects a strong growth in audiences watching TG4 using deferred viewing services.

TG4 also delivered a strong performance online. The number of unique visitors to the website grew by 13% to over 1.8m in 2014. The number of national unique website visitors increased by over 27% reaching 1.13m and the website remained at number 1 in terms of world rankings of Irish language websites during the year.

Downloads of TG4 Apps was also strong with 58.6k Irish language Apps downloaded during the year.

Since digital switchover, TG4 is now available to approximately 94% of the population in Northern Ireland (via overspill transmissions from the Republic as well as local digital transmission in the North). In terms of the proportion of adults watching TG4, 21% claim to watch TG4 at least monthly, 9% watch it weekly and 3% watch the channel on a daily basis. This is a strong performance for TG4. The figures do not include children's viewership levels of TG4 which are not included in the Ofcom data.

In 2014, TG4 continued to focus on fulfilling all audience needs and expectations. These include those around the broadcast schedule, programmes and content, service delivery and future programming/content/service developments. TG4 undertook research on audience needs and expectations through a number of direct and indirect sources including: market and audience research and surveys commissioned directly by TG4 or by the broadcast industry; the TG4 Audience Council; and engagement with industry stakeholders. This research provides TG4 with a real understanding of audience expectations and expectations regarding public service responsibilities.



High Quality and Distinctive Content

TG4's total new / original Irish language programming output was 1,821.5 hours in 2014, an average of 4.99

“TG4 have gone ahead and delivered An Bronntanas, an Irish-language thriller that feels years ahead of RTÉ”

DONEGAL NEWS





hours of new Irish language programming per day. TG4's targets for 2014 were 1,710 hours and an average of 4.68 hours per day which means that TG4 exceeded these by 6.6%.

Despite no increase in funding in 2014, new Irish language hours increased by 3% in 2014 compared to 2013 hours. This is reflective of the significant developments made by TG4, despite the difficult financial

environment, in providing a comprehensive broadcast and content service primarily in the Irish language, not just here in Ireland but throughout the rest of the world.

Irish language broadcast hours (new and repeats) were 5,112 hours, representing 58.4% of total broadcast hours in 2014. This compares well to 5,188 hours in 2013 (59% of total broadcast hours) and 5,074 hours in 2012 (58% of total broadcast hours). While total Irish language broadcast hours declined slightly in 2014, the number of new Irish language hours increased by 3%. This reflects a reduction in the number of Irish language repeat hours. 2014 Irish language broadcast hours remained significantly ahead of 2010 and 2011.

In addition to increasing the amount of new/original Irish language, TG4's objective is to invest in the core Irish language broadcast schedule and provide an annual 40 week core schedule in the longer-term. TG4 made huge developments in this in 2014, delivering an average of 5.3 hours per day of new Irish language output over a 34 week annual core schedule and an average of 4.4 hours per day of new Irish language output over the remainder of the year. This meant that the core Irish language broadcast schedule increased by 6.3% in terms of the number of weeks and by 1% in terms of the average number of new Irish language hours broadcast in those core weeks. It also exceeded TG4's targets for 2014.

Many strong Irish language programmes contributed to a varied and entertaining schedule on TG4 during 2014. They continued to be popular with audiences and to drive



audience reach for the channel. A number of high quality dramas were produced and broadcast on TG4 in 2014. *An Bronntanas*, a five part critically acclaimed thriller was broadcast in addition to being adapted as a feature film. A second series of *Corp + Anam* was broadcast and TG4 also continued with its Irish language soap *Ros na Rún*. The comedy drama *Barney Bunion* performed very well with TG4 audiences in 2014. This drama was produced in the Donegal Gaeltacht which has a reputation of being a centre of excellence for television comedy drama in Irish. TG4 continued to focus on high quality documentaries covering a wide range of subjects. For example: *Dialann ón gCogadh Mór*, an eight hour documentary series which was adapted with new Irish language content to commemorate World War I; *Ar Intinn Eile/An Irish State of Mind* which provided an in-depth examination of mental illness in Ireland and the treatment provided over the past 300 years; in addition to *Cluain Tarbh* and *Áille an Uafáis* amongst others. These and many others reinforced TG4's reputation for high impact documentary programming. Sports continued to feature strongly in TG4's schedule during 2014. TG4's aim is to engage with less fluent Irish speakers and with those who do not speak Irish at all – sport is a key means through which this can be achieved.

During the year, TG4 agreed a new three year broadcast rights deal with the GAA and provided live Gaelic games coverage of the 2nd and 3rd level, Minor and U-21 Championship in Hurling and Football, National Leagues, Ladies Football and Comórtas Peile na Gaeltachta. TG4 also broadcast the International Rules match between Ireland and Australia live from Melbourne, Australia and the Guinness Pro 12 live rugby along with the Champions and Challenge Cup Highlights and live coverage of the Women's Rugby World Cup. TG4 continued with *Seó Spóirt*, the studio-based weekend preview programme covering all sports but particularly Gaelic Games and rugby.

Nuacht TG4, the channel's mid-evening news bulletin is an anchor in the daily programme schedule and this is complemented by more detailed discussion on the weekly *7Lá* current affairs programme. *Nuacht* and current affairs coverage in 2014 included the President Michael D Higgins's visit to England and wide-ranging coverage of local, regional, national and global developments.

Music & Arts programming also featured prominently in TG4's 2014 broadcast schedule. Examples of programmes which reflect the quality and originality include: *Fleadh Ceoil 2014* which presented live broadcast from *Fleadh Ceoil na hÉireann* in Sligo. This was a broadcasting event of 15 hours over four days and it secured excellent levels of viewership and social media reaction; *Bosca Ceoil*, a new series and new music format from Munroe's Music Venue in Galway, featured the best of traditional music with a fresh approach and was also popular with audiences; *Gradam Ceoil 2014*, the annual televised concert and awards ceremony honouring outstanding

traditional musicians in the traditional music scene; and, *Pobal ag Ealaíon* a four part arts series co-founded with the Arts Council which features local art and artists in their environment.

In 2014, TG4 secured an exceptional number of awards and nominations, 97, of which 70 were programme awards/nominations and five were for presenters/broadcasters. These awards and nominations reflect the quality and distinctiveness of TG4's programming and our personalities. Key awards and nominations included the nomination of *An Bronntanas* as Ireland's submission to the Academy Awards for best foreign language film,

“There is more to TG4 than hot weather girls TG4: It's better than you think.”

SUNDAY WORLD





three Irish Film & Television Awards (IFTAs) for 1916 *Seachtar Dearmadta*, Séamas Heaney – *Imeall Postscript* and *Páidí Ó Sé – Rí an Pharóiste*. The channel's output also took two awards at the 2014 Celtic Media Festival for, *Croí Trodach* (Sport) and *Ponydance* (Young People). We also received an Oireachtas Media Award for *Garraí Glas* as TV Series of the Year, five other Oireachtas na Gaeilge awards and we were a finalist in the Brightcove Innovation Awards for the Best Long-Form Media Experience. A TG4 drama, *Rúbaí* won multiple awards at many film festivals including the Galway Film Fleadh, the Charlie Chaplin Comedy Film Festival, the IFTAs and the Belfast Film Festival. It won the best drama and best of the festival awards in the Corona Fastnet Film Festival – amongst many others. *Nuacht TG4* also won a World Indigenous Television Broadcasting Network (WITBN) award.

The number of Irish language programmes which secure a reach of 70,000-100,000 is a good indicator of TG4 reach performance. TG4 compares well to the Welsh broadcaster S4C. In 2013/2014, S4C only had 286 programmes with a reach which exceeded 70,000 and only 54 programmes with a reach which exceeded 100,000. In comparison, TG4 had 1,102 programmes with a reach greater than 70,000 and 619 with a reach greater than 100,000 during 2014.

In 2014, TG4 developed and implemented a continuous Live Stream on the Player service, updated the TG4 iPad App and launched the TG4 iPhone App and TG4 SmartTV App. The TV application developed by TG4 allows viewers to watch catch-up programming on a wide range of Smart TVs, set-top boxes and Smart Blue Ray DVD devices – 288 different models of Smart devices in total.



Promotion and Development of the Irish Language and Culture

Through TG4's provision of high-quality Irish language television content, online and mobile services including Irish language Apps for learners, a monthly on-line newsletter and expansion of TG4's Sean N6s Archive, TG4 is promoting an interest in Irish language and culture and use of the Irish language.

As part of TG4's 2014 commitments, it sought to measure its influence on the awareness and development of the Irish language and culture. This was undertaken through a new survey which was commissioned in late 2013. This survey was undertaken in mid-2014 by Ipsos MRBI and comprised a nationally representative sample of 1,000 adults aged 15+. Survey feedback was very positive: 82% of all respondents believe TG4 has a positive influence on the Irish language; 81% of all respondents believe TG4 makes Irish more accessible than other media; and 83% of all respondents believe watching TG4 brings the Irish language to life.

- **TG4 delivered a wide range of activities during 2014 which supported the promotion and development of the Irish language and culture:** Support the Government with the 20-Year Strategy for the Irish language: despite the ongoing challenge of limited resources to deliver the 20 Year Strategy for the Irish Language, TG4 continues to work with the Government and all key stakeholders in the delivery of the Strategy. A senior TG4 delegation participated in the meeting of the Cabinet Sub-Committee on the 20-Year Strategy. This

meeting was chaired by An Taoiseach. The public service broadcasters and the BAI briefed the Sub-Committee and senior officials on the role of broadcasting in promoting the Irish language and in contributing to the delivery of the overall Strategy. *Nuacht TG4* and *7L6* also provided ongoing coverage on the Strategy, its objectives and targets, progress, allocation of resources etc.

- **Promotion and development of the Irish language with children and young people:** TG4 broadcast over seven hours a day of children's programming in 2014. It also continued to place an emphasis on innovation, choice and interactivity for this audience segment. Children and young people's programming is the most competitive area of the broadcast schedule and TG4 provided a comprehensive service. The 7 hours of children's and young people's programming included: *C6la4 na n6g* for preschool kids, *C6la4* for older children; a programming slot for teenagers, *Ponc* in addition to programmes for older children and teens. TG4 also invested in Irish language interactive content, online games and Apps etc. to target younger audiences. TG4 now provides eight Irish language Apps for pre-school children, making Irish more accessible and fun for young people worldwide.
- **Provision of a worldwide Irish language service:** TG4 online, Player and mobile services provide broadcast content on a worldwide basis which promote the Irish language and culture.

"TG4 enriches community life, gives nationwide free to air access, sits comfortably with the GAA's ethos and is something to be very proud of"

Joe Broolly





- **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. Expenditure with the sector increased to almost €22m.
- **Supporting Irish Sport and Cultural Bodies:** TG4 deepened partnerships with Irish language, cultural and sporting bodies including Oireachtas na Gaeilge, The Ladies Gaelic Football Association, GAA, Tionól Teagaisc, Comhar na Naíonraí, Gaelscoileanna and An Coiste Téarmaíochta etc. A new 3 year broadcast rights deal was concluded with the GAA in 2014. The TG4 Sean Nós Player was further extended during the year and is now populated with an archive of some 350 traditional songs in Irish, along with an exact verbatim transcripts of the lyrics of each version of each song. This is a unique and free of charge resource for users worldwide with no geo-restrictions. TG4 delivered a workshop at the annual Tionól Teagaisc of second level Irish teachers. This provided an opportunity for TG4 to get direct feedback from a key segment of its core audience about how the broadcast schedule is connecting with those using Irish in full-time education. TG4 also delivered a module at the annual joint Induction course held at NUI Maynooth in June 2014 for the newly appointed corps of Fulbright Foundation and Ireland-Canada University Foundation Scholars about to embark to North American universities to teach

Irish language and literature courses. This module set out the range of content available on the TG4 Player that can be used in the teaching of Irish in such institutions.

- **Support the Gaeltacht-based local economy:** In 2014, TG4 spent a major share of its expenditure with production companies located in Gaeltacht areas. Over 300 full-time jobs in the independent production sector are directly sustained by TG4 commissions. Most of these are small medium enterprises and many but not all of these jobs are located in 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 20th year of production, creating a significant level of direct employment and contracted personnel in the local economy.

Irish Language Independent Production Sector

TG4 is committed to investment in high quality original Irish language content produced by the sector in Ireland. In addition, an emphasis is put on nurturing talent in the Irish language creative economy through TG4's development programmes which support first-time directors and writers in the Irish language.

TG4 sources content from over 100 Irish independent production companies. As noted above, over 300 highly skilled and creative full-time jobs in the sector are directly sustained by TG4 commissions. In 2014, TG4 commissioned 680 hours of new Irish language programming and almost 700 hours of re-voiced material and subtitling from the independent production



sector. Commissioning hours exceeded the 2014 target by 5%. This was a strong performance, reflecting TG4's ongoing commitment to supporting the Irish language independent production sector. Expenditure with the independent production sector increased in 2014 – a total of €21.66m was spent with the sector on programming, subtitles and dubbing compared to €21.47m in 2013. This was an almost 1% increase on 2013 spend. TG4 spent a significant proportion of the total spend with the independent production sector, with companies which operate through the Irish language. Of TG4's total expenditure with the independent production sector, the spend on commissioned programmes alone represented 52% of its total operating expenditure in 2014 and almost 58% of its public funding monies. This is a significant share and a strong performance in a year with no additional funding.

In 2014, TG4 worked in partnership with the production sector productions to obtain funding from the Sound & Vision fund and Northern Ireland Irish Language Broadcast Fund (ILBF). This funding is received directly by the independent production sector but it funds TG4 commissions. €3.135m was secured by the independent production sector from the Sound & Vision fund and €1.276m was secured by the independent production sector in Northern Ireland from the Irish Language Broadcast Fund (ILBF) in 2014.

TG4 also undertook a number of other initiatives to support the development of the Irish language independent production sector talent and creativity during 2014. For example, two workshops were held during the Galway Film Fleadh on TG4 drama with a special focus on *An Bronntanas*. The support for the

Nemeton / WIT Television Course continued – among the pilot programmes from the 2014 course was a programme about Liam Clancy which was subsequently commissioned as an hour long documentary *Mo Chara, Liam Clancy* and broadcast on Christmas day 2014.

Economic Benefits

As part of its value-for-money, TG4 ensures that its expenditures have a positive impact on the Irish economy. The direct and indirect contribution to national earnings of TG4 was €73.9m in 2014 with an associated employment impact of over 1,150 jobs (including the production sector jobs noted earlier). This indicates the level of expenditure by TG4 in Ireland and the level of expenditure on indigenous commissioned programming and services rather than on acquired content and services

“TG4 seems to broadcast more relevant historical documentaries that all the other stations combined.”

SUNDAY TIMES





from international markets. What it also shows is that every €1 invested by TG4 in the creative industries in Ireland was worth over €2 to the economy of Ireland in 2014.

Transparency and Efficiency

In 2014, TG4 continued to focus on maximising value-for-money and on securing the best value across all areas of its business. TG4 ensured that almost 74% of public funding went directly into the production 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 increased by 1% in 2014. Of this, expenditure on Irish language programming and content increased by 1.4%.
- 76% of public funding was spent on Irish language content in 2014 – this was a 1% increase on the 2013 share.
- The cost-per-hour of new Irish language content increased by 2.5% from €4k per hour (based on total costs) to €4.1k per hour. However, it remained at €3k per hour in 2014 based on programming costs only.
- Cost-per-viewer hour increased from 26 cents in 2013 to 28 cents in 2014. This was an increase of 7.7% and was due to a reduction in television audience reach combined with additional investment in programming and content in 2014. Cost-per-viewer hour does not reflect audience on other platforms and is therefore a very limited measure of efficiency. Other broadcasters recognise this. For example, in a BBC report, it stated: “Although a useful measure of value for money, cost per viewer hour has some

limitations. The focus on viewer numbers as the sole measure of value ignores other qualities important to a public service broadcaster. (...) An over-reliance on cost-per-viewer hour could also result in high costs being masked by large audience numbers or reductions in cost being obscured by a fall in the number of viewers, which is why the BBC uses a range of measures when monitoring the performance of its continuing dramas”.

During the year, TG4’s commercial income grew by almost 10%, reflecting a strengthening of the economy and the advertising sector. Its public funding for 2014 was maintained at the same level as per the previous four years, following a small increase in 2011 and extensive funding cuts prior to that. TG4’s overall finances reported a pre-tax deficit at the end of 2014 (€44,000). It is important that this is addressed in 2015’s financial performance. This will be challenging as despite a recommendation from the Broadcasting Authority of Ireland for an increase in public funding following the five-year review of funding for public service broadcasters, and despite extensive funding and cost reductions in recent years, TG4 is faced once again with a reduction in current funding. 2015 current funding is being reduced by almost 2% (€510k).

TG4 relies primarily on public funding as the resource from which it’s daily and on-going needs are financed. As a public service broadcaster, TG4 works hard to ensure that public funding is committed in the most cost-effective way to all activities and that it delivers value-for-money as a key priority. A key objective for TG4 is to maintain reasonable programming cost-per-hour levels and to ensure value-for-money in its programming costs as these represent the most significant share of total





operating costs. As part of this, it was TG4's objective to ensure average cost-per-hour of commissioned programmes remained below or at the lower end of the range of those of the BBC, S4C and RTÉ. In terms of comparisons of TG4's average cost-per-hour for commissioned programmes, TG4's costs for key genres came in below those of the three broadcasters. While recognising market differences, it provides evidence of TG4's focus on cost efficiency and value-for-money.

Technology

To drive creativity and innovation, in addition to protecting its competitive position, TG4 must keep up-to-date with technological changes in broadcasting and content provision. It must maintain a strong position on all delivery platforms and develop its broadcast systems to support this efficiently. If TG4 does not continue to invest in new systems, platforms and content formats, it is at risk of losing audience share and of not meeting audience needs for attractive content wherever and whenever required. Some of the most significant 2014 technology and system developments included:

- a new release of TG4's iPad App for iPhones;
- an automatic content replacement system for time slots on TG4's web streams with no programme rights;
- development of a new story book App, *Scéal an Leá*;
- the installation of spinning disk architecture for use in conjunction with its LTO tape based system for the purpose of long-term programme storage; and

- TG4 applied for Archive funding from the BAI. It was successful in securing project funding towards the cost of delivering a Music & Documentary Archive Project which will be delivered in 2015.

Trust and Good Governance

TG4's governance performance and delivery of public service and statutory obligations remained strong in 2014:

- TG4 maintained best practice governance and reporting systems.
- TG4 adhered to all broadcasting codes and guidelines and no sanction was issued by the Regulator to TG4 during 2014 on any Code or Guideline.
- TG4 endeavoured to deliver and maintain the highest standards of editorial integrity and to deliver a diverse range of high quality programming during 2014.
- No complaints were made about TG4's output to the BAI.
- Two internal audits were carried out in 2014: (1) a review of compliance with the code of practice for the governance of State Bodies and (2) a review of travel and subsistence.
- An in-depth risk management review was also undertaken on TG4 in late 2014 with the risk review report presented to the Board in December 2014.

"TG4 has been quietly and consistently been making the kind of offbeat comedies that give Irish humour a good name."

THE HERALD



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 2014.

Board Members and Director General at 31st December 2014:



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 2014, 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 2014.

Digital Committee

Mairéad Ní Cheóinín (Chairman)

Concubhar Ó Liatháin

Rónán Ó Coisdealbha

The Digital Committee met twice in the year to 31st December 2014.

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

2014 was another year of transformation and competition in broadcasting and it continued to be another challenging year for TG4. There are now over 60 television channels in Ireland along with other services such as Netflix and online channels, creating intense competition for viewers and for advertising spend.

TG4 was established as a public service broadcaster to inform and entertain whilst raising the profile of the language as part of the Government's wish to create a bilingual society and normalise the use of the Irish language. Specifically, our purpose is to help strengthen, promote and celebrate the Irish language and culture, to increase its visibility in the daily life of citizens and to have special regard for the elements which distinguish that culture, in particular the Gaeltachtaí.

This remit is reflected in all aspects of TG4's strategy and in the work we do. It is widely accepted that TG4 has been the most positive measure implemented by the Government to promote and bring a sense of enjoyment to the Irish language and to accord it an accessible and contemporary image.

Supporting Irish Language Creative Resources

TG4 operates as a publisher/broadcaster model. We source most of our Irish language programmes from Ireland's independent production sector, particularly from companies in the Gaeltacht areas, spending over 90% of our programme budget for the year with the sector. We are committed to investment in high quality original Irish language content produced by the sector in Ireland and to supporting the development of Irish language producers, writers, directors and other creative talent. This ensures that TG4's Irish language programmes are unique and support the Irish language production sector directly.

In 2014, TG4 commissioned almost €22m worth of Irish language programmes and services from the independent production sector in Ireland. A key priority of TG4's five year strategy is to increase this expenditure and grow the amount commissioned from the sector in future years.

TG4 commissions Irish language programming and content from over 100 independent production comp-



anies in Ireland with more than 300 full-time, creative jobs provided directly by these commissions. Most of the jobs are in small to medium sized enterprises and many are located in Gaeltacht and other regional areas. TG4 is therefore an important contributor of employment in these areas.

TG4 also makes a major contribution to the Irish economy. The direct and indirect contribution to national earnings of TG4 was almost €74m in 2014 with an associated employment impact of over 1,150 jobs, including the jobs in the independent production sector. This shows that every €1 invested by TG4 in the creative industries in Ireland is worth over €2 to the Irish economy.

Audiences

2014 was the first full year of our new audience measurement system. Fios Físe measures our audience levels among Irish language speakers in both the Republic of Ireland and Northern Ireland. We were extremely pleased to see a strong performance with our core audience. TG4 achieved a weekly reach with Irish language audiences of 93%.

Despite the level of competition in the broadcast and content markets and the fluctuation of audience figure, TG4 demonstrated a steady performance with all television audiences in Ireland — not just Irish language speakers, achieving a daily audience reach of 12% — that's almost half a million viewers who tune into TG4 on a daily basis. We also moved up to 7th position as the most watched channel in Ireland.

TG4 achieved strong results online and on the Player service, reflecting global trends. The hours watched on the Player service increased by 54% to 323.5k. The number of unique visitors to the website grew by 13% to over 1.8m in 2014 and the website remained at number 1 in world rankings of Irish language websites.

TG4's service was also popular with international audiences. 38% of TG4's website users and 40% of Player users are based in countries outside Ireland. TG4 has almost 700k international unique users of the website. For international audiences, where there are rights restrictions for some content, TG4's Player service selects and streams alternative content from the TG4 archives instead. This means that we provide 24 hours a day of live programmes on the Player for all audiences,

both in Ireland and worldwide.

TG4 has developed and made available an array of Apps. The number of downloads in 2014 was also strong with 58.6k TG4 Apps downloaded, reflecting a real demand for Irish language mobile services. The three most popular TG4 Apps are *Cúla Caint*, the TG4 Player and *Cúla Caint 2*.

TG4 plays an important role in the establishment of a bilingual society in Ireland. 1.5m people tune into TG4 on a weekly basis and this fact demonstrates TG4's success with establishing an important place for Irish in people's lives. While Ireland as a country faces many economic and societal challenges, the importance of the Irish language and culture, and TG4's role in helping to preserve and develop them should not be overlooked. Our objective as the national Irish language channel is to ensure Irish continues as a living language and remains a cornerstone of Ireland's culture and heritage.

Financial Performance

During the year, TG4's commercial income grew by almost 10%, reflecting a strengthening of the economy and the advertising sector. Our public funding for 2014 remained at the same level as the previous four years, following a small increase in 2011 and extensive funding cuts prior to that. The organisation's overall performance shows a pre-tax deficit reported for 2014 (€44,000). It is important that we address this deficit in our 2015 financial performance.

This will be challenging however as despite a recommendation from the Broadcasting Authority of Ireland for an increase in public funding following the five-year review of funding for public service broadcasters, and despite extensive funding and cost reductions in recent years, TG4 is faced once again with a reduction in current funding. 2015 current funding will decline by €510k.

Thanks

I would like to thank our previous Minister Pat Rabbitte T.D. for his support for TG4 during 2014. We also wish to welcome and thank our new Minister Alex White T.D., along with his Department officials. We greatly appreciated his visit to TG4's Headquarters following his appointment.

I thank my fellow Board members for their dedication

and support to TG4 and also the Audit, Digital and Remuneration sub-committees of the Board and the Board Secretaries. My thanks also goes to the Audience Council for its important work and contribution to the development of TG4's content and services.

We are also grateful to the Broadcasting Authority of Ireland and the 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 stalwart leadership of the Ardstiúrthóir,

Pól Ó Gallchóir. In facing another difficult year, Pól and the TG4 team have worked hard to deliver the best results possible for the channel. The Board and I look forward to working with them again in 2015



Siún Ní Raghallaigh
Cathaoirleach

Director General's Report

Introduction

TG4 continued to face financial pressures in 2014 but despite this, we increased the share of public funding which spent on Irish language programming. This now stands at almost 76% and we are very satisfied with this. We have managed the reductions in our funding and income in a way that has minimised any impact on the quality and range of the award-winning content we broadcast, provide on-line and through our mobile services.

Audiences

TG4's core purpose is to provide an Irish language television service to promote and develop the Irish language and culture. A key strategic priority for TG4 is to do this by strengthening our reach with audiences.

At the end of 2013, TG4 commissioned a new audience measurement system, Fios Físe, to quantify our audience among Irish language speakers. This was established in conjunction with the National University of Ireland Galway and the Acadamh na hOllscolaíochta Gaeilge. It is an independent and transparent panel which measures TG4's performance with Irish language audiences in both the Republic of Ireland and Northern Ireland. It is also designed to provide qualitative assessments of our broadcast content.

2014 was the first full year of measuring Irish language user audience reach and TG4 was delighted to see a very strong performance with our core audience. In 2014, our weekly reach with Irish language audiences was 93%. Audiences also had a satisfaction rating of 79% with TG4's services over the year.

Despite the level of competition in the broadcast, online and mobile audio-visual content markets, TG4 demonstrates that it can still attract a solid audience base and compete with new home produced English language content from RTÉ and TV3. In 2014, we moved up from 8th to 7th position as the most watched channel in Ireland. A reach of almost half a million viewers tuning into TG4 daily was achieved. We aim to continue to strengthen our reach and we are focusing on this as a core part of our strategy.

TG4 also delivered a solid performance online and on our Player service. The number of unique visitors to the website increased by 13% to over 1.8m in 2014 and the website remained at number 1 in terms of world rankings of Irish language websites during the year. We developed our Player service, removing programme parts to enhance viewers' enjoyment, and the hours watched on the service increased by 54%. Downloads of TG4 Apps was also strong with almost 60k Irish language Apps downloaded during the year. The TG4 Sean Nós Player was also further developed in 2014 and is now populated with an archive of some 350 sean-nós songs in Irish along with

an exact verbatim transcripts of the lyrics of each version of each song. This pioneering innovation is unique and free of charge to users worldwide.

Irish Language Broadcast Schedule & New Irish Language Hours

One of TG4's objectives for 2014 was to deliver the best possible schedule of Irish language content for audiences, ensuring that all broadcast programming has a distinctive *súil eile* perspective and we delivered well on this during the year. TG4's total new Irish language programming output was 1,822 hours in 2014. This was an average of 4.99 hours per day, exceeding by 6.6%, the targets set for the year. Despite no increase in funding, we increased our new Irish language hours by 3% in 2014. This is reflective of the significant developments made by TG4, despite the difficult financial environment, in providing a comprehensive broadcast and content service primarily in the Irish language, not just here in Ireland but throughout the rest of the world.

In addition to increasing the amount of new/original Irish language, TG4's objective is to invest in the core Irish language broadcast schedule and provide a 40 week core schedule in the longer-term. TG4 made very significant advances towards this in 2014.

We delivered an average of 5.3 hours per day of new Irish language output over a 34 week core schedule and an average of 4.4 hours per day of new Irish language output over the remainder of the year. This was a major positive development for TG4's schedule as it resulted in the core Irish language broadcast schedule increasing by 6.3% in terms of the number of weeks and 1% in terms of the average number of new Irish language hours broadcast in those core weeks. It also exceeded our targets for the year.

TG4 now provides eight Irish language Apps for pre-school children, making Irish more accessible and fun for young people worldwide. We have developed and implemented a continuous Live Stream on the Player service, updated the TG4 iPad App and launched the TG4 iPhone App and TG4 Smart TV App. The TV application developed by TG4 allows viewers to watch catch-up programming on a wide range of Smart TVs, set-top boxes and Smart Blue Ray DVD devices — 288 different models of Smart devices in total.

Irish Language Programmes

Many high quality Irish language programmes contributed to a varied and entertaining broadcast schedule on TG4 during 2014. They continued to be popular with audiences and to drive strong audience reach for the channel.

A number of quality dramas were produced and broadcast on TG4 in 2014. *An Bronntanas*, a five-part

critically acclaimed thriller was broadcast during the year. It was also adapted as a feature film and broadcast on Christmas Day. We also broadcast a second series of *Corp + Anam* TG4's award winning and acclaimed crime thriller. We also continued with our regular Irish language soap *Ros na Rún*.

TG4 continued to focus on high quality documentaries covering a wide range of subjects, both historical and current. Examples included: *Dialann ón gCogadh Mór*, a major international eight hour documentary series which was adapted and re-edited with new Irish language content to commemorate World War I; *Ar Intinn Eile/An Irish State of Mind* which provided an in-depth examination of the history and current attitudes towards mental illness in Ireland and the treatment provided over the past 300 years; *Cluain Tarbh*, a two part documentary series which revealed the true story behind the Battle of Clontarf and which was broadcast 1,000 years after the battle; and, *Áille an Uafáis*, a two part and feature documentary on two of the battles during the 1916 Rising, Mount St Bridge and North King St, which focused on the unknown people caught up in the Rising. These and many others reinforced TG4's reputation for commissioning and broadcasting high-end and impactful documentary programming.

Sports continued to feature strongly in TG4's schedule during 2014. Sports coverage holds a prominent place in our schedule because of its ability to reach viewers who may not otherwise watch TG4 regularly. Our aim is to engage with less fluent Irish speakers and with those who do not speak Irish at all — sport is a key means through which this can be achieved. TG4's approach to sports coverage is that all match/sporting features' commentary, all studio discussions and interviews (wherever possible) are in Irish. This helps to bring the Irish language into more homes (as well as pubs and clubs where sport on TG4 is viewed) than would otherwise be the case.

During the year, we agreed a new three year rights deal with the GAA. We provided live GAA coverage of the 2nd and 3rd level, minor and U-21 Championship in Hurling and Football, National Leagues, Ladies Football, Comórtas Peile na Gaeltachta and the International Rules match between Ireland and Australia live from Melbourne, Australia. TG4 also broadcast the Guinness Pro 12 league in rugby along with the Champions and Challenge Cup Highlights and live coverage of the Women's Rugby World Cup in France where the Irish team performed so well. TG4 continued with *Seó Spóirt*, the studio-based weekend sports preview covering Gaelic Games and rugby with analysis from well-known players, managers and pundits and exclusive interviews from around the country.

TG4 broadcast over seven hours a day of children's programming in Irish during 2014. This continues to emphasise children and young people's Irish language

programming as a core public service priority for TG4. TG4 also continues to place an emphasis on innovation, choice and interactivity for this audience segment. Children and young people's programming is the most competitive area of the broadcast schedule and we try to provide a strong comprehensive service. The 7 hours of children's and young people's programming includes: *Cúla4 na nÓg* for preschool kids, *Cúla4* for older children; a programming slot for teenagers, *Ponc* in addition to programmes for older children and teens. TG4 is also investing in Irish language interactive content, online games and Apps etc. to target younger audiences.

Nuacht TG4, the channel's mid-evening news bulletin continues as an anchor in the daily programme schedule. News analysis is complemented by more detailed discussion on the weekly *7Lá* current affairs programme. *Nuacht* and current affairs coverage in 2014 included the President Michael D Higgins' historic visit to England, comprehensive coverage of the European elections and Scottish referendum and wide-ranging coverage of local, regional and national developments in addition to reporting from around the world.

Music & Arts programming also featured prominently in TG4's 2014 broadcast schedule. Examples of programmes which reflect the quality and originality include: *Fleadh Ceoil 2014* which presented live broadcast from *Fleadh Ceoil na hÉireann* in Sligo. This was a major and innovative broadcasting event totalling 15 hours coverage over four days and it secured excellent levels of viewership and social media reaction; *Bosca Ceoil*, a new series and new music format from Monroe's Music Venue in Galway, featured the best of traditional music with a fresh approach and was also popular with audiences; *Gradam Ceoil 2014*, the annual televising of the awards ceremony to contemporary outstanding musicians in the traditional music scene; and, *Pobal ag Ealaíon* a four part arts series co-founded with the Arts Council which features local art and artists in their environment. The channel's weekly arts and culture programme *Imeall* is a mainstay in the 35 week schedule and continues to garner acclaim for the range of arts events it covers throughout the island.

Awards & Nominations

In 2014, TG4 secured an exceptional number of awards and nominations, 99, of which 72 were programme awards/nominations and five were for our broadcasters. These awards and nominations acknowledge and celebrate the quality and distinctiveness of TG4's programming and our personalities. Key awards and nominations included the nomination of *An Bronntanas* as Ireland's submission to the Academy Awards for best foreign language film, three Irish Film & Television Awards (IFTAs) for 1916 *Seachtar Dearmadta*, *Séamas Heaney – Imeall Postscript* and *Páidí Ó Sé – Rí an Pharóiste*. We took home

two Torc awards from the Celtic Media Festival 2014 in St Ives in Cornwall. We also received an Oireachtas Media Award for *Garraí Glas* as TV Series of the Year, five Oireachtas na Gaeilge awards and we were a finalist in the Brightcove Innovation Awards for the Best Long-Form Media Experience. A TG4 drama, *Rúbaí* won multiple awards as best drama and best film short in many festivals and awards schemes and *Áille an Uafáis* also won a number of awards and received a large number of positive reviews. Nuacht TG4 also won a WITBN award. The Sean Nós archive on TG4's website was awarded Website of the Year at the Oireachtas Media Awards.

Influence on the Irish Language

TG4's aim is to ensure that the language has a central place in Irish people's lives. As a channel we have been a real success for the language with Irish now available through TG4, as a living, attractive and relevant language in every household on the island of Ireland and beyond. Through TG4's provision of high-quality Irish language television content, online and mobile services including Irish language Apps for learners, a monthly on-line newsletter and expansion of TG4's Sean Nós Archive, we are promoting an interest in Irish language and culture and use of the Irish language.

As part of our 2014 commitments, we sought to measure our positive influence on the awareness and development of the Irish language and culture. This was undertaken through a new survey which was commissioned in late 2013. This survey was undertaken in mid-2014 by Ipsos MRBI and comprised a nationally representative sample of 1,000 adults aged 15+. Survey feedback was very positive and we were delighted with the results. 82% of all respondents believe TG4 has a positive influence on the Irish language. 81% of all respondents believe TG4 makes Irish more accessible than other media and 83% of all respondents believe watching TG4 brings the Irish language to life.

Irish Language Independent Production Sector

Throughout 2014, TG4 continued to carry through on its ongoing commitment to invest in high quality original Irish language content produced by the sector in Ireland. In addition, we place an emphasis on nurturing talent in the Irish language creative economy through our development programmes which support first-time producers, directors and writers in Irish.

TG4 sources content from over 100 Irish independent production companies. Over 300 highly skilled and creative full-time jobs in the sector are directly sustained by TG4 commissions. Most of these are small companies and many but not all of these jobs are located in Gaeltacht areas. In 2014, TG4 commissioned 680 hours of new Irish language programming and almost 700 hours of re-voiced material and subtitling from the

independent production sector. Expenditure with the sector increased to almost €22m. A key priority of TG4's five year strategy is to increase the level of programming we commission from the Irish language independent production sector. This will ensure our schedule and programming are unique as well as being a key contributory factor in the employment levels and sustainability of Gaeltacht and other regional areas.

Economic Impact

TG4 also continues to make a significant impact on the Irish economy more generally. The direct and indirect contribution to national earnings of TG4 was almost €74m in 2014 with an associated employment impact of over 1,150 jobs. This indicates the level of expenditure by TG4 in Ireland and the level of expenditure on indigenous commissioned programming and services rather than on acquired content and services from international markets. It also shows that for every €1 invested by TG4 in the creative industries in Ireland, it was worth over €2 to the economy of Ireland in 2014.

Commercial Income

Advertising expenditure in the Irish market increased for the first time in seven years in 2014. The Republic of Ireland advertising market grew 4.3% to €747.4m. During the year, TG4's advertising, sponsorship and other commercial income grew strongly (by almost 10%) reflecting a strengthening of the economy and the advertising sector. We were heartened to see that our commercial income grew well above the rate for the advertising market in Ireland.

Outlook for 2015

TG4 continues to contribute in a highly visible way to the aim of establishing a bilingual society in Ireland. 1.5m people tune into TG4 on a weekly basis (almost half a million daily) and this reflects the progress we have made in creating a central place for Irish in Irish people's lives, giving it a contemporary image and relevance. Our objective is to further develop TG4's services, ensuring that our home produced content is available to as wide an audience as possible. In doing so, we aim to ensure that Irish remains a living language.

In 2015 however, TG4 will face significant challenges in delivering on this. Despite a recommendation from the Broadcasting Authority of Ireland for an increase in public funding following the five-year review of funding for public service broadcasters, and despite extensive funding reductions in recent years, TG4 is faced with a reduction in our current public funding for 2015. This is particularly difficult at a time when television is undergoing such significant change. The competition for viewers and for advertising spend is becoming ever more challenging and 2015 is set to become even more

competitive in the Irish TV market with the launch of a major new national channel, UTV Ireland, at the start of the year. Irish broadcasters are responding to the increasingly localised external competition with more new home produced content in order to distinguish themselves. TG4 has always delivered a significant amount of home produced Irish language content, spending an average of 90% of our programme budget on home produced Irish language programming and services every year. 2015 will however be a more difficult year for TG4 as we face reduced budgets and the requirement to produce unique, compelling content in the Irish language which can entertain and draw strong audience levels - and compete with new home produced English language content from RTÉ, TV3 and UTV Ireland. TG4's content commitments for 2015 will incur an expenditure of over €23m of which almost 89% will be spent directly on Irish language content and services with the Irish language independent production sector here in Ireland. Programming and content will represent 71% of TG4's operating expenditure — a significant investment.

Thanks

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

Firstly, I would like to thank former Communications Minister Pat Rabbitte T.D. and his Department officials for

their support for TG4. We also wish to thank our new Minister Alex White T.D. We were delighted with his visit to our Headquarters shortly after his appointment.

I wish to once again thank the TG4 Board members and Cathaoirleach Siún Ní Raghallaigh for their continued dedication to, and support for, TG4 in 2014.

Our thanks also goes to the Broadcasting Authority of Ireland, Bord Scannán na hÉireann, the Northern Ireland Irish Language Broadcast Fund and RTÉ. We particularly appreciate RTÉ's support for TG4 through its annual provision of 365 hours of Irish language content to the TG4 service. There are many other organisations with whom we work to develop the Irish language and culture, too numerous to mention here. We are grateful to all of them and look forward to working with them again in 2015 and beyond.

Finally, I would like to thank my colleagues here in TG4. It has been a challenging year and I would like to thank them for their continued hard work and commitment to TG4. Go raibh míle maith agaibh ar fad.



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 2014. The Board accepted this and it was reported in the minutes of the Board meeting of the 15th December 2014.

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 2014. A risk assessment report was presented to the Board at its meeting held in December 2014. 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 2015 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	1	6
Rónán Ó Coisdealbha	12.6	–	7
Concubhar Ó Liatháin	12.6	2	4
Siún Ní Raghallaigh (Chairman)	21.6	–	7
Andréa Ní Éalaithe	12.6	1	6
Des Geraghty	12.6	2	6
Mairéad Ní Cheoinín	12.6	–	7
Micheál Seoighe	12.6	–	7
Mairéad Nic Suibhne	–	3	6
Michelle Ní Chróinín	–	–	4
Secretarial and sundry expenses	–	2	–
Board members' fees and expenses	109.8	11	

At the 31st December 2014 there were 10 non-executive members and one executive member, being the Director General, on the Board.

Finance Review 2014

Income and Expenditure Reviews

This report reviews TG4's income and expenditure performance in 2014 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 2014 to that of 2013 under the following 4 headings:

1. **Income**
2. **Operating Expenditure**
3. **Cost Control and Efficiency in 2014**
4. **Irish Language Content Expenditure 2014**

1. Income

As can be seen from Table 1 below, total income (exchequer current funding and commercial revenue) in 2014 was €36.1m (2013: €35.8m). Compared to the previous year TG4's total income increased marginally by 0.8%. Exchequer current funding was €32.75m (2013: €32.75m) of this and represented 90.6% (2013: 91.4%) of TG4's total income with the commercial income share representing 9.4% in 2014 at €3.4m (2013: €3.09m).

Commercial income increased by 10%. This was a solid performance in a challenging environment.

Table 1: Income TG4 2014

Description	2014		2013	
	€'000	%	€'000	%
Grant-in-aid	32,750	90.6%	32,750	91.4%
Commercial (advertising and sponsorship)	1,964	5.4%	1,782	4.9%
Other commercial	1,435	4%	1,311	3.7%
Total income	36,149	100%	35,843	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 €36.21m in 2014, a 0.98% increase on the €35.86m spent in 2013. See Table 2 below.

Table 2: Operating Expenditure TG4 2014 Vs 2013

	€'000		% Change 2014 vs 2013
	2014	2013	
Cost of Sales	716	636	12.58%
Staff Costs	5,470	5,586	(2.08%)
Programme Expenditure	24,386	24,190	0.8%
Other Expenditure (Overheads, Transmission and Marketing costs included)	5,638	5,450	3.45%
Total Operating Expenditure	36,210	35,862	0.97%

3. Cost Control and Efficiency

TG4 continued to operate efficiently, cost effectively and prudently in 2014. 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 1821 hours of original Irish Language content in 2014 from a target of 1710. This represented an increase of 3% from 2013.

4. Irish Language Content Expenditure 2014

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 76% of Exchequer funding. Transmission, broadcast and promotion of schedule and general overheads accounted for the remaining 24% of Exchequer funding in 2014.

Overall, there was an increase in TG4's daily output levels of new Irish language content from 4.84 to 4.99 hours per day.

Table 3: Irish Language Content Expenditure

Description	2014		2013	
	€,000	%	€,000	%
Current Exchequer funding	32,750	100%	32,750	100%
Irish language programmes:				
Commissioned	18,846	57.5%	18,558	56.7%
Acquired/dubbed/subtitled	4,410	13.5%	4,374	13.4%
Production staff costs (including salaries)	1,761	5.4%	1,523	4.7%
Total Irish Language Content Production Costs	25,017	76%	24,455	75%

Financial Statements

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Financial Statements

Statement of Board Members' Responsibilities

For the year ended 31st December 2014

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

20 April 2015

Financial Statements

Statement on Internal Financial Control

For the year ended 31st December 2014

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 2014 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

20 April 2015

Financial Statements

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

For the year ended 31st December 2014



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Teilifis na Gaeilge

I have audited the financial statements of Teilifis na Gaeilge for the year ended 31 December 2014, 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 Teilifis 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 Teilifis 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 Teilifis 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 Teilifis 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 Teilifis na Gaeilge's affairs at 31 December 2014 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by Teilifis 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 Teilifis na Gaeilge's Annual Report is not consistent with the related financial statements, or
- the statement on internal financial control does not reflect Teilifis 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.

I have nothing to report in regard to those matters upon which reporting is by exception.

Seamus McCarthy
Comptroller and Auditor General

28 April 2015

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

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

Defined Contribution Scheme: Teilifís 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: Teilifís 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 Teilifís 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 2014			
	Notes	2014 €'000	2013 €'000
Sales			
Commercial income	2	3,399	3,093
Cost of sales	2	(716)	(636)
Net Sales		2,683	2,457
Expenditure			
Staff costs	3	5,470	5,586
Board members' fees and expenses	4	121	127
Programme expenditure	5	24,386	24,190
Transmission costs		1,732	1,696
Marketing and research	6	1,689	1,589
Overheads	7	2,067	2,015
Depreciation	9	2,251	2,691
Total Expenditure		37,716	37,894
Net operating expenditure for the year		(35,033)	(35,437)
Interest receivable and similar income	8	17	20
Surplus/(deficit) on disposal of fixed assets		-	-
		(35,016)	(35,417)
State funding	11	34,972	35,412
Surplus/(deficit) on ordinary activities before taxation		(44)	(5)
Taxation	12	(3)	(6)
Retained surplus/(deficit) for the financial year		(47)	(11)

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

20 April 2015

Financial Statements

		Teilifís na Gaeilge	
		Statement of Total Recognised Gains and Losses for the year ended	
		31 December 2014	
	Notes	2014 €'000	2013 €'000
Retained surplus/(deficit) for the financial year		(47)	(11)
Actuarial gain/(loss) on pension scheme assets	19	10	(30)
Total recognised losses for the year		(37)	(41)

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

On behalf of the Board of Teilifís na Gaeilge:



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Cathaoirleach



Pól Ó Gallchóir
Ardstiúrthóir

20 April 2015

Financial Statements

Teilifís na Gaeilge				
Balance Sheet as at 31 December 2014				
	Notes	€'000	2014 €'000	2013 €'000
Fixed Assets				
Tangible assets	9		8,414	9,158
Financial assets	22		–	–
			8,414	9,158
Current Assets				
Debtors	13	1,623		1,327
Cash at bank and in hand	14	49		50
			1,672	1,377
Current Liabilities				
Creditors – falling due within 1 year	15	(2,065)		(1,791)
Net Current Liabilities			(393)	(414)
Net Assets Excluding Pension Asset			8,021	8,744
Pension asset	19		42	45
Net Assets Including Pension Asset			8,063	8,789
Capital and Reserves				
Capital grants	10		8,215	8,904
Pension reserves	16		42	45
Revenue reserves	16		(194)	(160)
			8,063	8,789

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

On behalf of the Board of Teilifís na Gaeilge:



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Cathaoirleach



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Ardstiúrthóir

20 April 2015

Financial Statements

Teilifís na Gaeilge			
Cash Flow Statement for the year ended 31 December 2014			
	Notes	2014 €'000	2013 €'000
Operating Activities – Net Cash Outflow – (net of state grant)	17	(34)	(55)
Return on Investment and Servicing of Finance			
Interest received		10	14
Net Cash Inflow from Returns on Investment and Servicing of Finance		10	14
Taxation			
Tax charge for the year	12	(3)	(6)
Net Cash Outflow from Taxation		(3)	(6)
Capital Expenditure			
Payments to acquire tangible fixed assets	9	(1,507)	(947)
Receipts from sale of fixed assets		–	–
State capital grants	10	1,533	920
Net Cash Inflow/(Outflow) from Capital Expenditure		26	(27)
Net Cash Outflow	18	(1)	(74)

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

20 April 2015

Notes to the Financial Statements

Notes		2014 €'000	2013 €'000
1.	Principal Activity Teilifís na Gaeilge's principal activity is the operation of the Irish language television channel TG4.		
2.	Net Sales		
	Commercial Income		
	Airtime and sponsorship sales	1,964	1,782
	Facilities charge-out	581	580
	Sundry income	854	731
		3,399	3,093
	Cost of Sales		
	Commission on advertising and sponsorship sales	388	357
	Direct costs	328	279
		716	636
	Net sales	2,683	2,457
3.	Staff Costs The average number of employees employed by Teilifís na Gaeilge during the year was 83 (2013: 84). Employee costs during the year comprised:		
		2014 €'000	2013 €'000
	Wages and salaries	4,498	4,438
	Social welfare costs	502	491
	Pension costs	531	472
	Travel and subsistence	105	102
	Training	39	43
	Other staff costs	36	40
		5,711	5,586
	Staff costs capitalised	(241)	–
	Total staff costs	5,470	5,586
	Other staff costs include a charge of €24,750 in respect of payments to staff arising from a Labour Relations Commission ruling.		
	Emoluments of Director General		
	Basic salary	175	175
	Employer's pension contributions	64	64
	Other benefits	3	3
		242	242

The Director General's contract of employment for the period 2010–2014 expired on 31 March 2014. Negotiations are ongoing between the Board, the Department of Communications, Energy and Natural Resources and the Director General in relation to his tenure.

Notes to the Financial Statements

Notes		2014 €'000	2013 €'000
4.	Board Costs		
	Fees (note 20)	110	110
	Travel and subsistence	11	17
		121	127
5.	Programme Expenses		
	Commissioned programmes	18,846	18,558
	Acquired programmes	2,725	2,717
	Dubbing and other costs	2,815	2,915
		24,386	24,190
6.	Marketing and Research		
	Advertising and marketing	1,550	1,467
	Audience measurement and research	135	117
	Audience Council expenses	4	5
		1,689	1,589
7.	Overheads		
	Premises and equipment expenses	672	668
	Professional and financial expenses	308	237
	Industry levies paid	564	572
	General and office expenses	523	538
		2,067	2,015
8.	Interest Received		
	Interest received on bank deposit accounts (gross)	17	20

Notes to the Financial Statements

Notes		Land & Buildings €'000	Equipment €'000	Assets under construction* €'000	Fixtures and fittings €'000	Total €'000
9.	Tangible Fixed Assets					
	Cost					
	At 1 January 2014	7,692	20,989	154	646	29,481
	Transfer	–	154	(154)*	–	–
	Additions	25	1,474	–	8	1,507
	At 31 December 2014	7,717	22,617	–	654	30,988
	Accumulated Depreciation					
	At 1 January 2014	2,799	16,937	–	587	20,323
	Charge for the year	192	2,044	–	15	2,251
	At 31 December 2014	2,991	18,981	–	602	22,574
	New Book Value					
	At 31 December 2014	4,726	3,636	–	52	8,414
	At 31 December 2013	4,893	4,052	154	59	9,158

*Assets Under Construction relate to the development of a High Definition (HD) Transition project, which was fully commissioned in the year.

Tangible Fixed Assets held under Finance Lease

Included in Tangible Fixed Assets are assets held under Finance Lease as follows:

	2014		2013	
	Net Book Value €'000	Depreciation Charge €'000	Net Book Value €'000	Depreciation Charge €'000
Equipment	–	–	–	4

10.	Capital Grants	2014 €'000	2013 €'000
	Capital grants – received and receivable		
	Opening balance	18,113	17,193
	Grants received during the year (Note 11)	1,533	920
	Closing balance	19,646	18,113
	Amortisation		
	Opening balance	9,209	6,547
	Amortised during the year	2,222	2,662
	Closing balance	11,431	9,209
	Net book value – capital	8,215	8,904

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	2014 €'000	2013 €'000
	Grant received in the year	32,750	32,750
	Capital grant amortised (Note 10)	2,222	2,662
		34,972	35,412
The total allocation for 2014 was €34.28m comprising of:			
	Grants received for current expenditure (Vote 29 – Subhead B5)	32,750	32,750
	Grants applied for capital purposes (Vote 29 – Subhead B5)	1,533	920
	Total received	34,283	33,670
12. Tax on Profit on Ordinary Activities		2014 €'000	2013 €'000
(a) <i>Analysis of tax charge in year</i>			
	Corporation tax charge for year	3	6
	Charge in respect of previous years	–	–
		3	6
(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:			
		2014 €'000	2013 €'000
	Profit/(Loss) on ordinary activities before taxation	(44)	(5)
	Profit/(Loss) on ordinary activities multiplied by the standard rate of corporation tax in Ireland of 12.5% (2013: 12.5%).	(6)	(1)
	Effects of:		
	Income taxable at a higher rate of taxation	10	10
	Excess of capital grants amortised and capital allowances over depreciation	(1)	(1)
	Non-deductible expenditure	–	(2)
		3	6

Notes to the Financial Statements

Notes 13.	Debtors		2014 €'000	2013 €'000
	Trade debtors		1,146	951
	VAT repayable		292	76
	Corporation tax repayable		4	2
	Prepayments and accrued income		181	298
			1,623	1,327
	All balances are deemed recoverable within one year.			
14.	Cash at Bank and in Hand		2014 €'000	2013 €'000
	Cash in hand		2	2
	Bank accounts		47	48
			49	50
15.	Creditors – falling due within 1 year		2014 €'000	2013 €'000
	Trade creditors		649	303
	Accruals and deferred income		1,346	1,420
	Pension contributions creditor		70	68
			2,065	1,791
16.	Reserves	Pension Reserve €'000	Revenue Reserve €'000	Total €'000
	Opening balance as at 1 January 2014	45	(160)	(115)
	Retained deficit for the year	–	(47)	(47)
	Actuarial loss/(gain)	10	–	10
	Pension reserve adjustment	(13)	13	–
	Closing balance as at 31 December 2014	42	(194)	(152)

Notes to the Financial Statements

Notes 17.	Reconciliation of Surplus for the Year to Net Cash Flow from Operating Activities			2014	2013	
				€'000	€'000	
	Surplus/(deficit) on ordinary activities before taxation			(44)	(5)	
	Non-Operating Activities					
	Interest received (net)			(10)	(14)	
	(Profit)/loss from sale of fixed assets			–	–	
	Non-Cash Items					
	Depreciation			2,251	2,691	
	Amortisation of capital grants			(2,222)	(2,662)	
	Pension asset adjustment			13	4	
	Decrease/(increase) in debtors			(296)	272	
	(Decrease)/increase in creditors			274	(341)	
	Net cash (outflow)/inflow from operating activities			(34)	(55)	
18.	Analysis of Changes in Net Funds			Opening balance	Cash flows	Closing balance
				€'000	€'000	€'000
	Cash at bank and in hand			2	–	2
	Short term deposits			48	(1)	47
				50	(1)	49
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.						
				2014	2013	
				€'000	€'000	
The following pension costs were incurred in the year:						
Defined contribution scheme				413	363	
Defined benefit scheme cost (Note 19 (g))				118	109	
				531	472	
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 2014. 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		2014	2013
19.	Pension (continued)		
b)	Financial assumptions		
	The principal actuarial assumptions used by the actuary as at 31 December 2014 used for FRS 17 purposes were as follows:	2014	2013
		%	%
	Discount rate	1.80%	3.40%
	Increase in consumer price indexing	2.25%	2.50%
	Increase in pensionable earnings	3.75%	4.00%
	Increase in pension payment	3.75%	4.00%
	Bonds	1.70%	3.30%
	Other	0.00%	0.00%
	Overall Expected Return	1.55%	2.55%
	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 2014 and 2013.		
		2014	2013
	Life expectancy – male	86.6	86.4
	Life expectancy – female	88.3	88.3
d)	Change in benefit obligation	2014	2013
		€'000	€'000
	Present value of scheme obligations at the beginning of the year	783	619
	Current service cost	131	122
	Interest cost	29	25
	Actuarial loss	187	17
	Present value of scheme obligations at the end of the year	1,130	783
e)	Change in scheme assets	2014	2013
		€'000	€'000
	Fair value of scheme assets at the beginning of the year	828	698
	Expected return on scheme assets	23	19
	Actuarial (loss)/gain	197	(13)
	Employer contributions	105	105
	Member's contributions	19	19
	Fair value of scheme assets at the end of the year	1,172	828

Notes to the Financial Statements

Notes		2014 €'000	2013 €'000
19. Pension (continued)			
f) Amounts recognised in the balance sheet			
	Present value of funded obligations	(1,130)	(783)
	Fair value of scheme assets	1,172	828
	Net asset	42	45
g) Pension costs			
	Current service cost	131	122
	Interest cost	29	25
	Expected return on scheme assets	(23)	(19)
	Member's contributions	(19)	(19)
	Total	118	109
h)	The net actuarial loss recognised in the Statement of Total Recognised Gains and Losses for the year ended 31 December 2014 amounted to €10,000 (2013: €30,000).		
i) History of defined benefit obligations, assets and experienced gains and losses			
	<i>Difference between expected and actual return on plan assets;</i>		
	Amount	198	(13)
	Percentage of plan assets	(16.7%)	(1.6%)
	<i>Experience gains and losses on plan liabilities;</i>		
	Amount	42	24
	Percentage of plan liabilities	(3.5%)	3.1%
j) Contributions			
	The company expects to contribute €105,000 to its pension scheme in 2015.		
k) Actuarial gain/(loss) on pension scheme assets			
	Actual less expected return on pension scheme assets	197	(13)
	Experience gains and losses arising on the liabilities	42	24
	Changes in assumptions underlying the present value of liabilities	(229)	(41)
	Actuarial gain/(loss) on pension scheme assets	10	(30)

Notes to the Financial Statements

Notes

20. Directors and Secretary and their Interests⁷

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

Director/Secretary	2014 €'000	2013 €'000
Pól Ó Gallchóir (Director General)	–	–
Seosamh Ó Conghaile	12.6	12.6
Rónán Ó Coisdealbha	12.6	12.6
Concubhar Ó Liatháin	12.6	12.6
Siún Ní Raghallaigh (Chairman)	21.6	21.6
Andréa Ní Éalaithe	12.6	12.6
Des Geraghty	12.6	12.6
Mairéad Ní Cheoinín	12.6	12.6
Micheál Seoighe	12.6	12.6
Mairéad Nic Suibhne	–	–
Michelle Ní Chróinín	–	–
Pádraic Ó Ciardha (Rúnaí an Bhoird)	–	–
Mary Uí Chadhain (Rúnaí)	–	–
	109.8	109.8

Board members' expenses in 2014 were €11,000 (2013: €17,000), of which: domestic travel accounted for €7,000 (2013: €8,000), subsistence €2,000 (2013: €2,000) and other expenses (including secretarial, entertainment and training) €2,000 (2013: €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 (MBSNI) 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. MBSNI concluded an agreement with RTE and the UK Department of Culture, Media and Sport which provided for transmission costs incurred by MBSNI 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:	2014 €'000	2013 €'000
	Contracted for but not provided for at the year end	25,203	9,019
24.	Commitments		
	Teilifís na Gaeilge has capital commitments as follows;	2014 €'000	2013 €'000
	Contracted for but not provided for at the year end.	167	196
25.	RTÉ Transactions		
	Teilifís na Gaeilge received 365 hours (2013: 365 hours) of Irish language programming free of charge from RTÉ in the year ended 31 December 2014.		
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 2014 was \$nil (2013: \$0). There were no contracts outstanding at the year end (2013: \$0).		
27.	Approval of the Financial Statements		
	The Board of Directors approved the financial statements on the 20 April 2015.		

