

Annual Report 2017







## Annual Report 2017

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# Mission, Vision and Core Values

TG4's mission is to deliver entertaining and innovative media services that celebrate Irish language creativity and connect with audiences at home and worldwide. Through partnership with the Irish language audio-visual sector, we enable the creation of world-class content and support economic growth in Ireland.

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.

*'What a phenomenal job TG4 has done. Especially given the resources you have, it is an exceptional service you provide. Keep it up. You make all other stations look fake and empty.'*

— Duine den lucht féachana  
Mark Nally, Ros Comáin, 29/5/17



Tadhg agus Frances, *Ros na Rún*, léirithe ag Léiriúcháin RnaR Teo







# TG4's Commitments For 2017

For 2017, TG4 presented 18 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

## (i) Audiences – Impact and Reach

1. Implement a “twin-pole” audience-focused strategy to rebuild TG4’s resonance with national television audiences and to ensure our content and services are valued highly by our core Irish language audience.
2. Grow TG4’s reach and engagement with audiences across the Player, web and mobile services.
3. Strengthen TG4’s position with younger audiences – children, teens and 15-34 year olds.

4. Deliver measures to strengthen TG4’s reach with audiences in Northern Ireland and with the Diaspora.
5. Establish an expanded audience measurement and reporting system for the core Irish language audience and develop other performance tracking measures.
6. Increase TG4’s sub-titling levels to enhance accessibility for audiences.

## (ii) Content – High Quality and Distinctive

7. Develop TG4’s broadcast schedule and programming to support delivery of the new twin-pole audience strategy.
8. Develop non-linear content and social media as a strategic asset for TG4.
9. Promote innovation and creativity throughout TG4’s content, services and partnerships.

*‘The success of the Club Championships on TG4 has prompted Eir Sport to move into this area. On top of the live coverage, the Laochra Gael documentaries produced by the station are some of the finest GAA documentaries ever made. All of which shows the commitment TG4 has to producing as much live GAA coverage as possible and making it available to as many people as they can.’*

— Neil Glackin,  
Pundit Arena, 12/4/17



Peil na mBan





Hector Central léirithe ag Good Company productions

**(iii) Promotion and Development of the Irish Language and Culture**

- 10. Introduce innovative measures to promote greater stability and growth in the Irish independent production sector, including in the Gaeltacht.
- 11. Continue the development of TG4's Irish language Digital Archive.
- 12. Engage actively with the Government's *Creative Ireland* initiative and reinvigorate TG4's support for the implementation of the Government's 20 Year Strategy for the Irish Language (2010-2030).



An Béal Bocht léirithe ag De Facto Film & Video Production & Raw Nerve Production



(iv) **Transparency and Efficiency**

- 13. Deliver efficiency and value-for-money, making the best use of public funding.
- 14. Work more closely with RTÉ and other partners to enhance our audience reach, reduce costs and drive efficiencies.
- 15. Maintain TG4's commercial revenues and maximise commercial opportunities.
- 16. Deliver TG4's Capital Plan, enhancing services, productivity and efficiency.

(v) **Trust and Good Governance**

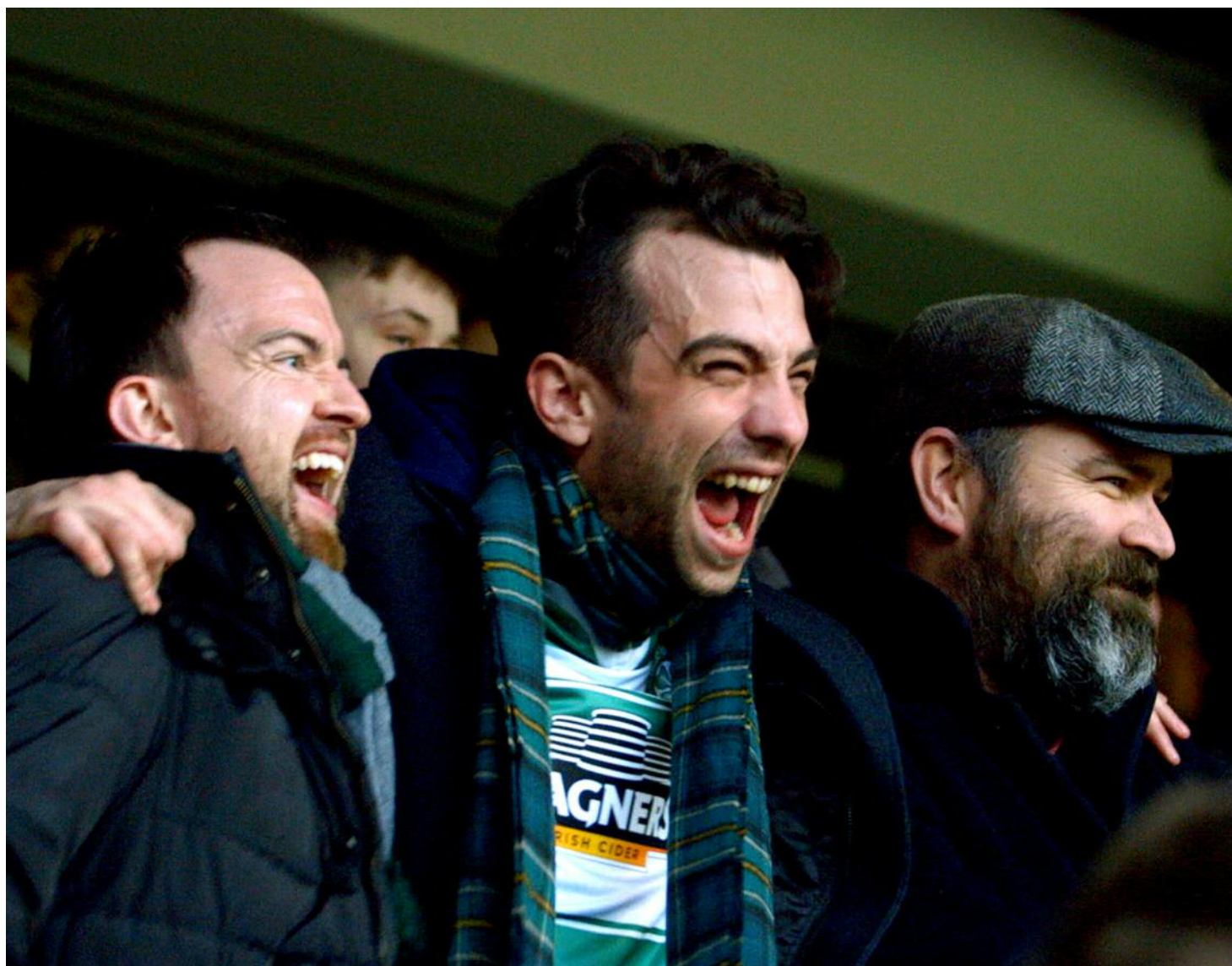
- 17. Ensure best-practice governance and reporting.
- 18. Comply with all Codes and regulations under which TG4 functions, exceeding minimum standards where possible



Fleadh TV léirithe ag Paul McKay Productions

*'TG4 is the best station in this country. It has the most remarkable documentaries and the best films. It is really marvellous.'*

— Senator David Norris, Seanad Éireann, 23/5/17



Celtic Soul léirithe ag Markham Street Films Inc.







# Key TG4 performance highlights of 2017

TG4's objective was to deliver 18 commitments in 2017, each of which comprised a number of targets for audiences, programming and content, operations, efficiency and governance etc. Overall, TG4 performed well. 13 of its 18 commitments were fully achieved, one was almost fully achieved and four are on-going (with good progress) as summarised below.

## i. Audiences: Impact and Reach

### Broadcast Audiences:

In 2017, TG4 delivered a strong audience result for both poles of its twin-pole audience:

- **90% reach with the core Irish language audience was achieved**, which exceeded target by 12.5%. TG4
- Following on from strong growth in 2016, **TG4's national TV audience average all day share**

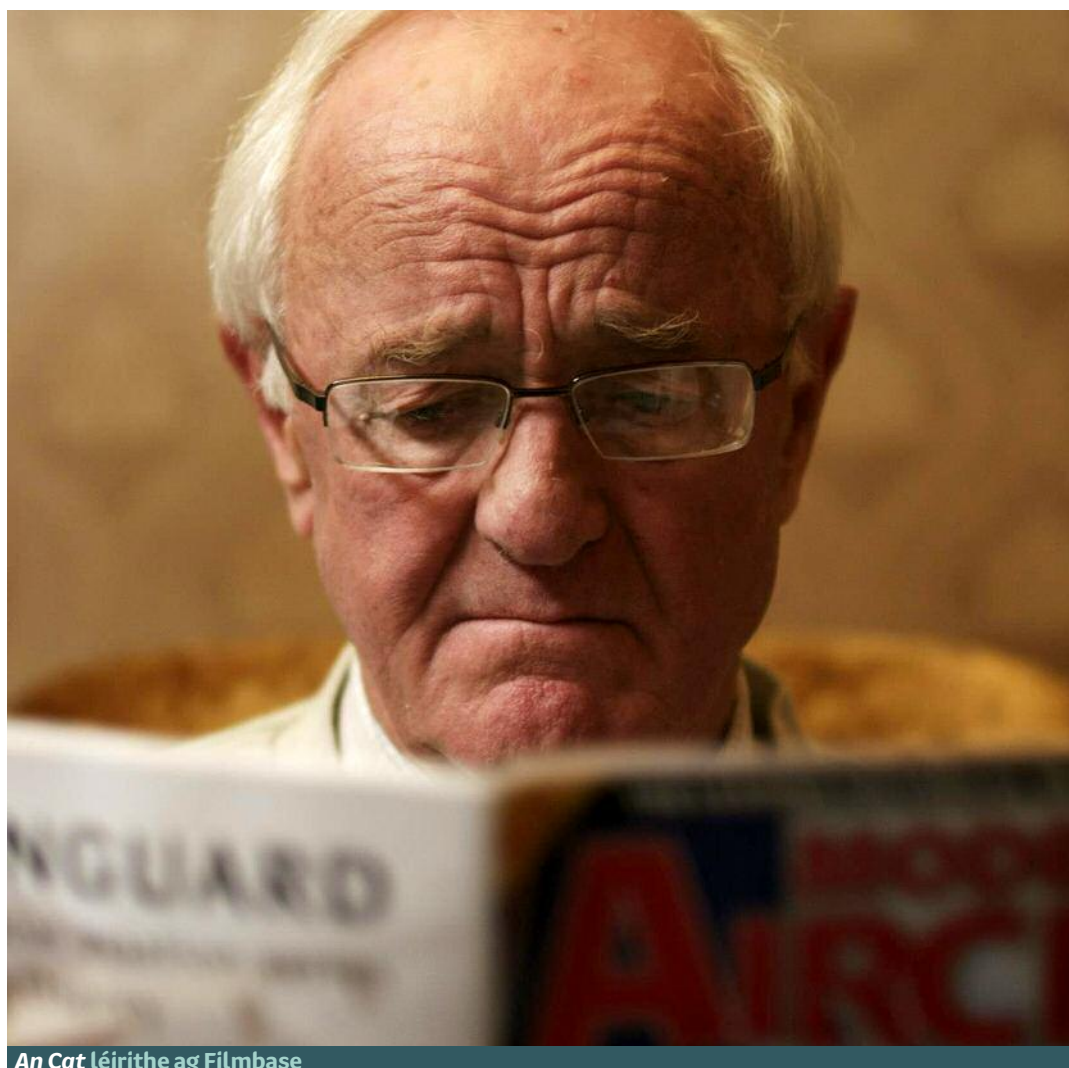
expanded its Fios Físe measurement to include weekly as well as daily Irish language speakers. This was expected to reduce TG4's reach in 2017 as it includes those who speak Irish less frequently. The expanded measure does however reflect the viewing behaviours of all those who speak Irish and is a more robust measure of performance with active Irish speakers. Reach declined from 92% but remains exceptionally high and TG4 will continue to focus on maintaining reach with the core audience. TG4 also delivered a satisfaction rating with Irish language user audiences of 8 out of 10, exceeding target by almost 7%.

*'The second series of TG4's excellent An Klondike won two of the main drama categories.'*

— Pat Stacey,  
*Herald*, 11/4/17

*'Fortunately some networks are still flying the flag for how the west was won. TG4, appropriately on the western fringes of this land, is such a place.'*

— Donal O'Donoghue,  
*RTÉ Guide*, 8/8/17

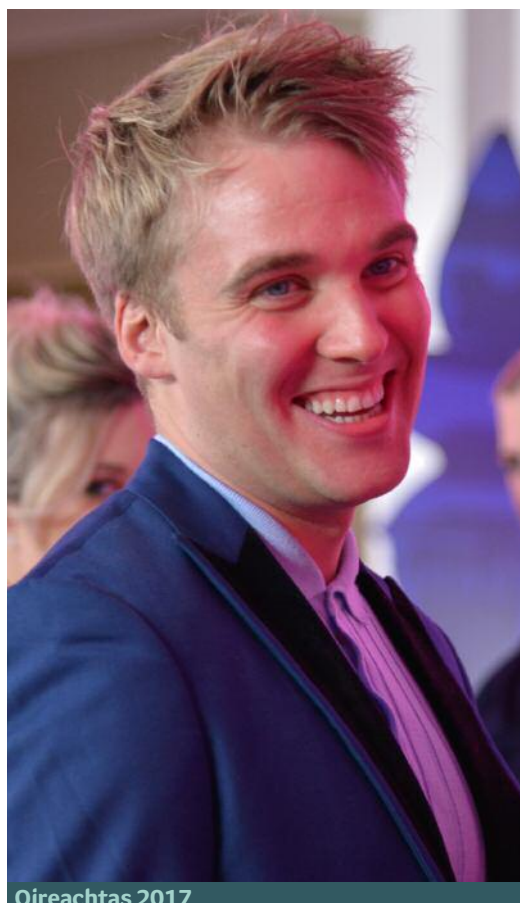


An Cat léirithe ag Filmbase





Taithí gan Teorainn léirithe ag Loosehorse Ltd



Oireachtas 2017

increased again, reflecting two years of consecutive TV viewing growth which is unusual in a competitive broadcast market. Share grew 5% to 1.87%<sup>1</sup> and share of prime time viewing grew 13.4% to 1.95%. Highest share on any one day was maintained at 10%. While TG4's weekly reach with national TV audiences fell, it remains very significant at 33%. Average minutes per viewer per day increased 7.4% and highest reach on any one day was maintained at 24%.

- TG4's share performance was very strong in the context of a competitive broadcast market. Half of the top 20 channels in Ireland had 1% or less audience share and TG4 has almost twice this. It maintained 7th position in the most watched channels in Ireland.

**Non-linear Audiences:**

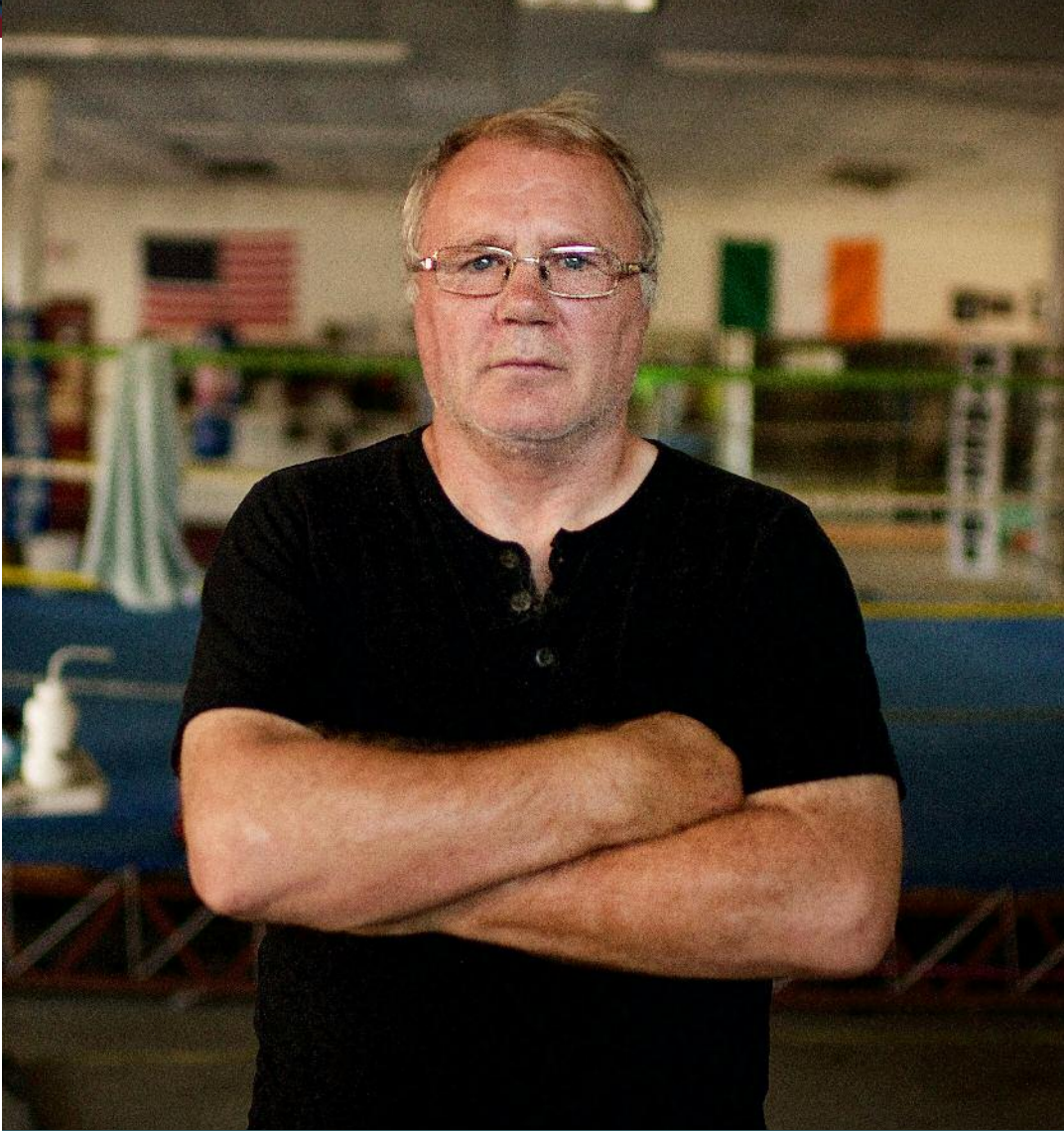
Audience engagement with TG4's non-linear content grew significantly in 2017:

- Unique visitors to TG4's website increased 11.5% to 1.98m. The number of page impressions increased 26.4% to almost 19m. The website remained ranked no.1 in the world rankings<sup>2</sup> of Irish language websites.

<sup>1</sup>Consolidated share. Live & VOSDAL share was 1.92%. All day, individuals 4 years + (source: Nielsen).

<sup>2</sup>Alexa world rankings.





*'Michael Fanning's Irish-language documentary about boxer Sean Mannion packs a punch.'*

—Tara Brady,  
Irish Times, 7/12/17

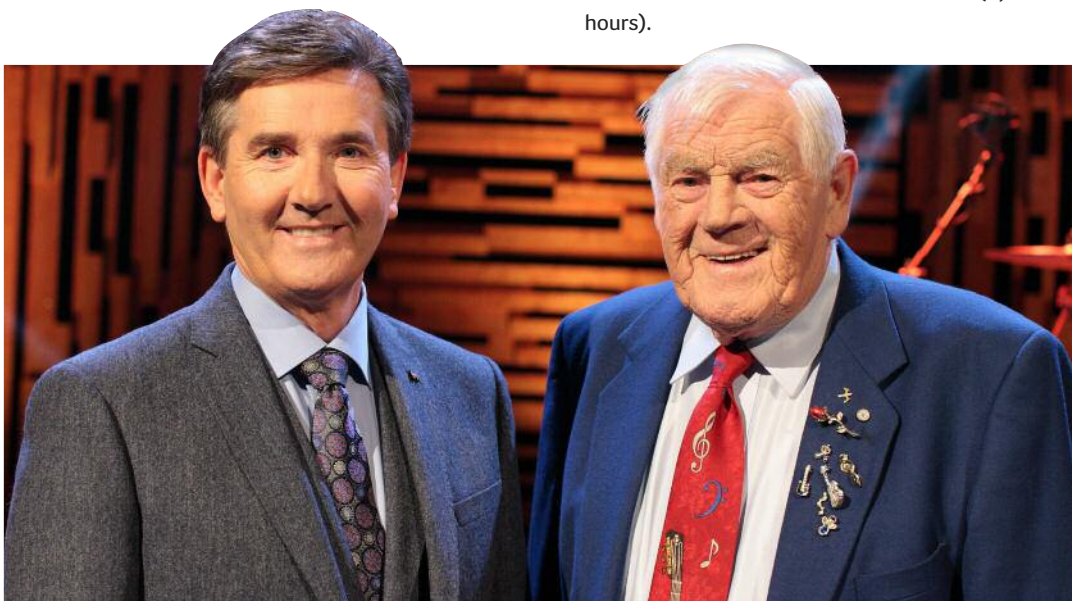
**Rocky Ros Muc léirithe ag Below the Radar Production**

- Player hours watched by TG4's audiences increased by over 18% to 545.5k and Player streams increased 6% to 2.2m. App downloads continued to grow with 231.6k downloads (a growth of over 50%).
- All social media video views (includes Player) increased 606% to 10.2m and all social media engagement grew over 144% to 1.427m.

**ii. High Quality and Distinctive Content**

In 2017, TG4 launched a new twin-pole audience approach focusing on: (i) the core audience of Irish language speakers and (ii) the wider national TV audience. This approach is being fully delivered as part of TG4's new 5-year strategy (2018-2022):

- 45% of TG4's broadcast hours was directed at the core Irish language audience (3,128 hours) and 55% was directed at the wider national TV audience (3,781 hours).



**Opry Dhoire léirithe ag Big Mountain Productions**





Grace Harte léirithe ag Wildfire Films



Oireachtas 2017

- For the core Irish language audience, TG4 delivered an enhanced news and current affairs service, high-quality drama, entertainment and factual programming along with a strong schedule of children’s programming. Following year-long negotiations with RTÉ and substantial capital investment during the year, TG4 launched the new-look Nuacht TG4 and the new 7 Lá weekly current affairs programme in January 2018. Both of these programmes are being broadcast from the newly refurbished and refitted Studio 2, TG4’s largest studio.
- For the wider national TV audience, TG4 delivered stronger, more contemporary factual content, further developed TG4’s sports brand and content and strengthened national live music and cultural events content.
- For the first time in 9 years, TG4 invested significantly in commissioned new original content for younger audiences (TG4 investment of €560k – contracted value of €900k in total). The programmes will be





Éire Fhiáin léirithe ag Crossing the Line Productions

*‘Éire Fhiáin: An Cósta Thiar, a two-part nature doc on TG4, was sumptuously filmed, comparable to Attenborough at his best.’*

— Darragh McManus, Irish Independent, 28/12/17

delivered in 2018, greatly enhancing the children’s schedule. It is part of TG4’s content strategy and will continue into 2018 and beyond through multi-annual and single commissioning of content.

TG4 also delivered significant new, creative non-linear content online and on social media platforms. With continued change in media consumption habits, engaging younger audiences with short-form content and social media is ever more important and TG4 needed to increase investment in this area to grow engagement with audiences under 35. During 2017, TG4:

- Created and launched a new non-linear content platform BLOC aimed at 18-35 year olds and a new content platform *Molscéal* aimed at the core audience.
- Developed its sports platforms on social media (Facebook, Twitter and Youtube) and its social platforms (on Facebook, Instagram, Twitter, Snapchat and YouTube). TG4 also developed *Cúla4* content hubs on Facebook and Youtube and supported these with the launch of new non-linear brands for *Spóirt TG4*, *Bloc*, *Molscéal* and *Cine4*.

### iii. Promotion and Development of the Irish Language and Culture

In addition to Irish language content, TG4 delivered a range of activities to support the Irish language and culture:

- **Support the Irish Independent Production Sector:** most of TG4’s Irish language programmes are commissioned from Irish production companies and TG4 spent €21.6m with the sector during 2017 which was almost 88% of content spend for the year.



Seoladh sceidil an Fhómhair





Guinness PRO14 Rugbaf

● As planned, TG4 ceased in-house production of linear content in Spring 2017. It has been replaced by higher quality commissioned programming. This initiative will see full fruition in 2018 as the content

commissioned in 2017 becomes available for the schedule. TG4's objective was to increase the number of independent production companies with multi-annual production agreements. Ten new



Gradaim Ceoil TG4 léirithe ag Red Shoe Productions





Snáithe léirithe ag Magamedia



Cispheil Beo

multi-annual agreements were established in 2017. Nine went to contract on a four-year output basis in 2017 and one in Q1 2018. These agreements will result in a more sound commercial footing for these companies, enabling them to build to further growth and internationalisation.

- TG4 has also launched a second round of Cine 4 with the Irish Film Board (IFB) and the BAI. This joint-funding initiative supports the development and production of feature films in the Irish language and develops strong storytelling, visuals and high production values for the cinema screen. The selection process for projects to go to production was completed. Contracts for 2 films will be signed in Q2 2018 and production will commence thereafter.

- TG4 also helps to raise finance for the sector through BAI Sound & Vision and Irish Language Broadcast Fund (ILBF) funding. TG4 productions got €2.86m in 2017, with 24 projects supported.

- TG4 also supported the development of talent and skills in the sector through training and mentoring. Work commenced with the sector, in particular with Údarás na Gaeltachta, the BAI, IFB, Screen Training Ireland and Gréasán na Meán (Skillnet), to develop skills and processes. Also, as

part of the output agreements, TG4 has affirmed the requirement that producers will hire Irish language speakers (staff & service providers) and that Irish will be the workplace working language.

- Through these and other mechanisms, TG4 is supporting the growth of a vibrant creative sector in Ireland.

- **Irish Language Learning Resource:** TG4 developed further content for the Foghlaim.ie website aimed at Leaving Cert Students studying for oral Irish exams. It also worked with Comhairle Oideachais Gaelscoile and Gaelscolaíochta to promote and develop the resource. TG4 Foghlaim was awarded the European Language Label 2017.

- **Irish Language Digital Archive:** TG4 is establishing an Irish language Digital Archive to preserve Irish content and provide external users online access to some of the content. TG4 completed the News and Current Affairs Digital Archive in December 2017, it was launched and made it available for education research in January 2018.

- **TG4 Influence on Normalisation of the Irish Language:** to measure TG4's influence on driving awareness and normalisation of the Irish language, it commissioned an Ipsos MRBI survey (with a national

*“Thank you TG4. Thank you so much, for what you’ve done in the past, what you’re doing in the present, and what you will continue to do in future. We love you, and we don’t know what we would do without you. I mean, I don’t know how we survived without you in the first place.”*

— Mark Townsend, Sportstalk.ie, 12/4/17





Seoladh Cartlann Nuachta — Páidí Ó Lionáird agus an Aire Denis Naughten, TD

representative sample of 1,000 adults aged 15+). 82% of respondents recognise TG4 as an important service for supporting and promoting the Irish language. 88% of respondents believe that TG4 supports the Irish language through its programming and content. 73% believe TG4 brings the Irish language to life.

#### iv. Transparency and Efficiency

##### **Operational Expenditure**

TG4 is committed to ensuring that it makes the best use of public funding (including spending the highest possible share on Irish language content) and that the cost of TG4's overheads remains as low as possible.

- A key objective is to invest at least 70% of public funding in Irish language programming/ content. In 2017, **TG4 exceeded this and spent 74.5% of its public funding on Irish language programming/ content**. The remaining 25.5% was spent on its broadcast and related activities. In total, TG4 spent €26.3m on programming/ content of which €24.572m was on Irish language programming/ content.
- In 2017, staff costs, excluding production staff costs, represented 10.4% of TG4's total operating expenditure. Overheads accounted for less than 6%. These costs are low for management and administration.
- TG4's cost-per-viewer hour fell 5% in 2017 (excluding audience associated with RTÉ 365 hours)

due to an increase in audience share. Cost-per-broadcast hour remained at 2016 levels.

- TG4 delivered a number of significant efficiency initiatives. It restructured the organisation throughout the year to establish new cross-functional teams and drive further productivities. 18 operational staff, previously engaged in linear content production and technical/operational activities, were up-skilled and are now engaged 50% of their time in production of non-linear content. 14 content producers/ presenters were up-skilled and redeployed from programme production to social media/ non-linear content creation.

##### **Commercial Income**

- **TG4's commercial revenue was ahead of target for 2017 by almost 21%**. Advertising and sponsorship income increased by 22.6% to €2.614m in 2017 compared to €2.133m in 2016. Other commercial income fell slightly by 1.3% to €1.456m compared to €1.475m in 2016. Total commercial income was up almost 13% to €4.07m. This is a strong performance in a highly competitive TV advertising and media market in Ireland.

##### **Capital Investment**

- TG4 received additional capital funding in 2017 to cover the cost of upgrading the studios and for other

<sup>3</sup>€24.696m programme spend less archive costs of €175k plus production staff costs of €1.78m.



capital developments. The target capital plan was revised during the year to reflect a capital spend target of €1.45m. Almost all capital developments were fully delivered during the year. Actual capital spend exceeded the revised target for the year by 4.5% but this was due to a timing difference only. Of note is the complete refit of Studio 2 to incorporate TG4 Nuacht and 7Lá sets, two new video walls, a new LED set lighting system and control and high definition (HD) upgrade of Studio 1 broadcast facilities.

### Economic Benefits

- TG4's value-for-money can also be measured through its impact on the wider national economy. **The direct, indirect and induced contribution to national earnings of TG4 was almost €60m in 2017 with an associated employment impact of 791 jobs<sup>4</sup>.** This indicates the level of expenditure by TG4 in Ireland and the level of expenditure on indigenous programming and services rather than on acquired content and services from international markets. It also continues to show that for every €1 invested by TG4 in the creative industries in Ireland, it was worth almost €2 to the economy of Ireland. TG4 continues to have important financial, employment and creative benefits for the Irish economy more generally.

### v. Trust and Good Governance

TG4's governance performance was strong in keeping with prior years. During 2017, TG4:

- Delivered all statutory obligations as reflected in its objects and in broadcasting codes etc.
- Delivered all required policies and charters. E.g. Customer Service Charter, Code of Practice for the Handling of Complaints etc.
- Reported regularly to the Board and BAI on compliance with broadcasting codes and regulations.
- Ensured best practice governance and reporting. In addition, three new members were appointed to the Board in November and TG4 supported their induction including a session on corporate



Bus Ghlaschú léirithe ag HG Productions

governance delivered by the UCD Smurfit Business School. 7 full Board meetings were held and 2 meetings were held with Board members only (without the Executive).

- Delivered the ASPC, Performance Review, five-year Statement of Strategy and Annual Report.
- Reviewed the new Code of Practice for the Governance of State Bodies and implemented it in full.
- Carried out an in-depth risk management review of TG4 and reported to the Board on same.
- Delivered 3 internal audits.
- Developed a new five-year Statement of Strategy (2018-2022) for Board approval.
- Worked with the BAI on the annual and five-year PSB review.
- Contributed fully to Government Inter-Departmental economic analysis of the Irish TV, film and animation industries carried out by Olsberg SPI.

<sup>4</sup> Based on an analysis of TG4's 2017 expenditure (operating and capital including programme funding) in Ireland.

*'Of all the channels I watch, I watch more TG4 than any other channel purely because of the sport and the documentaries it shows as I have a personal interest in many of those.'*

— Minister for Communications, Climate Action and Environment (Deputy Denis Naughten), 23/5/17







# 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 consists of a Chair and 11 members, including the Director General in an ex-officio capacity and a staff representative. The appointments are made by the Minister for Communications, Climate Change and Environment.

On the 16 April 2017 the term of the Chairman and six Board members expired. On the 17 of April 2017, the Minister for Communications, Climate Change and Environment reappointed the Chairman and four Board members and appointed three new Board members in November 2017.

The Board met 7 times during the 12 months to the 31st December 2017.

## Board Members and Director General at 31st December 2017:



Siún Ní Raghallaigh  
(Chairman)  
(Reappointed  
17/04/2017)



Alan Esslemont  
(Director General)



Des Geraghty  
(Reappointed  
17/04/2017)



Mairéad Ní Cheoínín  
(Reappointed  
17/04/2017)



Micheál Seoighe  
(Reappointed  
17/04/2017)



Michelle Ní Chróinín  
(Reappointed  
17/04/2017)



Diarmuid Ó Ruiséal



Bríd Ní Fhachtna



Frank Reidy



Mairéad Ní Nuadháin  
(Commenced  
21/11/2017)



Siobhán Ní Ghadhra  
(Commenced  
21/11/2017)



Darach Ó Tuairisg  
(Commenced  
21/11/2017)

## Company Secretary and Registered Office

Mary Uí Chadhain  
TG4  
Baile na hAbhann  
Co. na Gaillimhe

## Secretary to the Board

Pádraic Ó Ciardha

## Sub-Committees of the Board

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

### Audit and Risk Committee

Des Geraghty (Chairman) (Cessation date 11/12/2017)  
Micheál Seoighe (Cessation date 11/12/2017)  
Michelle Ní Chróinín (Cessation date 11/12/2017)  
Bríd Ní Fhachtna (Chairman) (Commenced 11/12/2017)  
Mairéad Ní Nuadháin (Commenced 11/12/2017)  
Frank Reidy (Commenced 11/12/2017)

During the 12 months to 31st December 2017, the Audit and Risk Committee met on 4 occasions after which they reported to the Board. The Internal Audit function reports directly to the Audit and Risk Committee.

### Remuneration Committee

Siún Ní Raghallaigh (Chairman)  
Andréa Ní Éalaithe (Cessation date 16/04/2017)  
Des Geraghty (Commenced 11/12/2017)  
Micheál Seoighe (Commenced 11/12/2017)

The Remuneration Committee met once in the year to 31st December 2017.

### Auditor

Comptroller and Auditor General  
Office of the Comptroller and Auditor General  
3A Mayor Street  
Spencer Dock, Dublin 1

### Bankers

AIB  
Lynch's Castle  
Shop Street  
Galway

### Actuary

Pricewaterhouse Coopers  
One Spencer Dock  
North Wall Quay  
Dublin 1



# Chairman's Report

## **Audience Impact and Engagement**

As Ireland's national Irish language public service broadcaster, TG4 has transformed the image of the Irish language and Irish language television through original, quality content which celebrates Irish culture and creativity. TG4 is a platform to represent, entertain and inform Irish language speakers. Since launch, we have also sought to ensure that as wide an audience as possible share the experiences we provide and we do this through our twin-pole audience strategy. This strategy reflects the fact that there is a marked difference in the way in which habitual Irish speakers (our core Irish language audience) engage with TG4 compared to the way in which non-habitual and non-Irish speakers (the national TV audience) engage.

In 2017, TG4 delivered a strong performance with both poles of our audience. We achieved a 90% reach with the core Irish language audience which exceeded our target for the year. Following on from strong growth in 2016, TG4's national TV audience share increased again, reflecting two years of consecutive TV viewing growth which is unusual in a competitive broadcast market. Average all day share grew 5% to 1.9% and share of prime time viewing grew to almost 2%. To put this in perspective, half of the top 20 channels in Ireland have 1% or less audience share and TG4 has twice this. We also maintained 7th position in the most watched channels in Ireland. This was a strong performance which was achieved through our quality, entertaining Irish programming and our development of TG4's broadcast schedule and programming to support delivery of our new twin-pole audience strategy. It was also supported by leveraging additional investment in programming and demonstrates the impact and value of investing in content to increase reach and engagement with audiences.

## **New Strategy for 2018-2022**

For TG4, 2017 was not only a year of stronger audience performance, but also of revitalisation of the service. TG4's new Ardstiúrthóir Alan Esslemont, who was appointed at the end of 2016, is leading the organisation into its next five-year strategy. The strategy for 2018-2022, which was approved by the Board at the end of

2017, will address the many opportunities and challenges facing TG4 in the challenging and competitive public service broadcasting environment of today and the future. The strategy addresses how TG4 aims to: grow national audience share and reach through engaging and entertaining content; serve habitual Irish speaking audiences better; and enable the creation of world-class content through partnership with the Irish language production sector. Our strategy will address critical economic and cultural public policy objectives and deliver benefits for the Irish economy.

We welcome the increase in current funding in 2017, however, to deliver our new strategy, TG4 needs to have its funding level restored and achieve stability in funding for content. TG4 has affirmed the base funding level required to execute our strategic goals and we are seeking additional funding to bring our total public funding in line with these requirements. This is vital in a broadcast and media environment which is constantly evolving and where the role of public service broadcasting needs to be equipped to face these challenges.

## **Independent Production**

A core aspect of TG4's new strategy is to enable the creation of world-class content through partnership with the Irish language production sector. In 2017, most of TG4's Irish language programmes were commissioned from the sector with TG4 spending c.€22m, almost 90% of our content funding for the year. As planned, TG4 ceased in-house production of linear content in Spring 2017. In-house production has been replaced by higher quality commissioned programming. This initiative will see full fruition in 2018 as the content commissioned in 2017 becomes available for the schedule. TG4's objective is to increase the number of multi-annual production agreements with independent production companies and ten new agreements were established, nine of which went to contract on a four-year output basis in 2017. These agreements will result in a more sound commercial footing for the independent production sector, enabling companies to build to further growth and internationalisation.

TG4 has also launched a second round of Cine 4 with the Irish Film Board and the Broadcast Authority of



Ireland. This joint-funding initiative supports the development and production of feature films in the Irish language and develops strong storytelling, visuals and high production values for the cinema screen. The selection process for projects to go to production was completed in 2017 and we look forward to the commencement of their production in 2018.

Through these and other mechanisms, TG4 is supporting the growth of a vibrant, creative content production sector in Ireland.

### Thanks

I would like to thank our Minister Denis Naughten, TD, for his on-going support along with his Department officials, in particular the Secretary General Mark Griffin who has been extremely supportive of TG4 and our work.

I would like to extend my thanks to my fellow Board members. Their continued work is invaluable in guiding the organisation to achieving its full potential. I welcome the three new members who joined the Board in late 2017 and I also wish to thank the two members who concluded their term on TG4's Board. Joe Connolly served for ten years and Andréa Ní Éalaíthe served for five years. Their commitment to the Board has contributed greatly to its effectiveness. I would also like to thank the Board Sub-committees and Secretaries for the important work they do. Our thanks also goes to the Audience Council for its work in helping us to understand the opinions and requirements of TG4 audiences.

We are also grateful to the Broadcast Authority of Ireland, the Irish Language Broadcast Fund and the Irish Film Board for their continued support, to RTÉ for its support which includes the annual statutory provision of 365 hours of Irish language content and to the many producers in Ireland's independent production sector. The success of TG4's schedule relies on their creative and entertaining programme supply.

Finally, I would like to give my thanks to TG4's management and staff under the strong and visionary leadership of Ardstiúrthóir, Alan Esslemont. It has been a challenging but fruitful year and Alan and the team have delivered many positive changes to position TG4 well for the future. The Board and I look forward to working with them all in the year ahead.

### Looking Forward to 2018

While 2017 was a challenging year, more challenges are ahead and we must continue to monitor the uncertainty in Ireland's economic outlook. With the many risks to the economy including a hard Brexit, tax reform in the US and potential overheating in the Irish economy, we must always be mindful of the possibility of another recession. However, we also recognise the significant improvement in the economy over the past five years, a trend forecast to continue into the future. We are confident that the climate and conditions are right for TG4 to have funding levels restored. TG4 aims to invest almost all additional funding in content, the majority commissioned from the independent production sector, in addition to Irish language audio-visual talent development. Through investing more in independent production and spending more with the creative industries in Ireland, we will support more highly-skilled jobs in regional areas in particular. We view this as a very important element of the role of a public service broadcaster alongside the presentation to our audiences of content that reflects our language, culture and society. Securing additional funding to invest in content is critical if we are to drive audience growth, achieve a step change in performance and stabilise and grow Irish language communities across Ireland. Securing additional funding is also particularly important with the scale of the challenges facing TG4 as a niche, indigenous language broadcaster. While it is clear that TG4 continues to successfully drive awareness and normalisation of the Irish language, it is also clear that adequate funding is required in order to secure TG4's public service role into the future.



**Siún Ní Raghallaigh**  
**Cathaoirleach**



# Director General's Report

I am delighted to present TG4's Annual Report for 2017, following my first full year in office as TG4's Ardstiúrthóir.

One of the many achievements during the year was the development of a new five-year strategy for the service (2018-2022). Our vision is *TG4 Gach Áit / TG4 Everywhere*. We aim for TG4's brand to be synonymous with strong, creative Irish language content which will be available in the home, on the go and in cinemas, both in Ireland and worldwide, through direct and syndicated provision. Through this, we aim to ensure universal access and the normalisation of the Irish language in the daily lives of Irish people.

Through our new vision and strategy, we have the opportunity to restore TG4's vibrancy, impact and reach. 2017 was a year of significant change and transition to lay the foundations for this and we have already made great strides in restoring TG4 audiences.

A core aspect of our new strategy, and underpinning the renewal of the service, is TG4's twin-pole audience approach. This recognises the difference in the way in which habitual Irish speakers engage with TG4 compared to the way non-habitual Irish speakers engage and people who don't speak Irish. We are focusing on maintaining a high level of reach with our core Irish language audience and also increasing their satisfaction with TG4, while at the same time, growing our share of the broader national television audience. While our new audience approach will only be fully delivered as part of TG4's new five-year strategy for the service, it is already producing solid results.

## Our Television Audiences

In 2017, TG4 delivered strong engagement with both poles of our twin-pole audience. We achieved a 90% reach with our core Irish language audience which is exceptionally high when compared to other indigenous language broadcast services worldwide. To understand our Irish audiences even better, we expanded our Fios Físe measurement panel to include weekly as well as daily Irish language speakers. This was expected to reduce TG4's reach in 2017 as it includes those who speak Irish less frequently and this did happen but we expect audience levels to stabilise over the coming years. The expanded panel reflects the viewing behaviours of all those who speak Irish and is a more robust measure of TG4's performance with active Irish speakers. In terms of our core audience's satisfaction with TG4, we delivered a satisfaction rating of 8 out of 10. Again, this was a strong result and exceeded our target for the year.

Our performance with the wider national television audience was also very strong. In 2016, we reported that it was the first year since 2009 that TG4's audience share increased and that we aimed to build on this performance in the years ahead. I am very pleased to say that in 2017, TG4's national TV audience share increased again which is two years of consecutive TV viewing growth. This is a good performance and is not in keeping with current broadcast market trends where share is falling for the majority of broadcasters. TG4's share grew to

almost 1.9% and our share of prime time viewing grew to almost 2%. Our highest share on any one day was maintained at 10%. TG4's weekly reach with national TV audiences remained very significant at 33% and highest reach on any one day was maintained at 24%. To help put some more context on TG4's audience share performance, half of the top 20 channels in Ireland had 1% or less audience share in 2017 but TG4 has almost twice this. This is very positive for an indigenous language broadcaster operating in an English-speaking media market where we face competition from national and global media companies with major content budgets. This growth was achieved by leveraging the additional investment we made in broadcast programming which was supported by the special programme grant we received in 2016. It demonstrates the audience benefits from investing in high quality, original and entertaining programming and content.

## Our Digital Audiences

Audience engagement with TG4's non-linear content also grew strongly during 2017. With evolving media consumption patterns, particularly amongst younger audiences, engaging this audience cohort with short-form content and social media is so important. As planned, TG4 invested in, and delivered, new non-linear content online and on social media platforms. In 2017, we launched a new non-linear content platform BLOC which is aimed at 18-35 year olds. We launched a new content platform MOLSCÉAL aimed at core Irish language audiences. We developed TG4's sports platforms on social media (Facebook, Twitter and Youtube) and our social platforms on Facebook, Instagram, Twitter, Snapchat and YouTube. TG4 also developed our services for children including Cúla4 content hubs on Facebook and Youtube. All have been performing well, as reflected in the growth of our digital audiences.

The number of unique visitors to TG4's website increased to almost 2m and the number of page impressions increased to c.19m. Our website remained ranked number one in the world rankings<sup>5</sup> of Irish language websites. Player hours watched by TG4's audiences increased to almost 546k and Player streams increased to 2.2m. App downloads continued to grow – by over 50% during 2017 alone. TG4 social media video views increased to 10.2m and social media engagement grew to over 1.4m.

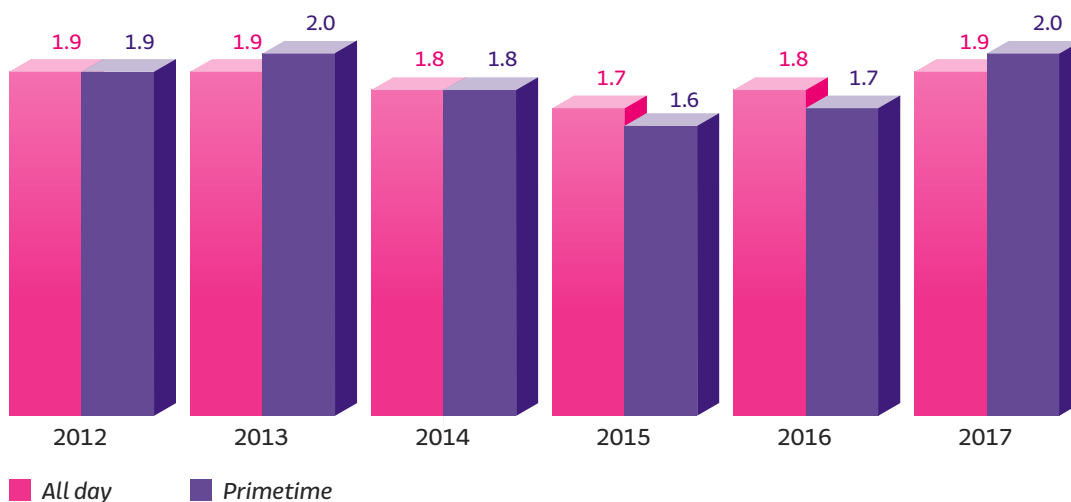
## Younger Audiences

Viewing behaviour differs strikingly across audience segments with younger audiences watching less television than older audiences. Despite this, live television remains dominant and still holds the majority share of viewing audio-visual content in Ireland. Combined with recorded television, linear television accounts for the bulk of viewing with almost 84% of viewing time on average.

<sup>5</sup> Alexa world rankings.

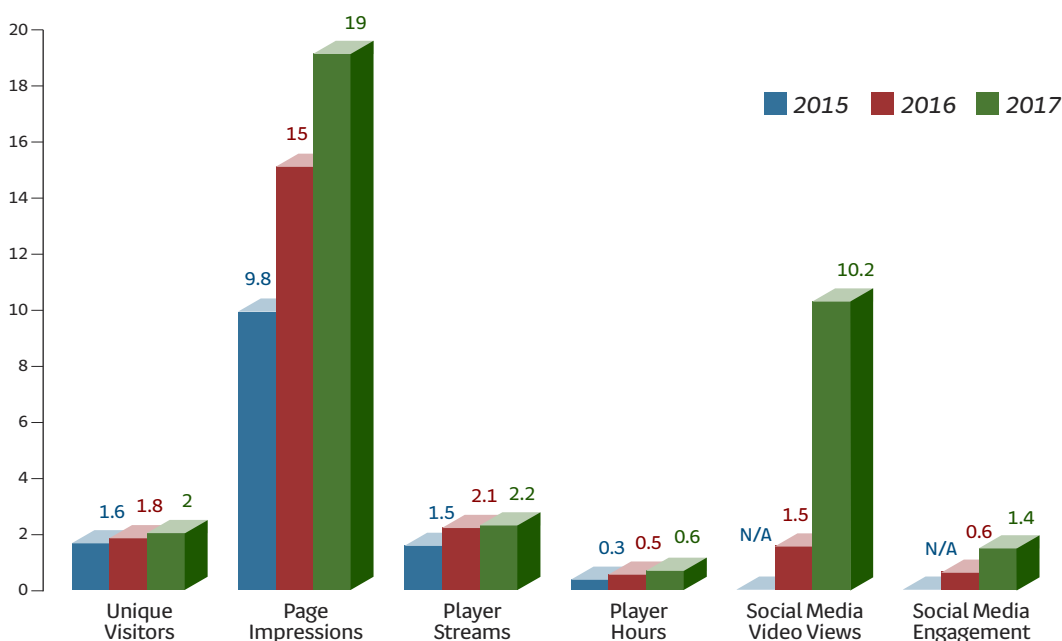


### TG4 Audience Share 2012-2017



TG4 Primetime + 7pm to Midnight from 2000.; ‘Consolidated’ from 2011 (‘Live’ before then).

### TG4 Non-linear Engagement 2015-2017 (Millions)



Almost 90% of homes with children have access to multi-channel viewing and TG4’s children’s service Cúla4 competes with a number of dedicated children’s channels including Nickelodeon, Disney, Boomerang and CBBC etc. as well as children’s programming on other channels. In

addition, online viewing is overtaking TV as children’s top media choice. Younger people are more connected and disposed towards non-linear, short-form content and social media and competition for younger audience viewing is challenging.



For 2017, TG4 committed to providing a strong broadcast schedule for younger audiences and to increase investment in digital content and Apps for children and teen audiences. We performed well against the targets we set ourselves for the year. Our share of children's audiences increased by over 6% in 2017, exceeding our target for the year. Children's usage of the website grew to 952k. There was a 46% increase in TG4's children's Player streams and a 95% increase in Cúla4 YouTube views. There was a 230% increase in our social media video views and a 50% increase in social media engagement with our younger audiences which is very positive. TG4's share of younger adult audiences (15-34) also increased in 2017 and again exceeded our targets for the year.

### **TG4's Publisher Broadcaster Model & Impact on the Irish Creative Economy**

TG4's operating model is that of a publisher broadcaster whereby we commission content from the Irish independent production sector. The importance of our partnership with the sector, which we have pioneered over the last two decades, cannot be understated. Even though the sector remains fragile, TG4's approach has sustained it through a severe financial crisis and has helped to develop the capabilities of the companies and individual talent with whom we work. Our publisher broadcaster model has also helped to develop a number of production clusters outside of Dublin, supporting growth and inward investment in the sector.

A fundamental part of TG4's mission is to enable the creation of world-class content and support economic growth in Ireland. We do this through partnership with the Irish language audio-visual sector and supporting creative industries' growth in Ireland. As planned, in 2017 TG4 transitioned from in-house production of linear, broadcast content to outsourcing more to independent production sector companies. Through diverting in-house linear content spend to new multi-annual agreements with Irish production companies, TG4 is providing a more stable source of funding to enable these companies raise production quality, grow employment and develop a slate of production projects. Ultimately, TG4's investment will help to strengthen and internationalise companies especially in the regions. There are also real benefits for TG4's audiences. Higher-quality content will help to ensure that our schedule is distinctive, reflects Irish cultural identity and gives a fresh approach to entertainment.

In 2017, most of TG4's Irish language programmes were commissioned from the Irish independent production sector and we spent 88% of TG4's content budget with the sector during the year. We established ten new multi-annual production agreements in 2017, of which nine went to contract on a four-year output basis. We also launched a second round of Cine 4 with the Irish Film Board and the Broadcast Authority of Ireland to

support the production of Irish language feature films for cinema release.

TG4 also supports the sector in other ways. Through our commissioning process, we help to raise finance for the sector through Broadcast Authority of Ireland Sound & Vision funding and through Irish Language Broadcast Fund funding. Our productions obtained almost €2.9m in 2017 with 24 projects supported. TG4 also supports development of production sector skills through training and mentoring. Throughout 2017, we worked particularly with Údarás na Gaeltachta, the Broadcast Authority of Ireland, the Irish Film Board, Screen Training Ireland and Gréasán na Meán (Skillnet), to develop sector skills and processes. The Irish language is an important part of our focus and as part of our new agreements with independent producers, we have affirmed that Irish will be their workplace working language.

### **Quality Entertaining Programming**

Throughout 2017, TG4's schedule delivered a slate of quality, entertaining Irish programming. We also developed our broadcast schedule and programming to support delivery of our new twin-pole audience approach. For TG4's core Irish language audiences, we strengthened news and current affairs content and increased production of drama, entertainment and factual programming. Following extensive development work and investment in 2017, we launched the new-look *Nuacht TG4* and the new *7Lá* weekly current affairs programme in January 2018. Both of these programmes are being broadcast from TG4's newly refurbished and refitted Studio 2, our largest studio.

TG4 commenced commissioning for our twin pole audience during 2017 and the schedule will benefit from the effects of this strategy during 2018 in particular. A good example of programmes which were very successful in reaching our core Irish language audience in 2017 was *Rocky Rosmuc*. This aired during the Christmas holidays, having had a cinema release in quarter 3 2017 and 67% of our core audience watched it on Christmas Day alone. A special mention should also be made of programmes which were new to the schedule in 2017 and aimed at the core Irish speaking audience namely *Lár Stáitse* and *Cúl Stáitse* from the Oireachtas. Both were well received, securing an approval rating of approximately 50% from our *Fios Físe* core audience panel.

To grow our audience share with national television audiences, we invested in three genres of content in 2017 as part of our new twin-pole strategy. Again the schedule will see the effects of this strategy for the national television audience during 2018. The genres were: stronger, more contemporary factual content; sport; and national live music/cultural events. TG4's live music/cultural events programmes included *Fleadh TV* which has been an outstanding success for the national audience in 2017 with a reach of 700k across the week of its broadcast in August 2017.



TG4's sports broadcasting remained strong and continued to be a cornerstone of TG4's schedule in 2017. Programmes included GAA, Ladies football, rugby and horse racing all of which very popular and successful in attracting large audiences for TG4. TG4 has had a long and fruitful association with Ladies Football (Peil na mBan) and in 2017 the Ladies all Ireland Final achieved the highest ever viewing figure (an average 303,800 viewers) for the event. In addition the Games in Croke Park saw the largest ever attendance at the All Ireland ladies Final at 46.3k. This was also the largest at any women's sports event in Europe during the year.

### **Our Impact on the Irish Language**

It is widely accepted that TG4 has helped to normalise the Irish language and give it prominence and our market research clearly demonstrates this. To measure our influence on driving awareness and normalisation of the Irish language, for the past few years we have commissioned an annual Ipsos MRBI survey (with a national representative sample of 1,000 adults aged 15+). In 2017, 82% of survey respondents said they recognise TG4 as an important service for supporting and promoting the Irish language. 88% of respondents believe that TG4 supports the Irish language through our programming and content. 73% of respondents said they believe TG4 brings the Irish language to life.

### **Efficiency and Value-for-Money**

TG4 is committed to efficiency, value-for-money and to making the best use of our public funding. Two of our annual objectives are to invest 70% of our public funding in Irish language programming and content and to ensure that the cost of our overheads remains as low as possible. In 2017, we exceeded this and spent almost 75% of our public funding on Irish language programming and content (with the remaining 25% spent on broadcasting and related activities). Staff costs and overheads accounted for only 16.4% of our total expenditure during the year (excluding production staff) and this is very low for management and administration.

TG4's cost-per-viewer hour fell 5% in 2017 which was a good result for the year and was due to the increase in TG4's audience share. Cost-per-broadcast hour remained at 2016 levels.

We also delivered a number of efficiency initiatives. As we eliminated in-house production of linear content, we were able to restructure the organisation to establish new cross-functional teams and drive further productivities. A number of operational staff were up-skilled and redeployed to focus on production of non-linear content and social media.

While TG4 is funded predominantly through Exchequer funding, the dual funding model for Public Service Broadcasters in Ireland requires us to generate commercial income to help sustain operations. Every year, circa 10% of our total income is generated from commercial

activities which compares very favourably to other indigenous language broadcasters. Total commercial income was up almost 13% in 2017 to over €4m. This is a strong performance in a highly competitive television advertising and media market in Ireland and was the highest our commercial income has been since 2009.

In 2017, TG4 also delivered a number of important capital projects for the service. For example, we received additional capital funding to cover the cost of upgrading TG4's broadcast studios. This included a complete refit of Studio 2 to incorporate TG4 Nuacht and 7Lá sets, new video walls, LED set lighting system and control etc. and high definition (HD) upgrade of TG4's Studio 1 broadcast facilities.

### **Thanks**

There are many individuals and organisations I would like to thank.

Firstly, I would like to thank our Minister Denis Naughten, TD, along with his officials in the Department of Communications, Climate Action and Environment. I would particularly like to thank the Secretary General Mark Griffin who has been so positive and supportive of TG4. We are grateful for the additional funding we have received and look forward to working with them in the years ahead as we deliver our new strategy for 2018-2022.

I wish to thank the TG4 Board members and Cathaoirleach Siún Ní Raghallaigh for their commitment to TG4 and for the guidance they gave to the TG4 executive during the 2017 year. It was an especially challenging year as we developed our new strategy and we are appreciative of the support the Board provided in this task.

My thanks also goes to the Broadcast Authority of Ireland, the Irish Film Board, the Northern Ireland Irish Language Broadcast Fund, RTÉ and to the Irish independent production sector. We recognise and appreciate the creative talent which makes the sector such a central contributor to TG4's services. Thanks are also due to many other organisations with which we work to develop the Irish language and culture. We look forward to working with them all again during 2018.

Finally, I would like to sincerely thank my colleagues, the management and staff of TG4. We have achieved so much in the space of a year and I would like to express my gratitude for their hard work and dedication to TG4. I look forward to working with them all again in the year ahead.

I would particularly like to thank Pádhraic Ó Ciardha who retired in early 2018 following 23 years with TG4. Pádhraic's long and distinguished career is inextricably linked to the birth and development of Teilifís na Gaeilge. As the government's advisor on Irish language broadcasting, he formed the bridge between the longstanding national and community campaigns for an Irish language channel and the State apparatus which finally delivered Teilifís na Gaeilge. Together with Cathal Goan and Siún Ní



Raghallaigh, he developed the blueprint for TnaG. He also played a key role in the development of the genre of Irish language sports programming. His background as a journalist in English and Irish ensured that when TG4's programmes touched on controversial subjects, it was always to Pádraic that our editorial staff looked for advice. As TG4's representative on many national and international bodies, and as a trusted and congenial colleague, he will be greatly missed by everyone

connected to TG4. He leaves a gap in our team which will be very difficult to fill.



**Alan Esslemont**  
**Ardstúirthóir**

# Governance Statement and Board Members' Report

## Governance

The Board of TG4 was established under the Broadcasting Act 2001. The functions of the Board are set out in section 87 of the Broadcasting Act 2009. The Board is accountable to the Minister for Communications, Climate Action & Environment and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of TG4 are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of TG4.

## Board Responsibilities

The work and responsibilities of the Board are set out in the Board terms of reference which also contain the matters specifically reserved for Board decision. Standing items considered by the Board include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 109 of the Broadcasting Act 2009 requires the Board of TG4 to keep, in such form as may be approved by the Minister for Communications, Climate Action & Environment with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of TG4 is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with section 109 of the Broadcasting Act 2009. The maintenance and integrity of the corporate and financial information on the TG4's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of TG4 by reference to the annual plan and budget was carried out on 11th of December 2017.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of TG4 give a true and fair view of the financial performance and the financial position of TG4 at 31 December 2017.

## Board Structure

The Board consists of a Chairperson, CEO (in an ex-officio capacity) and 10 ordinary members, all of whom are appointed by the Minister for Communications, Climate Action & Environment. The members of the Board were appointed for a period of five years and meet on a regular basis. The table below details the appointment period for current members:

Board Member	Role	Appointment Date
Alan Esslemont (Director General)	CEO	14/10/2016
Siún Ní Raghallaigh	Chairman	Reappointed 17/04/2017
Des Geraghty	Ordinary Member	Reappointed 17/04/2017
Mairéad Ní Cheóinín	Ordinary Member	Reappointed 17/04/2017
Micheál Seoighe	Ordinary Member	Reappointed 17/04/2017
Michelle Ní Chróinín	Ordinary Member	Reappointed 17/04/2017
Diarmuid Ó Ruiséal	Ordinary Member	03/03/2015
Bríd Ní Fhachtna	Ordinary Member	22/07/2015
Frank Reidy	Ordinary Member	29/09/2015
Mairéad Ní Nuadháin	Ordinary Member	21/11/2017
Siobhán Ní Ghadhra	Ordinary Member	21/11/2017
Darach Ó Tuairisg	Ordinary Member	21/11/2017

The Board commenced an external Board Effectiveness and Evaluation Review in December, 2017 which will be completed in June, 2018



The Board has established two committees, as follows:

**1. Audit and Risk Committee:** comprises three Board members. The role of the Audit and Risk Committee (ARC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee are: Des Geraghty (Chairperson) (cessation date 11/12/17), Michelle Ní Chróinín (cessation date 11/12/17), Micheál Seoighe (cessation date 11/12/2017), Bríd Falconer (Chairperson) (Commenced 11/12/2017), Mairéad Ní Nuadháin (Commenced 11/12/17) and Frank Reidy (Commenced 11/12/2017). There were 4 meetings of the ARC in 2017.

**2. Remuneration Committee:** comprises three Board members. The members of this committee are: Siún Ní Raghallaigh (Chairperson), Andréa Ní Éalaithe (cessation date 16/04/17), Des Geraghty (Commenced 11/12/17) and Micheál Seoighe (Commenced 11/12/17). There was one meeting of the Remuneration committee in 2017.

#### Key Personnel Changes

The term of the Chairman and six members of the Board expired during the year and there was one vacancy from 2016. In accordance with the Broadcasting Act 2009 the Minister reappointed the Chairman and four Board members. Three new Board members were appointed in late 2017.

#### Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that TG4 has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

#### Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2017 €'000	2016 €'000
Legal Advice	4,004	6,640
Financial	8,617	15,495
Marketing	183,038	210,344
Human Resources/Pension	16,630	94,328
Business improvement	38,760	7,225
Other	60,102	71,870
<b>Total consultancy costs</b>	<b>311,151</b>	<b>405,902</b>
Consultancy costs capitalised	1,251	16,455
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	309,900	389,447
<b>Total</b>	<b>311,151</b>	<b>405,902</b>

#### Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2017 €'000	2016 €'000
Domestic		
– Board	12,594	12,596
– Employees	87,479	97,705
International		
– Board		
– Employees	48,491	17,043
<b>Total</b>	<b>148,564</b>	<b>127,344</b>

#### Legal Costs

TG4 did not incur legal costs in 2017.

#### Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2017 €'000	2016 €'000
Staff hospitality	40,664	43,875
Client hospitality	11,821	17,604
<b>Total</b>	<b>52,485</b>	<b>61,479</b>

### Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings 2017 is set out below including the fees and expenses received by each member.

	Board	Audit & Risk Committee	Remuneration Committee	Fees 2017 €'000	Expenses 2017 €'000
<b>Number of Meetings</b>	<b>7</b>	<b>4</b>	<b>1</b>		
Alan Esslemont	7	-	-	-	-
Seosamh Ó Conghaile (cessation date 16/04/17)	2	-	-	3.6	0.4
Siún Ní Raghallaigh (Chairman)	4	-	1	21.6	-
Andréa Ní Éalaithe (cessation date 16/04/17)	2	-	-	3.6	0.6
Des Geraghty	7	4	1	12.6	5
Mairéad Ní Cheoinín	6	-	-	12.6	0.8
Micheál Seoighe	7	4	1	12.6	1
Michelle Ní Chróinín	7	4	-	-	1.4
Diarmuid Ó Ruiséal	7	-	-	12.6	0.4
Bríd Ní Fhachtna	6	-	-	12.6	2.7
Frank Reidy	6	-	-	12.6	0.2
Mairéad Ní Nuadháin	1	-	-	1.4	-
Siobhán Ní Ghadhra	1	-	-	1.4	-
Darach Ó Tuairisg	1	-	-	1.4	-
Sundry Expenses	-	-	-	-	2
Pádhraic Ó Ciardha (Secretary to the Board)	-	-	-	-	-
Mary Uí Chadhain (Company Secretary)	-	-	-	-	-
				<b>108.6</b>	<b>14.5</b>

There was one Board member, Michelle Ní Chróinín, who did not receive a Board fee under One Person One Salary (OPOS) principle.

### Statement of Compliance

TG4 has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016, with the following exception:

TG4 does not disclose details of employee short-term benefits over €60,000 in bands of €10,000 in the annual report as required by the Code due to the commercial sensitivity of this information. This departure from the Code has been agreed with the Department of Commu-

nications, Climate Action & Environment and will be disclosed in the Chairman's Report to the Minister.



Siún Ní Raghallaigh  
Cathaoirleach

23 April 2018



# Finance Review 2017

## Income and Expenditure Reviews

This report reviews TG4's income and expenditure performance in 2017 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 2017 to that of 2016 under the following 4 headings:

1. Income
2. Operating Expenditure
3. Cost Control and Efficiency in 2017
4. Irish Language Content Expenditure 2017

### 1. Income

As can be seen from Table 1 below, total income (exchequer current funding and commercial revenue) in 2017 was €36.86m (2016: €37m). Compared to the previous year TG4's total income decreased by 0.5%. Exchequer current funding was €32.79m (2016: €32.54m) and represented 89% (2016: 87.8%) of TG4's total income with the commercial income share representing 11% in 2017 at €4.07m (2016: €3.6m). The 2016 additional special programme grant of €900,000 for Irish language 1916 programming was not available in 2017.

Commercial income increased by 13%. This is a solid performance in a very competitive television advertising market in Ireland.

Table 1: Income TG4 2017

Description	2017		2016	
	€'000	%	€'000	%
Grant-in-Aid	32,790	89%	32,540	87.8%
Commercial (advertising and sponsorship)	2,614	7%	2,133	5.8%
Other Commercial	1,456	4.0%	1,475	4.0%
Special programme grant	0	0%	900	2.4%
<b>Total income</b>	<b>36,860</b>	<b>100%</b>	<b>37,048</b>	<b>100%</b>

### 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 €36.8m in 2017, a 0.66% decrease on the €37.1m spent in 2016. See Table 2 below.

Table 2: Operating Expenditure TG4 2017 Vs 2016

Description	€'000		% Change 2017 & 2016
	2017	2016	
Cost of Sales	984	812	21.2%
Staff Costs	5,653	5,386	5.0%
Programme Expenditure	24,696	25,364	-2.6%
Other Expenditure (Overheads, Transmission and Marketing costs included)	5,519	5,534	-0.3%
<b>Total Operating Expenditure</b>	<b>36,852</b>	<b>37,096</b>	<b>-0.66%</b>

### 3. Cost Control and Efficiency

TG4 continued to operate efficiently, cost effectively and prudently in 2017. Savings were achieved across a wide range of cost centres and internal resources were further utilised to provide content at more cost effective rates.

### 4. Irish Language Content Expenditure 2017

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 74.5% of Exchequer funding. Transmission, broadcast and promotion of schedule and general overheads accounted for the remaining 25.5% of Exchequer funding in 2017.

Overall, there was a slight decrease in TG4's daily output levels of new Irish language content from 4.55 to 4.44 hours per day.

Table 3: Irish Language Content Expenditure

Description	2017		2016	
	€'000	%	€'000	%
Current Exchequer funding and Special Grant 1916 (received in 2016)	32,790	100%	33,440	100%
Irish language programmes:				
Commissioned	19,169	58.5%	19,600	59%
Acquired/dubbed/subtitled	3,623	11%	3,179	10%
Production staff costs (including salaries)	1,780	5%	1,631	4.88%
Irish language 1916 programming	0	0%	900	2.69%
<b>Total Irish Language Content Production Costs</b>	<b>24,572</b>	<b>74.5%</b>	<b>25,310</b>	<b>76%</b>

# Financial Statements

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# Financial Statements

## Statement of Board Members' Responsibilities

For the year ended 31st December 2017

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

23 April 2018



# Financial Statements

## Statement on Internal Control

### Scope of Responsibility

On behalf of TG4 I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

### Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore 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 way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in TG4 for the year ended 31 December 2017 and up to the date of approval of the financial statements.

### Capacity to Handle Risk

TG4 has an Audit and Risk Committee (ARC) comprising three Board members, with financial and audit expertise, one of whom is the Chair. The ARC met four times in 2017.

TG4 has also established an internal audit function which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within TG4's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

### Risk and Control Framework

TG4 has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing TG4 and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on an annual basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions

needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the assets

### Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

### Procurement

I confirm that TG4 has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2017 TG4 complied with those procedures.

### Review of Effectiveness

I confirm that TG4 has procedures to monitor the effectiveness of its risk management and control procedures. TG4's monitoring and review of the effectiveness of the system of internal financial control is informed by the

work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within TG4 responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2017 on the 11th of December 2017.

**Internal Control Issues**

No weaknesses in internal control were identified in relation to 2017 that require disclosure in the financial statements.



Siún Ní Raghallaigh  
Cathaoirleach

23 April 2018



# Financial Statements

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

For the year ended 31st December 2017



### Ard-Reachtaire Cuntas agus Ciste An tArd-Reachtaire Cuntas agus Ciste

#### Tuarascáil le cur faoi bhráid Thithe an Oireachtais

#### Teilifís na Gaeilge

##### Tuairim ar na ráitis airgeadais

Rinne mé iniúchadh ar ráitis airgeadais Theilifís na Gaeilge don bhliain dar críoch an 31 Nollaig 2017 mar a éilítear faoi fhorálacha alt 109 den Acht Craolacháin 2009. Tá na ráitis airgeadais comhdhéanta de

- ráiteas maidir le hioncam agus caiteachas agus cúlchistí ioncaim coinnithe
- ráiteas maidir le hioncam cuimsitheach
- ráiteas maidir leis an staid airgeadais
- ráiteas maidir le hathruite ar ghnáthscaireanna
- ráiteas maidir le sreabhadh airgid agus
- na nótaí gaolmhara lena n-áirítear achoimre ar bheartais shuntasacha airgeadais.

Is é mo thuairim go dtugann na ráitis airgeadais léargas fíor agus cothrom ar shócmhainní, dlíteanais agus staid airgeadais Theilifís na Gaeilge amhail an 31 Nollaig 2017 agus ar a hioncam agus ar a caiteachas do bhliain 2017 de réir Chaighdeán Tuairiscithe Airgeadais (CTA)102 - *An Caighdeán Tuairiscithe Airgeadais in infheidhme sa Ríocht Aontaithe agus i bPoblacht na hÉireann*.

##### An bonn atá leis an tuairim

Rinne mé iniúchadh ar na ráitis airgeadais de réir na gCaighdeán Idirnáisiúnta maidir le hIniúchadh. Déantar cur síos san aguisín atá leis an tuarascáil seo ar na freagrachtaí atá orm de réir na gcaighdeán sin. Táim neamhspleách ar Theilifís na Gaeilge agus tá mo fhreagrachtaí eitiúla eile comhlíonta agam de réir *Chód Eitice na hEagraíochta Idirnáisiúnta d'Ard-Institiúidí Iniúchóireachta*.

Measaim go bhfuil an fhianaise iniúchóireachta atá aimsithe agam leordhóthanach agus ábhartha chun bonn a chur faoi mo thuairim.

##### Tuairisc ar fhaisnéis seachas na ráitis airgeadais, agus ar nithe eile

Tá faisnéis ar leith eile curtha i láthair ag Teilifís na Gaeilge in éineacht leis na ráitis airgeadais. Tá an fhaisnéis sin comhdhéanta den tuarascáil bhliantúil, an ráiteas faoi chursai rialachas agus tuarascáil chomhaltai an bhoird um rialú inmheánach. Tá cur síos san aguisín atá leis an tuarascáil seo ar na freagrachtaí atá orm tuairisciú i leith faisnéis den chineál sin agus ar ábhair ar leith eile lena dtuairiscim trí eisceacht.

Níl aon ní le tuairisciú agam i leith sin.

Seamus Mac Cárthaigh  
Ard-Reachtaire Cuntas agus Ciste

11 Bealtaine 2018

## Aguisín don tuarascáil

### Freagrachtaí chomhaltai an Bhoird

Leagtar amach sa ráiteas faoi chursai rialachas agus tuarascáil comhaltai an Bhoird na freagrachtaí atá ar chomhaltai an Bhoird. Tá an Bord freagrach as

- na ráitis airgeadais a ullmhú ar an mbealach a fhorordaítear faoi alt 109 den Acht Craolacháin 2009
- a chinntiú go dtugann na ráitis léargas fíor agus cothrom de réir CTA 102
- rialtacht na n-idirbheart a chinntiú
- a mheas cibé an bhfuil úsáid as an mbonn cuntasaíochta gnóthas leantach oiriúnach, agus
- rialú inmheánach a chinneann siad atá riachtanach d'fhonn ráitis airgeadais a ullmhú atá saor ó mhiráiteas ábhartha, cibé mar thoradh ar chalaos nó earráid.

### Freagrachtaí an Ard-Reachtair Cuntas agus Ciste

Éilítear orm faoi alt 109 den Acht Craolacháin 2009 ráitis airgeadais Theilifís na Gaeilge a iniúchadh agus tuairisc a thabhairt orthu chuig Títhe an Oireachtais.

An cuspóir atá agam le linn an iniúchta ná teacht ar dhearbhu réasúnach cibé an bhfuil na ráitis airgeadais tríd is tríd saor ó aon mhiráiteas ábhartha mar thoradh ar chalaos nó earráid. Is ionann dearbhú réasúnach agus leibhéal ard dearbhaithe ach ní hionann é is barántas go dtiocfar i gcónaí, le linn iniúchadh a dtugtar faoi de réir na gCaighdeán Idirnáisiúnta maidir le hiniúchóireacht, ar mhiráiteas ábhartha nuair is ann dóibh. D'fhéadfadh miráiteas eascairt ó chalaos nó ó earráid agus meastar iad a bheith ábhartha má tá ionchas réasúnach ann go n-imreoidh siad, astu féin nó le chéile, tionchar ar chinntí eacnamaíochta úsáideoirí a dhéantar bunaithe ar na ráitis airgeadais seo.

Mar chuid d'iniúchadh a sheoltar de réir na gCaighdeán Idirnáisiúnta maidir le hiniúchadh, cleachtaim breithiúnas gairmiúil agus sceipteachas gairmiúil i gcaitheamh an iniúchta. Is mé á dhéanamh sin,

- aithním na rioscaí atá ann i leith miráiteas ábhartha sna ráitis airgeadais cibé mar thoradh ar chalaos nó earráid agus déanaim measúnú orthu; leagaim amach nósanna imeachta iniúchta mar fhreagra ar na rioscaí sin agus cuirim i bhfeidhm iad; agus tagaim ar fhianaise iniúchta atá leordhóthanach agus iomchuí chun bonn a chur faoi mo thuairim. Tá an riosca a bhaineann le gan miráiteas ábhartha ó chalaos a bhrath níos airde ná ó earráid mar go bhféadfadh claonpháirteachas, brionnú, easnaimh d'aon turas, mifhaisnéis nó sárú ar rialú inmheánach a bheith i gceist le calaóis.
- Faighim tuiscint ar rialú inmheánach atá ábhartha don iniúchadh d'fhonn nósanna imeachta iniúchta a leagan amach atá ábhartha sna cúinsí atá i gceist, ach ní chun críoch tuairim a thabhairt ar éifeachtacht na rialuithe inmheánacha.
- Déanaim measúnú ar ábharthacht na mbeartas cuntasaíochta agus a réasúnach is atá meastacháin chuntasaíochta agus noctuithe bainteacha.

- Socraím chomh oiriúnach is atá sé úsáid a bhaint as an mbonn cuntasaíochta gnóthas leantach agus, bunaithe ar an bhfianaise iniúchóireachta a dtugaim air, cibé an bhfuil neamhchinnteacht ábhartha ann maidir le himeachtaí nó coinníollacha a chaithfeadh amhras suntasach ar chumas Theilifís na Gaeilge leanúint mar ghnóthas leantach. Má shocraím go bhfuil mhíchinnnteacht ábhartha ann, éilítear orm aird a tharraingt i mo thuarascáil ar na noctuithe bainteacha sna ráitis airgeadais nó, má tá noctuithe den chineál sin neamhleordhóthanach, mo thuairim a leasú. Tá mo chonclúidí bunaithe ar an bhfianaise iniúchóireachta a dtángthas uirthi go dtí dáta mo thuarascála. D'fhéadfadh imeachtaí amach anseo stop a chur ar Theilifís na Gaeilge leanúint mar ghnóthas leantach.
- Déanaim measúnú ar an gcur i láthair, struchtúr agus ábhar na ráiteas airgeadais tríd is tríd lena n-áirítear na noctuithe agus cibé an léiríonn na ráitis airgeadais na hidirbhearta agus na himeachtaí bunúsacha ar bhealach a thugann léiriú cóir.

Chomh maith le nithe eile, cuirim scóip agus am an iniúchta in iúl dóibhsean atá freagrach as rialachas chomh maith le torthaí suntasacha iniúchta lena n-áirítear aon easnaimh mhóra sa chóras rialaithe inmheánaigh a aithním le linn m'iniúchta.

### Faisnéis eile seachas na ráitis airgeadais

Ní chuimsíonn mo thuairim ar na ráitis airgeadais an fhaisnéis eile a cuireadh i láthair in éineacht leis na ráitis sin agus ní thugaim aon dearbhú ar aon bhealach ina leith.

Maidir le m'iniúchadh ar na ráitis airgeadais, éilítear orm faoi na Caighdeán Idirnáisiúnta maidir le hiniúchadh an t-eolas eile a chuirtear i láthair a léamh agus lena linn sin a bhreithniú cibé an bhfuil an fhaisnéis eile ag teacht go hábhartha leis na ráitis airgeadais nó le heolas a fuarthas le linn an iniúchta nó más léir go bhfuil miráiteas ábhartha i gceist. Má shocraím, bunaithe ar an obair atá déanta agam, go bhfuil miráiteas ábhartha i gceist sa bhfaisnéis eile seo, éilítear orm tuairiscí ina leith sin.

### Tuairisc ar nithe eile

Tugadh faoin iniúchadh de réir breithnithe speisialta a bhaineann le comhlachtaí Stáit i ndáil lena mbainistíú agus a bhfeidhmíú. Tuairiscím má fhaighim go bhfuil nithe ábhartha eile ann a bhaineann leis an tsli a ndearnadh gnó poiblí.

Lorgaim fianaise faoi rialtacht na n-idirbheart airgeadais le linn an iniúchta. Tuairiscím má thug m'iniúchadh aird ar aon chás ábhartha nár feidhmíodh suimeanna airgid chun na gcríoch a bhí beartaithe, nó sa chás nach mbionn na hidirbhearta ag clo leis na húdaráis a dhéanann rialú orthu.

Tuairiscím freisin trí eisceacht, más é mo thuairim,

- nach bhfaighim an fhaisnéis agus na minití go léir a theastaigh uaim chun m'iniúchadh a dhéanamh, nó
- cibé an raibh na taifid chuntasaíochta leordhóthanach chun iniúchadh ceart a dhéanamh ar na ráitis airgeadais nó
- mura bhfuil na ráitis airgeadais ag teacht leis na taifid chuntasaíochta.



# Financial Statements

			Teilifís na Gaeilge	
			Statement of Income and Expenditure and Retained Revenue Reserves for the year ended	
			31 December 2017	
	Notes	2017 €'000	2016 €'000	
<b>Sales</b>				
Commercial income	3	4,070	3,608	
Cost of sales	3	(984)	(812)	
<b>Net Sales</b>		3,086	2,796	
<b>Expenditure</b>				
Staff costs	4	5,653	5,386	
Board members' fees and expenses	5	123	137	
Programme expenditure	6	24,696	25,364	
Transmission costs		1,600	1,607	
Marketing and research	7	1,749	1,748	
Overheads	8	2,170	2,179	
Depreciation	9	1,568	1,278	
<b>Total Expenditure</b>		37,559	37,699	
<b>Net operating expenditure for the year</b>		(34,473)	(34,903)	
Interest receivable and similar income		-	-	
Surplus/(deficit) on disposal of fixed assets		(46)	-	
		(34,519)	(34,903)	
State funding	11	34,517	34,905	
<b>Surplus/(deficit) on ordinary activities before taxation</b>		(2)	2	
Taxation	12		(3)	
<b>Retained surplus/(deficit) for the financial year</b>		(2)	(1)	

The notes 1-26 form an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:



**Siún Ní Raghallaigh**  
Cathaoirleach



**Alan Esslemont**  
Ardstiúrthóir

23 April 2018

# Financial Statements

Teilifís na Gaeilge			
Statement of Comprehensive Income for the year ended 31 December 2017			
	Notes	2017 €'000	2016 €'000
<b>Retained deficit for the financial year</b>		(2)	(1)
Actuarial (loss)/gain on retirement benefit scheme assets	<b>18</b>	0	(82)
Total recognised (losses)/gains for the year		(2)	(83)

The notes 1-26 from an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:



**Siún Ní Raghallaigh**  
Cathaoirleach



**Alan Esslemont**  
Ardstiúrthóir

23 April 2018



# Financial Statements

Teilifís na Gaeilge Statement of financial position as at 31 December 2017					
	Notes	€'000	2017 €'000	€'000	2016 €'000
<b>Fixed Assets</b>					
Tangible assets	9		7,621		7,720
Financial assets	21		–		–
			7,621		7,720
<b>Current Assets</b>					
Receivables	13	2,318		1,594	
Cash at bank and in hand	14	174		272	
		2,492		1,866	
<b>Current Liabilities</b>					
Payables	15	(2,962)		(2,299)	
<b>Net Current Liabilities</b>					
			(470)		(433)
<b>Net Assets Excluding Retirement benefit Asset</b>					
			7,151		7,287
Retirement benefit asset	18		–		0
<b>Net Assets including Retirement benefit Asset</b>					
			7,151		7,287
<b>Capital and Reserves</b>					
Capital grants	10		7,522		7,656
Revenue reserves	16		(371)		(369)
			7,151		7,287

The notes 1-26 from an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:



**Siún Ní Raghallaigh**  
Cathaoirleach



**Alan Esslemont**  
Ardstiúrthóir

23 April 2018

# Financial Statements

Teilifís na Gaeilge			
Statement of Changes in Equity for the year ended 31 December 2017			
	Retirement benefit Reserve €'000	Revenue Reserve €'000	Total Equity €'000
<b>Balance at 1 January 2016</b>	<b>81</b>	<b>(367)</b>	<b>(286)</b>
Profit/(loss) for the year	–	(1)	(1)
Actuarial gain/(loss)	(82)	–	(82)
Retirement benefit reserve	1	(1)	–
<b>Balance at 31 December 2016</b>	<b>–</b>	<b>(369)</b>	<b>(369)</b>
<b>Balance at 1 January 2017</b>	<b>–</b>	<b>(369)</b>	<b>(369)</b>
Profit/(loss) for the year	–	(2)	(2)
Actuarial gain/(loss)	–	–	–
Retirement benefit reserve	–	–	–
<b>Balance at 31 December 2017</b>	<b>–</b>	<b>(371)</b>	<b>(371)</b>

The notes 1-26 from an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:



**Siún Ní Raghallaigh**  
Cathaoirleach



**Alan Esslemont**  
Ardstiúrthóir

23 April 2018



# Financial Statements

		Teilifís na Gaeilge	
		Statements of Cash flows for the year ended 31 December 2017	
	Notes	2017 €'000	2016 €'000
Surplus/(deficit) on ordinary activities before taxation		(2)	2
Depreciation		1,568	1,278
Amortisation of capital grants		(1,584)	(2,146)
Retirement benefit asset adjustment		0	(1)
(Increase)/decrease in receivables		(724)	(530)
Increase/(decrease) in payables		663	562
Taxation		–	(3)
Interest received		–	–
<b>Cash from operations</b>		<b>(79)</b>	<b>(838)</b>
Interest paid		–	–
<b>Net cash generated from activities</b>		<b>(79)</b>	<b>(838)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	9	(1,515)	(1,881)
Surplus/(deficit) on disposal of fixed assets		46	–
State capital grants	10	1,450	2,938
<b>Net cash flow from investing activities</b>		<b>(19)</b>	<b>1,057</b>
<b>Cash flows from financing activities</b>			
Bank interest received		–	–
<b>Net cash flow from financing activities</b>		<b>–</b>	<b>–</b>
<b>Net increase /(decrease) in cash and cash equivalents</b>	17	<b>(98)</b>	<b>219</b>

The notes 1-26 form an integral part of the financial statements.

On behalf of the Board of Teilifís na Gaeilge:



**Siún Ní Raghallaigh**  
Cathaoirleach



**Alan Esslemont**  
Ardstiúrthóir

23 April 2018

# Notes to the Financial Statements

## Notes

### 1. Accounting Policies

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

#### a) 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.

#### b) Statement of Compliance

The financial statements of Teilifís na Gaeilge for the year ended 31 December 2017 have been prepared in accordance with the FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

#### c) Significant accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from these estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

**Impairment of Property, Plant and Equipment:** Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**Depreciation and Residual Values:** Management have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic lives and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

**Foreign Currency Exposure:** Teilifís na Gaeilge enters into contractual arrangements for payments to suppliers in currencies other than the euro. Teilifís na Gaeilge generally accounts for these transactions at currency rates applicable at the payment date. Forward contracts are entered into to hedge against currency fluctuations. Reasons for entering into such contracts are based on best estimates of future exchange rates and professional advice sought.

#### d) 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 Statement of Income and Expenditure and Retained Revenue Reserves when the service is provided. Commission in relation to these sales is charged to the Statement of Income and Expenditure and Retained Revenue Reserves Account as incurred.

#### e) 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 Statement of Income and Expenditure and Retained Revenue Reserves Account as incurred.



# Notes on Financial Statements

## Notes

f)

### State grants

Net operating expenditure of Teilifís na Gaeilge is funded by way of a grant received from the Department of Communications, Climate Action and Environment, as well as grants received from time to time for specific projects from the Broadcasting Authority of Ireland under their Sound and Vision Programme. The grants are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves Account in the year in which the grant is received or receivable unless performance conditions are attached. Capital expenditure is funded by the Department of Communications, Climate Action and Environment by way of capital grants, as well as grants received from time to time for specific projects from the Broadcasting Authority of Ireland under their Sound and Vision Programme. These grants are amortised on the same basis as the related assets are depreciated.

g)

### 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
Mobile devices	33

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

h)

### 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 (see note 21). 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.

i)

### 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 Statement of Financial Position 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 Statement of Financial Position 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. 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 Statement of Financial Position date.

Deferred tax is not discounted.

j)

### 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 Statement of Financial Position date and resulting gains or losses are included in the Statement of Income and Expenditure and Retained Revenue Reserves Account for the year.

# Notes to the Financial Statements

Notes																																			
k)	<p><b>Retirement Benefits</b> Teilifís na Gaeilge makes contributions in respect of a defined contribution scheme.</p> <p><b>Defined Contribution Scheme</b> Teilifís na Gaeilge operates a defined contribution scheme for certain employees. Payments to the scheme are charged to the Statement of Income and Expenditure and Retained Revenue Reserves Account in the year to which they relate.</p> <p><b>Defined Benefit Scheme</b> Teilifís na Gaeilge operated a defined benefit scheme in respect of two of its officers, the Director General and the Deputy Chief Executive.</p> <p>The scheme was funded by contributions from Teilifís na Gaeilge and the officers concerned, and these were transferred to a separate trustee administered fund.</p> <p>The Retirement benefit charge in the Statement of Income and Expenditure and Retained Revenue Reserves Account comprised the current service cost plus the difference between the expected return on scheme assets and the interest cost of the scheme liabilities.</p> <p>Actuarial gains and losses arising from changes in actuarial assumptions and from experienced surpluses and deficits were recognised in the Statement of Comprehensive Income for the year in which they occurred.</p> <p>Retirement benefit scheme assets were measured at fair value. Pension scheme liabilities were measured on an actuarial basis using the projected unit method.</p> <p>An excess or deficit of scheme liabilities over assets was presented on the Statement of Financial Position as a liability or asset as the case may be.</p> <p>The Retirement benefit reserve represents the funding surplus on the defined benefit scheme.</p> <p>The scheme was wound up on 5 December 2016</p>																																		
2.	<p><b>Principal Activity</b> Teilifís na Gaeilge's principal activity is the operation of the Irish language television channel TG4.</p>																																		
3.	<p><b>Net Sales</b></p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">2017</th> <th style="text-align: right;">2016</th> </tr> </thead> <tbody> <tr> <td><b>Commercial Income</b></td> <td></td> <td></td> </tr> <tr> <td>Airtime and sponsorship sales</td> <td style="text-align: right;">2,614</td> <td style="text-align: right;">2,133</td> </tr> <tr> <td>Facilities charge-out</td> <td style="text-align: right;">579</td> <td style="text-align: right;">576</td> </tr> <tr> <td>Sundry income</td> <td style="text-align: right;">877</td> <td style="text-align: right;">899</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">4,070</td> <td style="text-align: right; border-top: 1px solid black;">3,608</td> </tr> <tr> <td><b>Cost of Sales</b></td> <td></td> <td></td> </tr> <tr> <td>Commission on advertising and sponsorship sales</td> <td style="text-align: right;">696</td> <td style="text-align: right;">526</td> </tr> <tr> <td>Direct costs</td> <td style="text-align: right;">288</td> <td style="text-align: right;">286</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">984</td> <td style="text-align: right; border-top: 1px solid black;">812</td> </tr> <tr> <td><b>Net sales</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">3,086</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">2,796</td> </tr> </tbody> </table>		2017	2016	<b>Commercial Income</b>			Airtime and sponsorship sales	2,614	2,133	Facilities charge-out	579	576	Sundry income	877	899		4,070	3,608	<b>Cost of Sales</b>			Commission on advertising and sponsorship sales	696	526	Direct costs	288	286		984	812	<b>Net sales</b>	3,086	2,796	
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# Notes to the Financial Statements

Notes		2017	2016
4.	<b>Staff Costs</b>		
	The average number of employees employed by Teilifís na Gaeilge during the year was 84 (2016: 83). Employee costs during the year comprised:	<b>€'000</b>	<b>€'000</b>
	Wages and salaries	4,667	4,811
	Social welfare costs	519	514
	Retirement benefit costs	497	159
	Travel and subsistence	136	115
	Training	94	53
	Other staff costs	47	41
		5,960	5,693
	Staff costs capitalised	(224)	(180)
	Staff costs allocated to archive project	(83)	(127)
	<b>Total staff costs</b>	<b>5,653</b>	<b>5,386</b>
	Other staff costs include a charge of €33,250 (2016: €26,250) in respect of payments to staff arising from a Labour Relations Commission ruling.		
	The defined benefit scheme was wound up in 2016. As a result there was a surplus on the pension fund of €360,815. This is included in the 2016 Retirement benefit costs above.		
	Circular 13/2014 issued by the Department of Public Expenditure and Reform requires disclosure of the number of employees whose total employee benefits (excluding employer Retirement benefit costs) for the reporting period fell within each band of €10,000, from €60,000 upwards and an overall figure for total employer Retirement benefit contributions. In recognition of data protection implications or other risks, taking cognisance of the fact that TG4 operates in a highly competitive commercial environment, and with the consent of the Department of Communications, Climate Action and Environment the disclosures of salary bands shall be made in the Chairman's annual statement to the Minister.		
	<b>Emoluments of Director General – Alan Esslemont</b>	<b>2017</b>	<b>2016</b>
		<b>€'000</b>	<b>€'000</b>
	Basic salary	140	22
	Employer's Retirement benefit contributions	21	3
	Other benefits	–	–
		161	25
	<b>Emoluments of Director General – Pól Ó Gallchóir</b>	<b>2017</b>	<b>2016</b>
		<b>€'000</b>	<b>€'000</b>
	Basic salary	–	145
	Employer's Retirement benefit contributions	–	53
	Other benefits	–	3
		–	201
	Pól Ó Gallchóir ceased employment with Teilifís na Gaeilge on the 30/9/2016.		
	The Director General is a member of the TG4's defined contribution scheme and TG4 contributes 15.29% of the Director General's salary to the scheme on his behalf.		

# Notes to the Financial Statements

Notes		2017 €'000	2016 €'000		
5.	<b>Board Costs</b>				
	Fees (Note 19)	109	123		
	Travel and subsistence and other expenses	14	14		
		<b>123</b>	<b>137</b>		
	Board members are reimbursed for travel and subsistence costs. The tax payable by Teilifís na Gaeilge in relation to such expenses amounted to €3,106 (2016:€4,000)				
6.	<b>Programme Expenses</b>				
	Commissioned programmes	19,169	20,501		
	Acquired programmes	3,057	2,571		
	Dubbing and other costs	2,470	2,292		
		<b>24,696</b>	<b>25,364</b>		
7.	<b>Marketing and Research</b>				
	Advertising and marketing	1,571	1,608		
	Audience measurement and research	175	136		
	Audience Council expenses	3	4		
		<b>1,749</b>	<b>1,748</b>		
8.	<b>Overheads</b>				
	Premises and equipment expenses	792	807		
	Professional and financial expenses	337	272		
	Industry levies paid	579	564		
	General and office expenses	462	536		
		<b>2,170</b>	<b>2,179</b>		
9.	<b>Tangible Fixed Assets</b>				
		<b>Land and Buildings €'000</b>	<b>Equipment €'000</b>	<b>Fixtures and fittings €'000</b>	<b>Total €'000</b>
	<b>Cost</b>				
	At 1 January 2017	8,564	22,643	677	31,884
	Additions	170	1,120	225	1,515
	Disposals	(159)	(16,586)	(486)	(17,231)
	<b>At 31 December 2017</b>	<b>8,575</b>	<b>7,177</b>	<b>416</b>	<b>16,168</b>
	<b>Accumulated Depreciation</b>				
	At 1 January 2017	3,387	20,145	632	24,164
	Charge for the year	315	1,245	8	1,568
	Disposals	(135)	(16,569)	(481)	(17,185)
	<b>At 31 December 2017</b>	<b>3,567</b>	<b>4,821</b>	<b>159</b>	<b>8,547</b>
	<b>Net Book Value</b>				
	<b>At 31 December 2017</b>	<b>5,008</b>	<b>2,356</b>	<b>257</b>	<b>7,621</b>
	<b>At 31 December 2016</b>	<b>5,177</b>	<b>2,498</b>	<b>45</b>	<b>7,720</b>

After a review of the of the fixed asset register in 2017 a write off of €147,196 was required. This is included in the depreciation charge for the year.

# Notes to the Financial Statements

Notes		2017 €'000	2016 €'000
10.	<b>Capital Grants</b>		
	<b>Capital grants – received and receivable</b>		
	Opening balance	23,549	20,611
	Grants received during the year (Note 11)	1,450	2,938
	Closing balance	24,999	23,549
	<b>Amortisation</b>		
	Opening balance	15,893	13,747
	Amortised during the year	1,584	2,146
	Closing balance	17,477	15,893
	<b>Net book value – capital grants</b>	<b>7,522</b>	<b>7,656</b>
	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.		
11.	<b>State Funding</b>		
	Grants received from the Department of Communications, Climate Action and Environment represent state funding received in relation to current expenditure incurred by Teilifís na Gaeilge.		
	<b>State funding credited to the Statement of Income and Expenditure and Retained Revenue Reserves Account in the year</b>	<b>2017 €'000</b>	<b>2016 €'000</b>
	Grant received in the year	32,933	32,759
	Capital grant amortised (Note 10)	1,584	2,146
		34,517	34,905
	The total allocation for 2017 was €34.383m comprising of:	<b>2017 €'000</b>	<b>2016 €'000</b>
	Grants received for current expenditure from DCCAE (Vote 29 – Subhead B5)	32,790	32,540
	Grants received for current expenditure from BAI Sound & Vision Fund	143	219
	Grants applied for capital purposes from DCCAE (Vote 29 – Subhead B5)	1,450	2,820
	Grants applied for capital purposes from BAI Sound & Vision Fund	–	118
	Total received	34,383	35,697
12.	<b>Tax on Profit on Ordinary Activities</b>	<b>2017 €'000</b>	<b>2016 €'000</b>
(a)	<i>Analysis of tax charge in year</i>		
	Corporation tax charge for year	–	3
	Charge in respect of previous years	–	–
		–	3
(b)	<i>Factors affecting the tax charge for the year</i>		
	The effective rate of tax for the year is higher than the standard corporation tax in Ireland of 12.5%. The differences are explained below:	<b>2017 €'000</b>	<b>2016 €'000</b>
	Profit/(Loss) on ordinary activities before taxation	(2)	2
	Profit/(Loss) on ordinary activities multiplied by the standard rate of corporation tax in Ireland of 12.5% (2016: 12.5%).	–	–
	Effects of:		
	Income taxable at a higher rate of taxation	8	8
	Excess of capital grants amortised and capital allowances over depreciation	–	(1)
	Non-deductible expenditure	(8)	(4)
		–	3



# Notes to the Financial Statements

Notes		2017 €'000	2016 €'000	
<b>13. Receivables</b>				
	Receivables	1,721	1,249	
	VAT repayable	242	122	
	Corporation tax receivable	4	–	
	Prepayments and accrued income	351	223	
		<u>2,318</u>	<u>1,594</u>	
	All balances are deemed recoverable within one year.			
<b>14. Cash at Bank and in Hand</b>				
	Cash in hand	1	5	
	Bank	173	267	
		<u>174</u>	<u>272</u>	
<b>15. Payables – falling due within 1 year</b>				
	Trade payables	218	718	
	Accruals and deferred income	2,744	1,509	
	Retirement benefit contributions payable	–	70	
	Corporation tax payable	–	2	
		<u>2,962</u>	<u>2,299</u>	
<b>16. Reserves</b>				
		<b>Retirement benefit Reserve €'000</b>	<b>Revenue Reserve €'000</b>	
			<b>Total €'000</b>	
	Balance at 1 January 2017	–	(369)	(369)
	Deficit for the year	–	(2)	(2)
	Actuarial (loss)/gain	–	–	–
	Closing balance as at 31 December 2017	<u>–</u>	<u>(371)</u>	<u>(371)</u>
<b>17. Analysis of Changes in Net Funds</b>				
		<b>Opening balance €'000</b>	<b>Cash flows €'000</b>	<b>Closing balance €'000</b>
	Cash at bank and in hand	5	(4)	1
	Short term deposits	267	(94)	173
		<u>272</u>	<u>(98)</u>	<u>174</u>

# Notes to the Financial Statements

Notes		2017	2016
18.	<b>Retirement benefit</b>		
a)	<b>Description of schemes</b>		
	Teilifís na Gaeilge operated 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.		
	The following Retirement benefit costs were incurred in the year:		
	Defined contribution scheme	497	429
	Defined benefit scheme cost ( <b>Note 18 (g)</b> )	–	(270)
		497	159
	Contributions were made to the defined benefit scheme at rates recommended by independent qualified actuaries.		
	The latest full actuarial valuation was prepared as at 30 September 2016.		
	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.		
b)	<b>Defined Benefit Scheme Financial Assumptions</b>		
	The scheme was woundup on 5 December 2016.		
	The principal actuarial assumptions used by the actuary were as follows:		
	Discount rate	N/A	1.30%
	Increase in consumer price indexing	N/A	2.25%
	Increase in Retirement benefitable Earnings	N/A	3.75%
	Increase in Retirement benefit payment	N/A	3.75%
c)	<b>Demographic assumptions</b>		
	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 2017 and 2016.		
	Life expectancy – male	N/A	86.8
	Life expectancy – female	N/A	88.5
d)	<b>Change in benefit obligation</b>		
	Present value of scheme obligations at the beginning of the year	–	1,230
	Current service cost	–	115
	Interest cost	–	20
	Actuarial (gain)/loss	–	219
	Liability extinguished on settlement	–	(1,584)
	Present value of scheme obligations at the end of the year	–	–

# Notes to the Financial Statements

Notes				
Pension (cont'd)	e) <b>Change in scheme assets</b>	<b>2017</b>	<b>2016</b>	
		<b>€'000</b>	<b>€'000</b>	
		Fair value of scheme assets at the beginning of the year	–	
		Expected return on scheme assets	–	1,311
		Actuarial gain/(loss)	–	21
		Employer contributions	–	137
		Member's contributions	–	92
		Assets distributed to members on settlement	–	16
		Expenses associated with settlement	–	(1,190)
		Refund to employer	–	(26)
Fair value of scheme assets at the end of the year	–	(361)		
	–	–		
f) <b>Amounts recognised in the Statement of Financial Position</b>	<b>2017</b>	<b>2016</b>		
	<b>€'000</b>	<b>€'000</b>		
	Present value of funded obligations	–	–	
	Fair value of scheme assets	–	–	
Net asset	–	–		
g) <b>Retirement benefit costs</b>	<b>2017</b>	<b>2016</b>		
	<b>€'000</b>	<b>€'000</b>		
	Current service cost	–	115	
	Interest cost	–	20	
	Expected return on scheme assets	–	(21)	
	Member's contributions	–	(16)	
	Net losses/(gains) on settlements and curtailments	–	(368)	
Total	–	(270)		
h)	The net actuarial loss recognised in the Statement of Total Recognised Gains and Losses for the year ended 31 December 2017 amounted to €0 (2016: €82,000 gain).			
i) <b>Contributions</b>	As the scheme has been wound up, the company no longer expects to contribute to the scheme.			



# Notes to the Financial Statements

## Notes

### 19. Directors and Secretary and their Interests'

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

Director/Secretary	Date of appointment during year (if applicable)	Fees 2017 €'000	Fees 2016 €'000
Alan Esslemont (Director General – appointment date 14/10/2016)		–	–
Pól Ó Gallchóir (Director General – cessation date 30/9/2016)		–	–
Seosamh Ó Conghaile (cessation date 16/4/2017)		3.6	12.6
Siún Ní Raghallaigh (Chairman) (cessation date 16/4/17)	Reappointed 17/04/2017	21.6	21.6
Andréa Ní Éalaithe (cessation date 16/4/17)		3.6	12.6
Des Geraghty (cessation date 16/4/17)	Reappointed 17/04/2017	12.6	12.6
Mairéad Ní Cheóinín (cessation date 16/4/17)	Reappointed 17/04/2017	12.6	12.6
Micheál Seoighe (cessation date 16/4/17)	Reappointed 17/04/2017	12.6	12.6
Mairéad Nic Suibhne (cessation date 19/05/16)		–	–
Michelle Ní Chróinín (cessation date 16/4/17)	Reappointed 17/04/2017	–	–
Diarmuid Ó Ruiséal		12.6	12.6
Bríd Ní Fhachtna		12.6	12.6
Frank Reidy		12.6	12.6
Mairéad Ní Nuadháin	21/11/2017	1.4	–
Siobhán Ní Ghadhra	21/11/2017	1.4	–
Darach Ó Tuairisg	21/11/2017	1.4	–
Pádhraic Ó Ciardha (Secretary to the Board)		–	–
Mary Uí Chadhain (Company Secretary)		–	–
		108.6	122.4

Board members' expenses in 2017 were €14,500 (2016: €14,000), of which: domestic travel accounted for €9,700 (2016: €10,000), subsistence €3,000 (2016: €3,000) and other expenses (including secretarial, entertainment and training) €1,800 (2016: €1,000). 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.

### 20. 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. Negotiations for a one year extension for the Dublin office are currently ongoing.

### 21. Financial Assets

Multiplex Broadcasting Services Northern Ireland Limited (MBSN) was established as a not for profit joint venture company by TG4 and RTÉ 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 RTÉ1, RTÉ2 and TG4. The company's share capital comprises three ordinary shares, two owned by RTÉ and one owned by TG4. MBSN concluded an agreement with RTÉ and the UK Department of Culture, Media and Sport which provided for transmission costs incurred by MBSN to be funded by RTÉ (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 RTÉ and the UK Department of Culture, Media and Sport.

### 22. Programme/Rights Purchase Commitments

Teilifís na Gaeilge has programme/rights commitments as follows:

	2017 €'000	2016 €'000
Contracted for but not provided for at year end	36,102	27,407

# Notes to the Financial Statements

Notes		2017 €'000	2016 €'000
23.	<b>Commitments</b> Teilifís na Gaeilge has capital commitments as follows;		
	Contracted for but not provided for at the year end	138	72
24.	<b>RTÉ Transactions</b> Teilifís na Gaeilge received 365 hours (2016: 365 hours) of Irish language programming free of charge from RTÉ in the year ended 31 December 2017.		
25.	<b>Foreign Currency Exposure</b> 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 2017 was \$0 (2016: \$0). There were no contracts outstanding at the year end (2016: \$0).		
26.	<b>Approval of the Financial Statements</b> The Board of Directors' approved the financial statements on the 23 April 2018.		

