

# Annual Report

TG4 2007



# *Súil Eile*

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# TG4 Mission Statement

Mission Statement

**As the Irish language public service television broadcaster, TG4 will increase viewer choice by**

- Providing a high-quality programme schedule
- Serving in particular, the Gaeltacht and Irish language community,
- Creating a daily link for the language with every household in the country
- Attracting the highest possible audience figures
- Promoting creativity and sustaining employment and skills across a wide range of arts
- Celebrating and renewing with pride and vision the cultural, musical and sports heritage of Ireland
- Supporting all those involved in delivering the service, on the core staff and in the production sector
- Ensuring a central space and a contemporary practical image for Irish in the era of the information technology
- Providing an alternative viewpoint and perspective on national and world affairs.

Wimbledon



Wimbledon

Aoife Ní Thuairisg

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# Corporate Targets 2007

## Irish Language Programming

- Planning, costing and development in order to increase the amount of Irish language programming and to augment the current programme schedule
- Commission new high-quality programmes
- Secure additional funding and commission programmes by working in partnership with Production Funds, particularly those administered by the BCI and the ILBF and with other parties and broadcasters.
- Spend at least 70% of the Exchequer funding on Irish language programmes
- Agree and implement with Údarás na Gaeltachta and the independent sector a television development scheme for the independent production sector
- Reversion into Irish at least 200 hours of children's programmes

## Contemporary Image and Alternative viewpoint

- Devise and produce new identity stings
- Ongoing management and development of the marketing and publicity functions of the service

## Irish in the Public Sphere

- Cooperate with the Department and other parties during the enactment of a new Broadcasting Bill
- Maintain the channel's Audience Share
- Continue with the huge increase on traffic on the TG4 Website and further augment the Broadband Webcast service
- Consolidate good relations with key partners – the Department, RTÉ, the independent production sector, Irish language, cultural and sports organisations and the public.



Fuil & Dúch

Fuil & Dúch

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# Corporate Targets 2007

## Internal Management and Administration

- Implement the service's new independent statutory status from 1 April 2007.
- Work towards TG4's independent status from the beginning of 2007 as per the arrangements for this change contained in the Deloitte & Touche Reports to the Project Management Team appointed by the Minister.
- Work with the new TG4 Chair and Board to be appointed by the Minister.
- Promote due prominence carriage of TG4 on all delivery platforms, existing and future, in all parts of Ireland.
- Engage in ongoing discussions with the Department regarding funding and make arrangements regarding the additional transmission costs that will arise for 2008
- Complete the new Channel Management and Commercials Systems and develop new IT systems for personnel and finance
- Implement and manage the Capital Programme
- Hold regular staff meetings to inform on the organisation's targets and to update on progress in achieving them

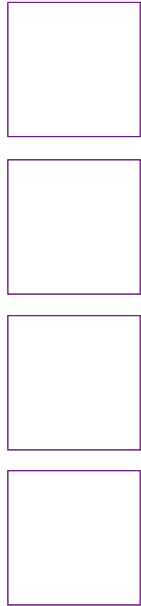


Cré

na

Cré na Cille  
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# The Chief Executive Officer & Board of Teilifís na Gaeilge



Pól Ó Gallchóir



Peadar Ó Cuinn



Regina Uí Chollatáin



Seosamh Ó Conghaile



Pádraig Mac Donncha



Bríd Ní Neachtain



Eilís Ní Chonnaola



Feargal Ó Sé



Méabh Mhic Ghairbheith



Méadhbh Nic an Airchinnigh



Ros  
na

Ros na Rún

Rún



# The Board of Teilifís na Gaeilge and other information

## The Board of Teilifís na Gaeilge and other information

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

Its membership did not alter during the course of the 9 months to 31st December 2007.

The Board met 8 times during the 9 month period to 31 December 2007.

### Board Members at 31 December 2007

Peadar Ó Cuinn (Chair)  
Pádraic Mac Donncha  
Méabh Mhic Ghairbheith  
Eilís Ní Chonnaola  
Bríd Ní Neachtain  
Méadhbh Nic an Airchinnigh  
Seosamh Ó Conghaile  
Feargal Ó Sé  
Regina Uí Chollatáin

### Chief Executive Officer

Pól Ó Gallchóir

### 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 Committee

Three members of the Board serve on the Audit Committee:

Regina Uí Chollatáin (Chair)  
Pádraic Mac Donncha  
Feargal Ó Sé.

The Committee meet at least 3 times a year. During the 9 months to 31st December 2007 they met on two occasions after which they reported to the Board.

The Internal Audit function reports directly to the Audit Committee.

#### Remuneration Committee

The Remuneration Committee comprises Peadar Ó Cuinn (Chair)

Méabh Mhic Ghairbheith

Eilís Ní Chonnaola

Bríd Ní Neachtain

The committee meet at least twice a year. During the 9 months to 31 December 2007 they met once.

#### Auditor

Comptroller and Auditor General  
Treasury Block  
Dublin Castle  
Dublin 2

#### Solicitor

Landwell Solicitors  
One Spencer Dock  
North Wall Quay  
Dublin 1

#### Bankers

AIB  
Lynch's Castle  
Galway



# Chairman's Statement

## Introduction

2007 was a historic year for the service without any doubt. On 1 April, the Minister for Communications, Marine and Natural Resources, Noel Dempsey, TD, established Teilifis na Gaeilge as an independent entity and, on behalf of the Government, he appointed me as Cathaoirleach (Chair).

This was a huge honour for me and for the other board members appointed by the Minister. I have the highest regard for the service and I was delighted to accept the challenge. I am a strong believer in what the channel is doing, a national public service broadcaster that ensures a central and attractive space and a daily link for the language with every household in the country. TG4 celebrates with pride and vision the cultural, musical and sports heritage of Ireland and provides an alternative viewpoint and perspective on national and world affairs. The new board is committed to continuing with that vision and to support An Príomhfheidhmeannach (Chief Executive) and his staff in achieving it.

## The Public

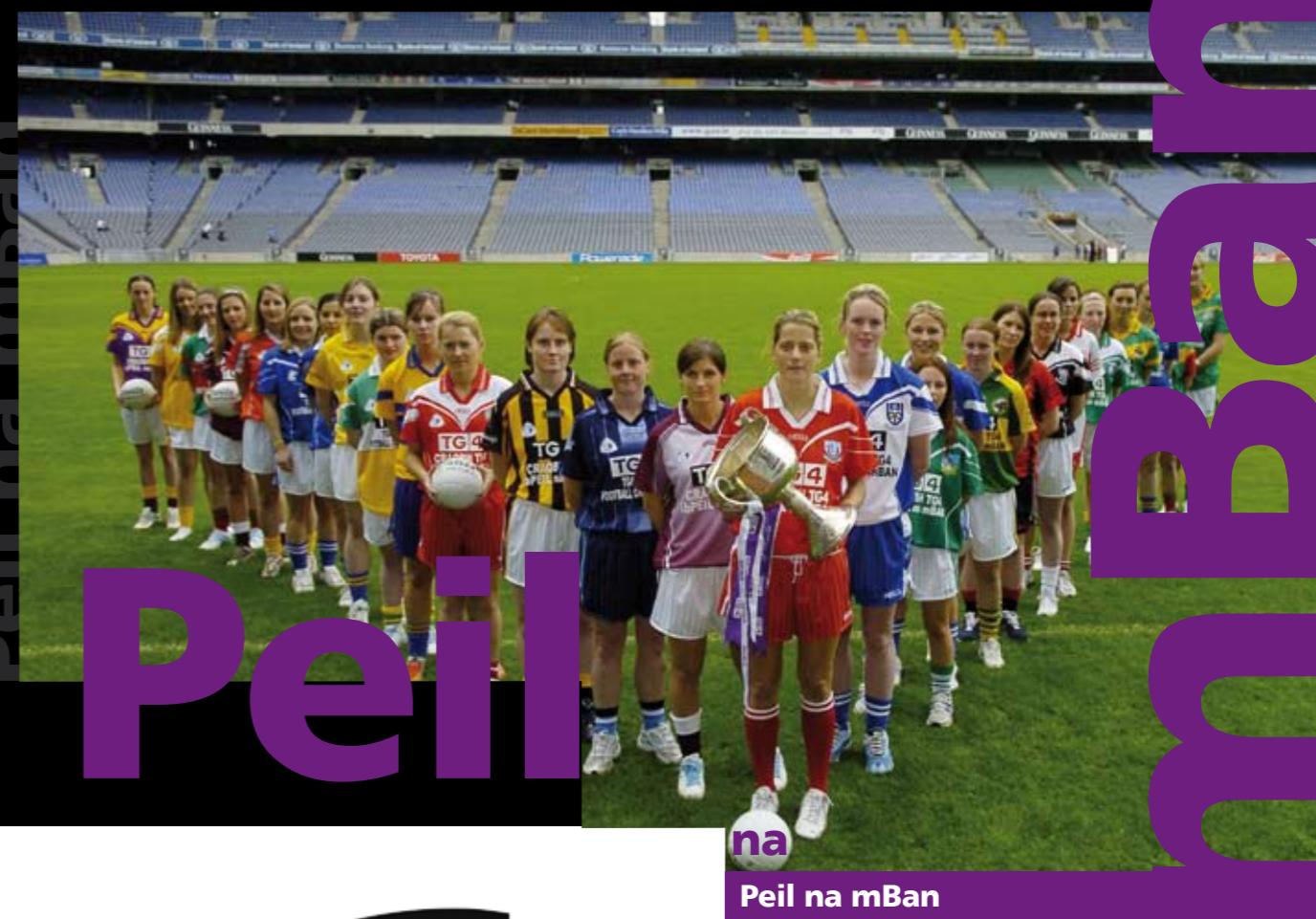
The viewing public is the central focus of all aspects of TG4 operations. As a public service broadcaster, it is our duty to serve the public and every grouping and segment it contains. The Gaeltacht communities are very important for us as is the Irish language community throughout the island but we strive to serve everyone, irrespective of their fluency in Irish – those with a little knowledge of the language and those with no Irish.

We rely greatly on the independent production sector to provide TG4's programme needs and we work in close partnership with that sector throughout Ireland. Since TG4 belongs to everyone, it is in TG4's interest that this sector be strong and vibrant all over Ireland.

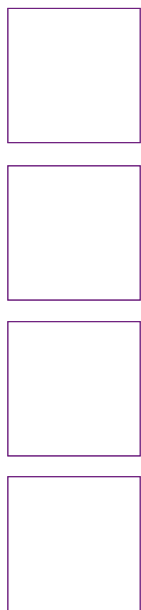
## TG4 Strategy Plan 2008 – 2012

On its appointment, the new Board decided to have a five year Strategy Plan drafted and adopted as a basis for its work and as an agreed direction for the service. At the very outset of that document, which has been discussed and adopted by the Board, the following analysis is offered of TG4's mandate:

*"The Government provides funding for TG4 to provide a national television service, primarily in Irish and to celebrate and promote the Irish language in the digital era and to provide a platform for innovation and emerging talent."*



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# Chairman's Statement

## TG4 Strategy Plan 2008 – 2012 continued

*The channel must retain its position as a central and distinctive player in the extremely competitive television market in Ireland and must remain in tune with or ahead of trends in technological developments in that market.*

*TG4 has the potential to go on to be the focus point for users of Irish throughout the world – a natural “home” for the resurgence of interest in the creativity of Irish culture in music, sport etc.*

*The channel must ensure that it does not give in to the temptation to become marginal, self-important, introspective, obsessed with viewing figures, elitist, lazy or lacking resources*

TG4 functions under that mandate and we are heartened by the changed attitudes towards the language that has become apparent in recent years among the public, community and other leaders, much of this due to what the channel has achieved.

This is an all-island service. The importance of TG4 for the Northern Ireland community is recognised in the Good Friday Agreement and in the various implementation measures put in place by the two Governments arising from the Agreement; extending reception of the channel's broadcast signal in Northern Ireland and the establishment of the Irish Language Broadcast Fund

The Board decided to set down targets for the service, to draft a Funding Plan 2008- 2012 that would be integrated with the Strategic Plan and that would ensure that the resources necessary would be available to TG4 to enable it to provide a strong and attractive programme schedule with the help and support of the various additional production funds, of commercial revenues and from other appropriate funding.

The Board also recognises that the forthcoming changes in terrestrial transmission systems, North and South, are a major development and priority for TG4, as analogue transmission is phased out and digital terrestrial transmission (DTT) is established and rolled out – a major change that has profound implications for the channel.

## Funding Plan 2008-2012

This plan has been drafted and adopted by the Board as the basis for its effort to ensure that TG4 can offer a strong innovative programme schedule in which the emphasis is on new Irish language content, in which the ratio of repeated programmes is reduced and a particular

## Funding Plan 2008-2012 continued

attempt is made to attract young viewers. Under this plan, the service's annual current public funding would increase incrementally so as to achieve a current funding level of €57m by the year 2012 and increase to six hours a day the amount of original Irish language content broadcast on the channel

## Risk Assessment

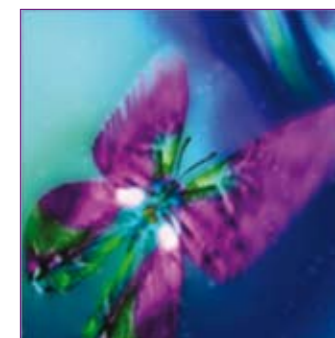
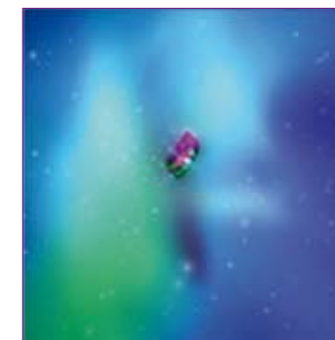
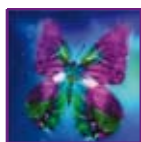
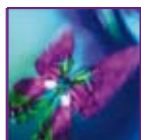
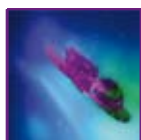
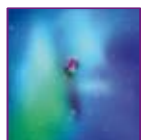
The Board considered that such an analysis was very important and it was instigated soon after the board's appointment. This assessment is a basic instrument for effective Board functioning. The management of TG4 provided great assistance to the experts who carried out the research and who drafted the Risk Assessment Register that followed from this work. The Board adopted that Register at the end of 2007 with an understanding that it is an ongoing project and that will be regularly and reviewed at both board and management levels.

## Programmes

2007 was one of the most competitive years in the Irish television market since TG4 first came on-air. The channel achieved an annual market share of 2.7% for 2007, a satisfactory outcome in light of the circumstances.

The Chief Executive's Report contains a list of some of the major prizes and awards won by TG4's programmes, presenters and operations in 2007 but special mention must be made of *Cré na Cille* and *Kings*, two feature-length film productions which received financial support from TG4 and which were the subject of much favourable comment during the year.

These two marvellous productions and the drama series *Aifric*, *Ros na Rún* and *The Running Mate* demonstrate that Irish language screen drama has achieved a new level of quality and excellence, much of this due to the vision and confidence of TG4. It is also worth noting that TG4 could not participate in the funding of such film and drama ventures were it not for the other supports



# Chairman's Statement

## Programmes continued

that are available for such projects, in particular the external funding schemes, for example Sound and Vision, the scheme operated by the Broadcasting Commission of Ireland. This also applies to other TG4 commissions that could not be brought to screen without the support of the Northern Ireland Irish Language Broadcast Fund.

This was also a General Election year and providing coverage of the election campaign and the results provided a challenge for the channel's Nuacht TG4 and the channel's Current Affairs personnel and for the support staff that assisted them in rising to the challenge so with high quality and professional election output during both the campaign and the results periods.

## The Independent Sector

The independent production companies are the lifeblood of TG4. There would be no *súil eile* without a vibrant and creative independent sector. These companies supply the channel with quality programmes and the whole service is a partnership between the broadcaster and the producers.

Gaeltacht-based production companies are crucial. These provide a particular service and sustain important employment that is essential for those communities and for the future of the language as a living, developing entity. This year saw a continuation of the close collaboration between TG4 and Údarás na Gaeltachta with a view to ensuring that appropriate support and mentoring is available for the independent production sector in the Gaeltacht areas to ensure that adequate training in production skills is available as well as the necessary business and enterprise culture.

One clear vindication of this strategy and of the very high quality that has been achieved by the sector was the fact that a production company from one of the very smallest of all the Gaeltacht areas was the overall winner of the Gradam Gnó na Gaeltachta 2007 (Business Achievement Award) I congratulate Nemeton from An Rinn in Waterford, a company that is a shining example to the entire sector, not just in the Gaeltacht but in the whole island.

## Staff

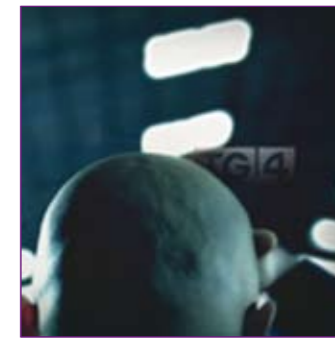
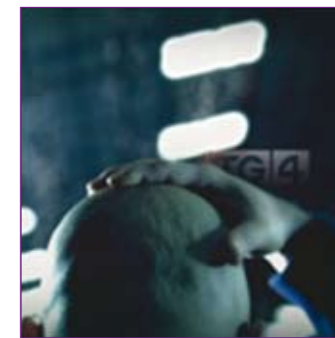
To TG4 staff falls the task of implementing the channel's vision on a daily basis. The organisation is very fortunate to have such a dedicated, committed and energetic staff which has such an array of skills and valuable experience that makes it possible for it to provide this wonderful public service for the viewers in Ireland and around the world.

Since its appointment, the Board has availed of every opportunity to meet with and get to know those working in the various sections and departments in the channel's headquarters and this will continue in the coming year.

## Legislation

The Board welcomes the priority given by the Minister for Communications, Energy and Natural Resources in the forthcoming legislative programme to the enactment of a new Broadcasting Bill. As has been the case since the establishment of the channel, TG4 will accept all invitations to express its views and to provide advice to the Minister and to the members of the Oireachtas in the enactment of this legislation which will lay down the foundations for the development of broadcasting in Ireland for future years.

TG4 looks forward to the establishment of Digital Terrestrial Transmission (DTT) throughout the island, north and south. This will present certain challenges for us, particularly regarding the extending of that broadcast signal throughout the Gaeltacht areas and in mountainous or thinly-populated areas. As a public service broadcaster with a statutory duty to provide universal coverage, TG4 will place the same emphasis on coverage for small remote areas as it does for cities and large towns. There are significant implications for TG4, particularly with regard to costs. Of particular concern are the transmission costs for the existing analogue network and the new digital network too.



# Chairman's Statement

## Legislation continued

Given TG4's unique vision and its particular role in promoting the language itself, we are obliged and take very seriously the need to have the service made available throughout the country, in the remote areas as well as elsewhere, areas where Irish is the community language and in which the locals have a right and an entitlement to have the channel available to them and on a high-quality reception system.

TG4 will work closely with RTÉ in the establishment of the new television service from Ireland aimed at emigrants living in the United Kingdom as laid down in the provisions of the Broadcasting (Amendment) Act 2007.

This year also saw the start of the preliminary work on the major archive project in which TG4 is investigating the best way to ensure that the very valuable archive that the channel has accumulated over the years and that is continually being added is preserved securely and appropriately and available to the public and to academic researchers in future years.

## Thanks

I wish to thank most sincerely all those who have assisted me and the Board as we undertook our new responsibilities in the following months. A special work of thanks is due to the Department of Communications, Marine and Natural Resources (later titled the Communications, Energy and Natural Resources) and to the two Ministers, Noel Dempsey TD and his successor Éamon Ryan TD, the new Secretary-General, Aidan Dunning and his Departmental colleagues.

I also wish to thank the RTÉ Authority and staff for their valuable ongoing support for Teilifis na Gaeilge, especially the annual provision of Irish language programmes to us, 365 hours of news, entertainment programmes and material revoiced into Irish.

I should also say a special word of praise for the great work at all levels of RTÉ to facilitate TG4 in the lead-in period to its establishment as an independent entity.

I am, of course, particularly grateful to An Príomfheidhmeannach TG4, his senior management and staff. They are the heart and soul of the service.

Finally, my thanks to my fellow Board members. We were set a major challenge on our appointment and I think we have made a good start and have achieved much already as is set out above. Much remains to be done but I have every confidence that this Board has the vision, diligence and energy to achieve the ambitious goals we have set ourselves.

**Peadar Ó Cuinn**  
Chairman



# GAA Beó

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GAA Beó

# Chief Executive's Review

## Introduction

As we celebrated ten years of growth for TG4, the Minister for Communications, Marine and Natural Resources, announced that the service was to be established as an independent statutory body on 1 April 2007. The preparatory work was intensified and an action plan was drafted and put into effect. Given that Teilifís Na Gaeilge had been established under the statutory care of RTÉ and that the channel had operated under the aegis of that Authority 1996-2007, RTÉ had a central role in the transfer process and I wish to thank all of those in RTÉ who assisted us in so many ways to reach the target date for independence.

I am sure that the close cooperation between the two public service broadcasters will continue as we face together with confidence into the many common challenges that lie ahead for us. This Report deals with the period in 2007 when TG4 functioned as an independent statutory entity 1 April -31 December.

## Programmes

2007 was a particularly challenging one for the television industry in Ireland. New players entered the market, from home and abroad and the number of households paying subscriptions to digital television platform providers, on satellite or cable, continued to increase, thus enabling those homes to receive scores of channels.

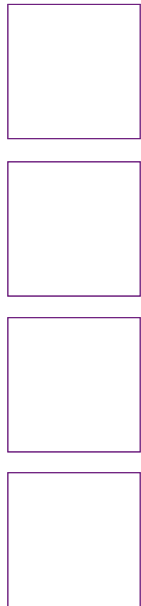
Despite this intense competition, TG4 had a good year in 2007, in terms of viewing figures, prizes and awards for its programmes and personnel, public and viewer confidence in the channel, as evidenced by reviews and commentary in the media, by statements from public figures and elected representatives and by the direct feedback received by TG4 itself from the viewing public.

The viewing figures show that overall the year was a good one. The channel's annual national share of viewing for 2007 was 2.7%, slightly down from 2006 but a satisfactory outcome given the various circumstances outlined above and the many challenges arising from the funding available to the channel - a factor that affects every aspect of our operations.

The viewing figures for the Christmas 2007 period give us particular confidence as this is the most intensely competitive period of the entire year for the television market and this Christmas was TG4's first as a totally independent broadcaster.



Seacht



# Chief Executive's Review

## Programmes continued

TG4 achieved a viewing share of 4.7% for Christmas week 2007, (an increase on the 4.4% attained for the equivalent week in 2006). Viewing of TG4 for Christmas 2007 was higher than 2006 for all of the main days - Christmas Eve (4.3%), Christmas Day (6.3%), St Stephen's Day (5.5%), New Year's Eve (4.3%) and New Year's Day (5.9%).

These figures demonstrate that TG4 is capable of providing a high-quality service and of attracting significant viewing figures with its emphasis on top class attractive Irish language content which is both entertaining and informative in dealing with issues of Irish identity and native culture.

The Christmas figures give us great reason to be confident as they vindicate our policy of assigning special resources to the Christmas programme schedule as it is the showcase that offers the best of TG4 to the largest audience.

We have demonstrated, year after year, that the public has a particular affinity with TG4 at this special time of the year and that both our regular audience and these seasonal visitors know that our channel will broadcast programmes of vision and vibrancy during the Christmas. Were the necessary resources available to us, we could implement this policy year-round.

Among the programmes that drew most acclaim for TG4 during 2007 were the historical documentary series *Uachtaráin*, the wonderful film *Cré na Cille*, the comedy political drama *The Running Mate*, *Kings*, a feature-length film drama that went on cinema release in late 2007, the comedy drama series *Paddywhackery*, the crime history documentary series *Mobs Mheiriceá*, *Marú* and excellent individual documentary programmes, not to mention the anchor series *Ros na Rún* and *Geantraí* that have been a central part of the TG4 schedule since the outset.

New series such as *Route 66*, *Glas Vegas*, *Aingeal sa Chistin*, *Pósadh Slí Eile* and *Mí na Meala* attracted much favourable comment for us and good viewing figures also.

The channel's coverage of the annual *Oireachtas na Gaeilge* festival has developed and increased in recent years. The audience feedback we receive confirms public satisfaction with the increased coverage we have been providing. In 2007 we extended our coverage with *Steip* (live coverage of the sean-nós dancing competition and with a new

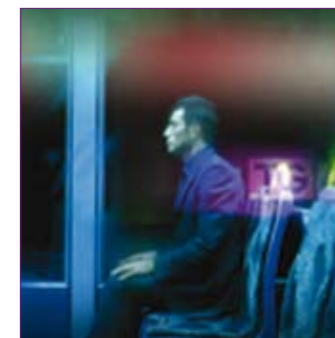
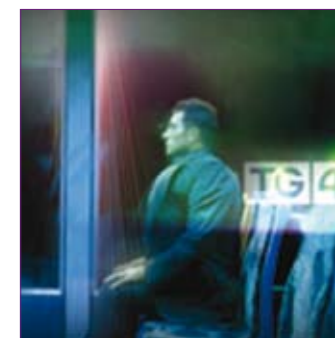
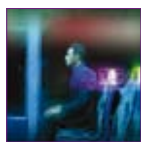
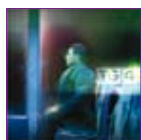
programme *Ceiliúradh Chorn Uí Riada* (a live chat and music programme broadcast to coincide with the festival's main event) along with daily news coverage from the venue on *Nuacht TG4*.

Another significant initiative during 2007 was the channel's live coverage of the announcement and awards-presentation of *Gradam Gnó na Gaeltachta*, an important initiative aimed at rewarding enterprise excellence among Gaeltacht-based companies. We were particularly proud that the overall winner of the competition was *Nemeton*, an independent production company based in Ring in Co Waterford and one of TG4's key supporters and suppliers since the establishment of the service.

As a Public Service Broadcaster, TG4 provided comprehensive coverage of all aspects of the 2007 General Election. *Nuacht TG4* and our weekly current affairs programme, *7 Lá* provided ongoing coverage of the general election campaign and the channel carried special election broadcasts from eligible parties and groupings.

The climax of our coverage was the live broadcast of the General Election Results, 15 hours of coverage spread over two days, a major project in which count results, in-depth analysis, commentary and interviews combined to provide the viewer with the overall picture. It was a major undertaking requiring major effort and resources, organisational and production skill and was a joint initiative between *Nuacht TG4* (as part of the RTÉ provision) and TG4 staff. I am very grateful to everyone who took part or assisted in this major project.

The channel continued in 2007 with the priority it gives to Irish sport and to Gaelic games in particular. We increased the number of matches we broadcast (live, delayed and highlights with enhanced production values) on *GAA Beo* and *GAA 2007* and we also broadcast a new series of *Laochra Gael*, celebrating some legendary players from the past. This year also saw the introduction of a new weekly sports magazine and preview programme, *Seó Spóirt*. We also continued our support for *Comórtas Peile na Gaeltachta* by live broadcasts of the Finals.



# Chief Executive's Review

## Programmes continued

The channel broadcast its first ever Gaelic football match from abroad when we carried the Ladies Gaelic Football match from New York as the climax of the Underdogs 2007 series in which the New York All-Stars took on the television series team in the first televised match from the newly refurbished Gaelic Park.

Our close cooperation and partnership with the Ladies Gaelic Football Association grew and strengthened again in 2007. We again increased the number of games we broadcast and covered in the TG4 Championships (and in the Association's other competitions) and we further enhanced the quality of coverage also.

In addition to Gaelic games, we continued to cover Irish sport; particularly those associated with our channel, including live coverage of soccer from the Eircom League, some of the pre-season friendlies played in this country by Sunderland FC and a major snooker competition from Belfast. We also continued with extended coverage of two major global sports events that have become associated with TG4 in summer - tennis from Wimbledon 2007 and cycling on Tour de France 2007 as well as adding live coverage of the French Tennis Open to that selection.

In Young People's content, TG4 continued in 2007 to place the emphasis on innovation, choice and interactivity. The channel provides a comprehensive daily service for each of the constituent age-groups - from the breakfast time Cúla4 na nÓg for preschool kids, to the renowned afternoon Cúla4 for older children to the very attractive Síle zone for teenagers and third-level students.

We were particularly proud and satisfied to be able to broadcast a second series of the acclaimed Irish language teenage drama series Aifric. This represents a major achievement for the channel and this series attracts audience for us from an age-group that is critical for the future of the language.

The acquisition of programmes on the international market is a function that brings TG4 into direct contact with global forces and into competition with other broadcasters. All TG4 acquisitions on the international market are funded from our commercial income and such content is vital to support and sustain the Irish language schedule it is difficult for us to source

such content from a commercial revenue stream that is so constrained. The increase in the number of buyers puts further pressure in the market (in favour of the vendors) and this was especially true in 2007.

## The Provision of Programmes to TG4 by RTÉ

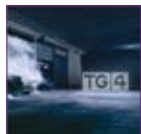
The annual provision of Irish language programmes by RTÉ to TG4 is based in statute, in the Broadcasting Act 2001. We greatly appreciate this support from RTÉ and the cooperation that underlies it. This provision - comprising in-house production by RTÉ and material it commissions for TG4 from the independent sector contributes greatly to the strength and variety of our Irish language programme schedule. We are very grateful to RTÉ for its partnership in this and I wish to thank the Director-General and his staff for their ongoing support and help.

The daily news service Nuacht TG4 makes up half of this annual provision and forms as a daily anchor for the TG4 programme schedule. Other programmes produced by the same division - the Summer Féilte series and individual documentaries, are a key component of the overall RTÉ provision to us and contribute greatly to our delivering on the channel's *súil eile* motto.

## The Independent Sector

The organisational structure and operational lay-out of TG4 have, from the outset, meant that the channel relies on the independent television production sector to supply most of its Irish language programming needs. The channel functions as a partnership with the independent companies. Without their creativity, TG4 would not have attained the unique position and status that it has.

It is in our joint interests that the independent sector be healthy, viable and progressive. Accordingly, TG4 supports and encourages schemes and initiatives that seek to encourage and strengthen the sector, particularly in the Gaeltacht areas, the wellspring of the living language.



# Chief Executive's Review

## The Independent Sector continued

In 2007, in conjunction with Údarás Na Gaeltachta, we established a new project to provide help and advice to Gaeltacht production companies that are trying get to the next level of company development and achievement. I wish again to thank Údarás na Gaeltachta for its commitment to this sector and for its financial support for this initiative which will greatly benefit TG4 and the participating companies.

## Exchequer Funding

Current funding of €30.98m was provided by the Exchequer to TG4 for the full year 2007. This level of current funding meant that we had significant restraints on the budgets that were available to the various departments within TG4 for the year as they sought to implement their Work Plans and reach their targets.

TG4 is considered to be one of the most cost-effective Public Service Broadcasters in Western Europe and it is difficult for it to develop, given this level of Exchequer funding.

With the establishment of the service on an independent statutory footing, a Funding Plan 2008-2012 has been drafted and submitted to the Department Communications, Energy and Natural Resources. The Plan contains TG4's funding requirements for the period in question with an incremental increase sought for the annual level of Exchequer current funding to reach €57m by 2012 to enable the channel to meet its target of reducing the repeat ration and broadcasting six hours of new Irish language television content each day.

We are grateful for the confidence in the work and vision of TG4 that is reflected in the funding levels for us contained in the Budget Statement announced in November 2007, monies that underpin confidence in our emphasis on identity and promoting Irish culture, stated above. The increased funding for TG4 announced in the Budget Statement will enable us to realise that vision and we hope that there will be a continuation of this increase in our funding levels, going forward so that we can achieve our aims, targets and implement our policies and plans.

Without the availability of Exchequer funding at the levels sought in the Plan, TG4 stands little chance of retaining and improving its own niche in the very competitive television market in Ireland, not to mention globally.

## Production Funds

So that it can maximise the impact of the Exchequer monies it receives, TG4 must strive to avail of every external and third party funding opportunity for its projects. We continued with our efforts in this regard in 2007 and were successful.

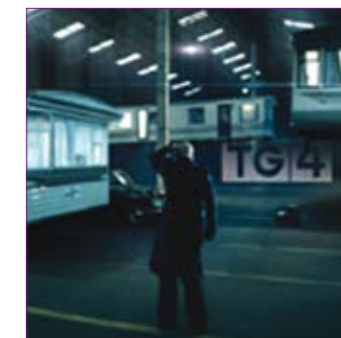
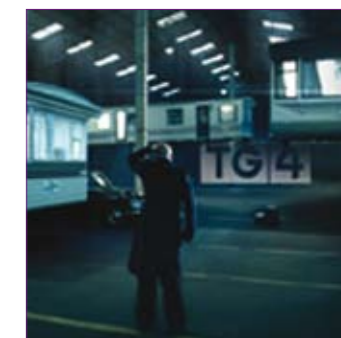
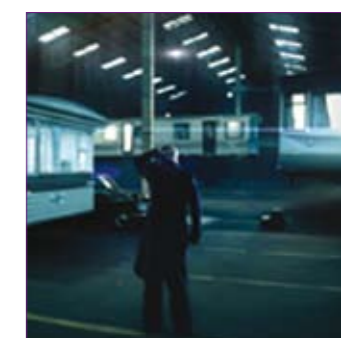
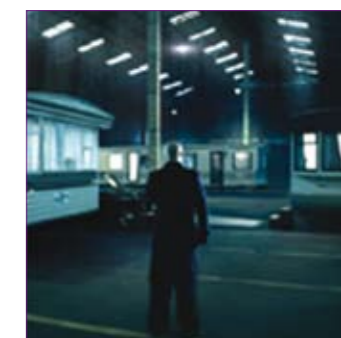
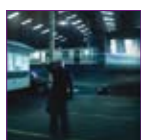
During the nine month period covered by this Report, productions which TG4 had commissioned and part-funded, obtained €5.3m in financial support from the Sound and Vision funding scheme operated by the Broadcasting Commission of Ireland and some €2.3m in financial support from the Northern Ireland Irish Language Broadcast Fund administered by Northern Ireland Screen (formerly the Northern Ireland Film and Television Commission).

Other productions were produced with funding from Bord Scannán Na hÉireann/The Irish Film Board and/or the tax and other supports provided to the audiovisual industry by the Irish Government. These various supports are a vital component of the funding arrangements. Without them TG4 would be unable to commission or part-fund such projects.

## Corporate Affairs

We participated fully and actively in the various sectoral and representative bodies that operate in the areas of broadcasting and commerce, including the Celtic Media Festival, The Broadcasters in Ireland Group, and IBEC's Audio Visual Federation.

TG4's application for membership of the European Broadcasting Union (EBU) was accepted in July 2007 and we now play a full part in the operations and discussions of that body. This provides us with a valuable resource and a wide network of contacts to inform our consideration of the major issues and policy priorities at national and international level and to inform us of best practice in other countries.



# Chief Executive's Review

## Awards

We continue to be encouraged and gratified by the number and range of prizes and awards garnered by our programmes and personnel. Among the highlights of 2007, were IFTA (Best Youth Programme) Award for the teenage drama *Aifric* and the prestigious Spirit of the Festival Award at the Celtic Media Festival for the documentary *Fear na nOileán*, not to forget the many TG4 winners at the 2007 Oireachtas na Gaeilge Media Awards - (TV Personality, TV Programme, Actor and Supreme Achievement).

## Northern Ireland

In 2007, TG4 continued with its policy of functioning as the Irish language public service television broadcaster for the whole island. Our programme schedule seeks to serve the entire community, north and south. The channel has supported the development of the Irish language production sector in Northern Ireland through the commissioning of programmes and with development funding for other programme projects. We have also played a central and active role in the development of the Northern Ireland Irish Language Broadcast Fund.

That Fund's inaugural Director, Máire Killoran, left to take up a new post in 2007. I wish again to thank her for what has been achieved and look forward to working closely with her successor, Áine Walsh.

## World wide [www.tg4.ie](http://www.tg4.ie) [www.tg4.tv](http://www.tg4.tv)

Ours is now a worldwide service as is clear from another huge increase of traffic in 2007 on the channel's website [www.tg4.ie](http://www.tg4.ie) and from the increasing number of people who avail of our broadband webcasts and catch-up service on [www.tg4.tv](http://www.tg4.tv).

The Website had over 41.5 million hits in 2007, a daily average of 121,000 hits a day. These figures give us great heart and confidence and we are very proud of the diligent work of our staff with daily updates and enhancements on these sites every day.

Technological advances such as these are an eye-opener and make the TG4 *súil eile* perspective possible for people around the world, whether by watching our output live as it broadcast or availing of the wonderful catch-up archive that makes it possible to view the best of our Irish language output for a month after its first broadcast.

The sites also make the relationship between TG4 and its viewers an interactive one. We can make additional information and support that could not be broadcast in the programme itself, available on the site and this can augment and enhance viewer benefit and appreciation of the broadcast content.

In the case of major programmes, series and services, we can create and service Microsites which carry series and episode details, additional and support information, interactive opportunities and competitions. This works particularly well where the audience might wish to access extra information (for example lists of suppliers, contact details and useful addresses for viewers wishing to augment the information on building materials etc actually broadcast on a particular episode of a series such as *Teach Glas*). It also works very well for our sports output where results from other relevant matches, competitions, league tables etc can be posted on the site.

The Microsite option was implemented for a number of TG4 series and is one that will continue and expand.

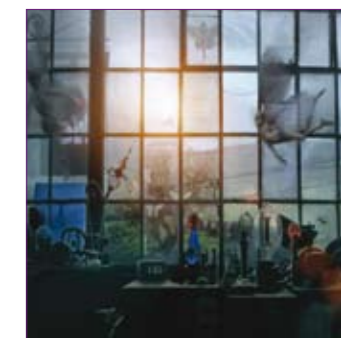
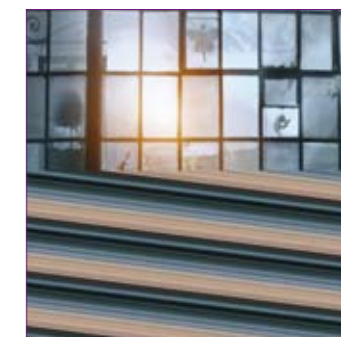
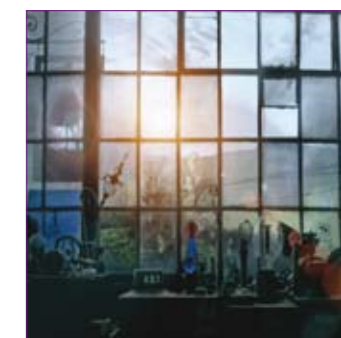
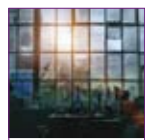
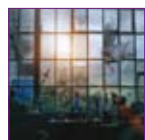
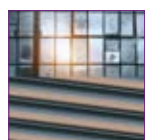
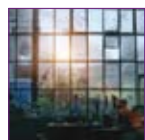
We also began discussions with RTÉ in 2007 regarding the establishment of the new television service from Ireland aimed at emigrants living in the United Kingdom as laid down in the provisions of the Broadcasting (Amendment) Act 2007.

## Digital Terrestrial Transmission (DTT)

Another major forthcoming change in the technology of television transmission in Ireland will be the introduction and rollout of DTT. 2007 saw a continuation of the DTT trial in the Dublin and North-east Leinster region under the pilot scheme being run by the Department.

This type of transmission is well established in the United Kingdom in other European countries and will completely replace analogue terrestrial transmission by 2012 as this has been set as the latest analogue switch-off date by the European Union.

This changeover is very necessary, particularly in Ireland, a country in which two thirds of households already subscribe to a digital television carrier – on cable or satellite. Only 20% of households now depend on terrestrial TV reception and unless the digital terrestrial platform is established and rolled out nationally soon, it is likely that regulation by Irish authorities will have little impact on the public's viewing choice.





# Chief Executive's Review

## Digital Terrestrial Transmission (DTT) continued

The Government's clear wish is that our channel be carried on the DTT Multiplex with the widest possible coverage area. But the lack of clear information about the range and universal coverage capability of DTT is a cause of some concern to us, particularly how satisfactory DTT coverage will be ensured in those areas that are remote or surrounded by high mountains or sparsely populated. DTT for islands will also be a challenge. We know to our cost how expensive it can be to provide terrestrial coverage to such areas but every household in the country has the same entitlement to coverage and everyone in the country, monoglot Irish, bilingual in Irish and English or polylingual in English Irish and/or other languages has the same right to receive our channel.

We are gratified that it seems that the UK authorities intend to ensure that the establishment of DTT and analogue switch-off in Northern Ireland does not adversely affect the availability of TG4 there and that Ofcom, the UK telecommunications regulator, has proposed that TG4 be allocated carriage on the Multiplex for Public Service Broadcasters in Northern Ireland.

## Thanks

At the end of a busy, critical, pioneering year for TG4, I extend my thanks to all those who helped TG4 during 2007, a year in which we achieved much and from which we face the future with confidence and pride.

The Teilifís na Gaeilge Board, TG4 Management and Staff, the Minister for Communications, Energy and Natural Resources, Éamon Ryan TD, his Ministerial predecessor Noel Dempsey TD, the Departmental officials, the Department of Finance, the independent television productions sector throughout Ireland, public representatives, media colleagues in other organisations, sports, cultural and Irish language organisations and in particular the viewing public that we serve, at home in Ireland and around the world.

**Pól Ó Gallchóir**  
Chief Executive



# Na Doodlebops

Doodlebops



Na Doodlebops

# Corporate Governance

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

The Board formally adopted the Code of Practice for the Governance of State Bodies, as issued by the Department of Finance in October 2001, at its meeting held in May 2007.

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

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

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

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

## **Risk Management**

Recognising the importance of risk management, The Board undertook a full risk review of the organisation in 2007. A risk assessment report was presented to the Board at its meeting held in December 2007. The potential risks and risk mitigation strategies, as outlined in the report, were accepted by the Board at that meeting.

It was further agreed that this is an on-going process. Therefore the risk register will be updated during 2008 and presented to the Board in due course.

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

These are the Audit Committee and the Remuneration Committee. The membership of these committees are listed in page 6 under 'The Board of Teilifís na Gaeilge and other information'.

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# Corporate Governance



## The role and responsibilities of the Audit Committee include;

- Agreeing the internal audit plan for the forthcoming year
- Reviewing reports from internal audit on the effectiveness of systems of internal control and monitoring progress and implementation of recommendations.
- Monitor and review the effectiveness of the company's internal audit function in the context of the company's overall risk management system

## The role and responsibilities of the Remuneration Committee include;

- Determine and agree with the Board the framework for the remuneration of the company's Chief Executive and other members of the executive management
- Review the ongoing appropriateness and relevance of the remuneration policy
- Approve and performance related pay schemes operated by the company and approve the total annual payments made under such schemes
- Be responsible for selecting any remuneration consultants who advise the company

## Emoluments to Directors

TG4 has complied with the guidelines covering the payment of fees to the Chairpersons and Director of State Bodies, issued by the Minister of Finance in July 1992.

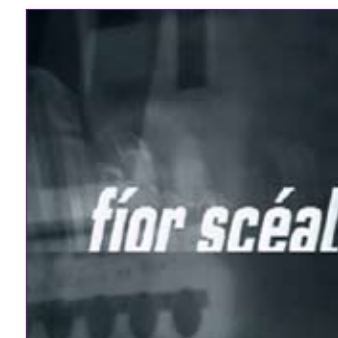
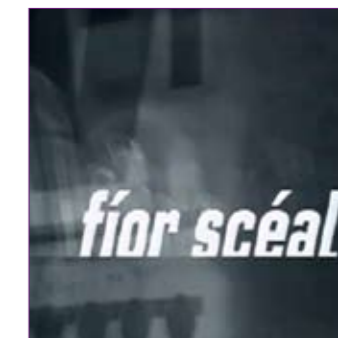
## Emoluments of the Teilifís na Gaeilge Board during 2007

Bord TG4	Fees	Expenses
	€'000	€'000
Peadar Ó Cuinn	18.1	6.0
Pádraic Mac Donncha	10.6	2.6
Regina Uí Chollatáin	10.6	1.7
Bríd Ní Neachtain	10.6	1.4
Seosamh Ó Conghaile	10.6	.6
Feargal Ó Sé	10.6	3.4
Méabh Mhic Ghairbheith	10.6	3.3
Eilís Ní Chonnaola	10.6	.5
Méadhbh Mhic an Airchinnigh	10.6	1.1
	103	20.6

All members of the Board are non-executive

All members were appointed on 1st April 2007

In addition to her fees, Regina Uí Chollatáin received immaterial amounts for programme contributions.



# Financial Review

## Financial Review for 9 months Apr to Dec 2007.

### Establishment

Teilifís na Gaeilge, trading as TG4, was established as a Statutory Body on 1st April 2007 at which point the net assets and trade of Seirbhísí Theilifís na Gaeilge Teo transferred to it, pursuant to Section 52 of the 2001 act.

**The net assets transferred from Seirbhísí Theilifís na Gaeilge Teo, which is a wholly owned subsidiary of RTÉ, were valued on 1st April 2007 at €399k.**

### Funding

TG4's operational costs, which comprise programming and administrative expenditure, are funded by way of grant-in-aid from the Department of Communications, Energy and Natural Resources and from commercial revenue.

Grant-in-aid approved for 2007 for TG4 was €30.98m.

€8.02 was applied to expenditure incurred by Seirbhísí Theilifís na Gaeilge prior to separation i.e. January to March 2007.

By extension, Teilifís na Gaeilge had €22.96m exchequer funding available for offset against operational cost during the 9 months April to December 2007.

In addition, Teilifís na Gaeilge had net income of €3m from commercial revenue during this period.

Capital expenditure is funded by the Exchequer by way of Capital Grants, which are non repayable Exchequer advances. These grants are amortised on the same basis as the related assets are depreciated.

### Other sources of support

Under the provisions of section 47 of the Broadcasting Act 2001 RTÉ is obliged to provide TG4 with one hour of broadcasting material in the Irish language daily, at no cost to TG4. The News service, Nuacht TG4, forms approximately half of this supply. The news service is produced in the TG4 premises in Baile na hAbhann, Co Galway.



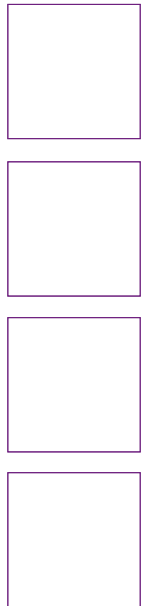
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Athbheithníú Airgeadais



# Financial Review

## Other sources of support continued

TG4 supplies facilities for this purpose and fees relating are charged to RTÉ.

TG4 has been successful in obtaining funding for programmes which it has commissioned from the two broadcasting funds in operation in Ireland, BCI and ILBF.

During the 9 months to 31st December 2007, TG4 commissioned programmes availed of €5.3m funding from BCI and €2.3m from ILBF.

Co-funding arrangements also exist with Bord Scannán na hÉireann/ Irish Film Board and other broadcasters such as BBC and S4C.

## Expenditure

### • Programmes

TG4 operates as a publisher/broadcaster and therefore most of its programme content is supplied by the Independent Production sector by way of commissioned programmes.

During the nine months April to December 2007, direct programme expenditure accounted for €17.72m, almost 70% of total spend.

€16m of the expenditure related to Irish language content across various genre from documentaries to entertainment and from sport to drama and including the children's schedule.

This is a direct investment in programmes sourced from the Independent Production Sector from which 440 hours were commissioned and 170 hours were dubbed into Irish as a result.

Independent productions, together with TG4 in-house productions and the 365 hours of Irish language content from RTÉ provided the schedule with an average of 4.2 hours of original Irish language content per day during 2007

### • Overheads

Overheads, staffing and non-staffing and depreciation costs net of amortisation of state grants cost €8.4m in the 9 months. TG4 employed 85 staff in 2007.

The Board of TG4 was appointed in April 2007 and board fees and related costs are included in overheads above.

In our estimates for 2007 we allowed for once-off costs associated with separation of TG4 from the RTÉ group

However, efforts were made to control and minimise these costs with the result that we spent under €200k, which included our initial entry fees to the European Broadcasting Union

Athbheithniú Airgeadaí **Cúla 4**



Cúla 4

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# Financial Statements

## Teilifís na Gaeilge

Financial Statements for 9 months to 31 December 2007

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# Financial Statements

## Statement of Board Members' Responsibilities

### Period ended 31st December 2007

The Board is required by the Broadcasting Act, 2001 to prepare financial statements for each financial year in such form as may be approved by the Minister for Communications, Energy and Natural Resources with the concurrence of the Minister for Finance which give a true and fair view of the state of affairs of Teilifís na Gaeilge and of its income and expenditure for that period.

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 financial reporting standards of the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in Ireland.

The Board is also responsible for safeguarding the assets of Teilifís na Gaeilge and hence 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:**

**Peadar Ó Cuinn**  
**Cathaoirleach.**

## Statement on Internal Financial Control

### For the period ended 31st December 2007.

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

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

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

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

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

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

# Financial Statements

## Statement on Internal Financial Control continued

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

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

TG4 has an outsourced internal audit function which commenced work in 2007 and operates in accordance with the Code of Practice for the Governance of State Bodies and which reports directly to the Audit Committee.

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

The analysis of risk and the internal audit plan are endorsed by the Audit Committee, which was formed in 2007 and meets on a regular basis, but not less than three times a year, to review reports prepared by the Internal Audit function. The Audit Committee reports regularly to the Board in relation to the matters that it has considered.

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

I confirm that in the period ended 31st December 2007, the Board, conducted a review of the effectiveness of the system of internal financial control.

Signed on behalf of the Board

**Peadar Ó Cuinn**  
Chairman

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

I have audited the financial statements of Teilifís na Gaeilge for the period ended 31 December 2007 under the Broadcasting Act 2001.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes.

### Respective Responsibilities of the Members of the Board and the Comptroller and Auditor General

Teilifís na Gaeilge is responsible for preparing the financial statements in accordance with the Broadcasting Act 2001, and for ensuring the regularity of transactions. Teilifís na Gaeilge prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Board are set out in the Statement of the Board Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects Teilifís na Gaeilge's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.



# Financial Statements

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

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

### Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to Teilifís na Gaeilge's circumstances, consistently applied and adequately disclosed.

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

### Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of Teilifís na Gaeilge's affairs at 31 December 2007 and of its income and expenditure for the period then ended.

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

**John Buckley**  
**Comptroller and Auditor General**  
**June 2008**

## Statement of accounting policies.

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

### 1. Establishment of Teilifís na Gaeilge.

Pursuant to the 2001 Broadcasting Act and 2007 Ministerial Order, Teilifís na Gaeilge was established as a Statutory Body on 1st April 2007.

Prior to that date Seirbhísí Theilifís na Gaeilge Teo, a wholly owned subsidiary of RTÉ and trading as TG4, operated as a public service broadcaster, broadcasting primarily in the Irish Language.

On establishment date 1st April 2007, the assets and trade of Seirbhísí na Gaeilge Teo. transferred to the new entity Teilifís na Gaeilge, pursuant to Section 52 of the 2001 act.

### 2. Basis of accounting

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

The financial statements are denominated in Euro.

### 3. Income Recognition

#### Commercial Income

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

Commission in relation to sales is charged to income and expenditure account as incurred.

### 4. Expenditure .

Expenditure comprises operational and capital expenditure

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

Programme expenditure is charged to the income and expenditure account as incurred

# Financial Statements

## Statement of accounting policies continued

### 5. State Grants

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

The grant is recognised in income and expenditure account in year of receipt.

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

### 6. Tangible Fixed Assets

On 1st April 2007 tangible fixed assets transferred from Seirbhísí Theilifís na Gaeilge Teo. to Teilifís na Gaeilge at net book value at that date.

Tangible fixed assets are shown at transfer value on 1st April 2007 plus additions which are shown at cost less depreciation charge for 9 months from 1st April 2007 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:

	%
<b>Buildings</b>	<b>2.5</b>
<b>Plant and equipment</b>	<b>7.5-20</b>
<b>Fixture and fittings</b>	<b>10</b>

### 7. Foreign currency

Transactions denominated in foreign currencies are translated into euro at the exchange rates ruling at the day of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the exchange rate ruling at the balance sheet date and resulting gains and losses are included in the income and expenditure account for the period.

### 8. Pensions

Teilifís na Gaeilge operates a defined contribution scheme for certain of its employees.

Payments to the scheme are charged to the income and expenditure account in the period to which they relate

Teilifís na Gaeilge is in the process of establishing a defined benefit scheme for two of its officers, the CEO and Deputy CEO. This scheme will be backdated to 3rd December 2007. No pension contributions have been made to date though an amount has been accrued in the 9 months accounts to 31st December 2007 in relation to this scheme.

### 9. Taxation

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

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

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

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

## Teilifís na Gaeilge

Accounts for 9 months ended 31 December 2007

### Income and expenditure account for 9 months ended 31 December 2007

	Notes	€'000
Commercial Income	2	3,596
Cost of Sales	2	541
<b>Net Sales</b>		<u>3,055</u>
<b>Expenditure</b>		
Staff costs	3	4,350
Board members' fees and expenses	4	131
Programme expenditure	5	17,716
Transmission costs		2,540
Marketing and research	6	1,272
Overheads	7	953
Depreciation	8	1,119
Total Expenditure		<u>28,081</u>
<b>Net operating expenditure for year</b>		<u>(25,026)</u>
Interest receivable and similar income	10	78
Surplus on disposal of fixed assets		-
		(24,948)
State funding	11	<u>24,914</u>
<b>Surplus/(Deficit) on ordinary activities before taxation</b>		(34)
Taxation	12	(33)
<b>Surplus/(Deficit) for financial year retained</b>		<u>(67)</u>

There are no recognised gains or losses, other than those dealt with in the Income and Expenditure Account.

The Accounting Policies and Notes 1 to 25 form part of these financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Peadar Ó Cuinn  
Chairman

Pól Ó Gallchóir  
Chief Executive Officer

## Teilifís na Gaeilge

Accounts for 9 months ended 31 December 2007

### Balance sheet

at 31 December 2007

	Notes	€'000
<b>Fixed Assets</b>		
Tangible assets	8	<u>8,994</u>
<b>Current Assets</b>		
Debtors	13	2,254
Cash at bank and in hand	14	<u>36</u>
		<u>2,290</u>
<b>Current Liabilities</b>		
Creditors amounts falling due within one year	15	<u>2,640</u>
<b>Net current liabilities</b>		<u>(350)</u>
<b>Net assets</b>		<u><b>8,644</b></u>
<b>Financed by</b>		
Capital Grants	9	8,312
Revenue Reserves	17	<u>332</u>
		<u><b>8,644</b></u>

The Accounting Policies and Notes 1 to 25 form part of these financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Peadar Ó Cuinn  
**Chairman**

Pól Ó Gallchóir  
**Chief Executive Officer**

**Teilifís na Gaeilge**

Accounts for 9 months ended 31 December 2007

**Cash flow statement**

at 31 December 2007

	Notes	€'000
<b>Operating activities- net cash inflow/outflow</b>	18	(3,579)
( Net of state grant)		
<b>Return on Investment and Servicing of Finance</b>		
Interest Received		62
Interest Paid		-
<b>Net Cash Inflow from Returns on Investments and Servicing of Finance</b>		62
<b>Capital Expenditure</b>		
Payments to acquire tangible fixed assets		(822)
Receipts from sale of fixed assets		-
State capital grants		807
<b>Net Cash Outflow from Capital Expenditure</b>		(15)
<b>Net cash outflow</b>	19	(3,532)

The Accounting Policies and Notes 1 to 25 form part of these financial statements.

On behalf of the Board of Teilifís na Gaeilge:

Peadar Ó Cuinn  
**Chairman**

Pól Ó Gallchoir  
**Chief Executive Officer**

## Notes to the financial statements

### Note

#### 1 Principal activity

Teilifís na Gaeilge's principal activity is the operation of the Irish language television channel, TG4

#### 2 Net Sales

Period ended 31 December 2007

<b>Commercial Income</b>	<b>€'000</b>
Airtime sales	3,198
Sponsorship sales	274
Programme sales	-
Sundry income	124
	<u>3,596</u>

#### Cost of Sales

Commission on advertising and sponsorship sales	541
	<u>541</u>

#### Net sales

**3,055**

#### 3 Staff costs

The average number of full time employees employed by Teilifís na Gaeilge during the period was 85.

Employee costs during the period comprised:

	<b>€'000</b>
Wages and Salaries	3,510
Social welfare costs	352
Pension costs, permanent health and life cover	267
Travel & subsistence	127
Training	39
Other staff costs	55
Total staff costs	<u>4,350</u>

#### Emoluments of CEO.

	<b>€'000</b>
Basic Salary	115
Performance related pay (arrears)	15
Performance related pay (2007)	31
Pension Contributions	9
Other Benefits	2
	<u>172</u>

#### 4 Board costs

**€'000**

Fees	103
Travel/Subsistence etc	28
Total	<u>131</u>

## Notes to the financial statements continued

Period ended 31 December 2007

<b>5 Programme expenses</b>	<b>€'000</b>
Commissioned programmes	11,963
Acquired programmes	3,338
Dubbing costs	1,368
Other costs	1,047
	<u>17,716</u>
<b>6 Marketing &amp; Research</b>	<b>€'000</b>
Advertising and marketing	1,093
Design	163
Audience measurement and research	16
	<u>1,272</u>
<b>7 Overheads</b>	<b>€'000</b>
Equipment maintenance	234
Insurances	70
Library Costs	57
Consultancy	96
Wardrobe & Make Up	24
ESB & Heat	103
Rent & Rates	28
Set Up Costs	169
Cleaning	34
Postage & Stationary	30
Telephone	32
Security	55
Canteen	64
Audit	16
Vehicles	17
Pension Costs	30
Misc	96
Facilities Charge Out	(202)
	<u>953</u>

## Notes to the financial statements continued

## 8 Sócmhainní Dochta Inláimhsithe

	Land & Buildings €'000	Plant & Equipment €'000	Fixtures & Fittings €'000	Total €'000
<b>Cost- transferred on at 1 April 2007</b>	7,479	11,591	611	19,681
Additions	31	778	17	826
<b>At 31 December 2007</b>	<b>7,510</b>	<b>12,369</b>	<b>628</b>	<b>20,507</b>
<b>Accumulated Depreciation (transferred on 1 April 2007)</b>	1,517	8,406	471	10,394
Charge for period	147	935	37	1,119
<b>At 31 December 2007 Net Book Value</b>	<b>1,664</b>	<b>9,341</b>	<b>508</b>	<b>11,513</b>
At 1 April 2007	5,962	3,185	140	9,287
<b>At 31 December 2007</b>	<b>5,846</b>	<b>3,028</b>	<b>120</b>	<b>8,994</b>

Fixed assets were transferred from Seirbhísí Theilifis na Gaeilge on 1st April 2007 at net book value as at that date of €9.287m. Depreciation charge for 9 months to 31 December 2007 is based on appropriate % of gross value of assets transferred from STnaG as well as those assets acquired by TnaG between April 1st and December 31st 2007.

## 9 Capital grants and prepaid grants-in-aid

31 Dec 2007

€'000

## (a) Capital grants - received and receivable

Transferred from STnaG	8,424
Grants received during the period	807
<b>At end of year</b>	<b>9,231</b>
<b>Amortisation</b>	
Amortised during the period	919
<b>At end of year</b>	<b>919</b>
<b>Net book value - Capital grants</b>	<b>8,312</b>

## (b) Prepaid grants-in-aid received Transferred from STnaG

Transferred from STnaG	1,033
<b>Ag deireadh na bliana</b>	<b>1,033</b>
<b>Amortisation</b>	
Amortised during the period	1,033
<b>At end of year</b>	<b>1,033</b>
<b>Net book value - Grants-in-aid</b>	<b>-</b>
<b>Total capital grants &amp; prepaid grants-in-aid</b>	<b>8,312</b>



## Notes to the financial statements continued

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.

On 1st April 2007 grant balances were transferred to Teilifís na Gaeilge at their net value.

Prepaid grants-in-aid comprise amounts previously classified as capital grants in respect of network transmission assets but which were reclassified as grants-in-aid in 2003, on disposal of these assets to RTÉ Transmission Network Limited. During the period of account the final instalment of this funding was amortised as the related transmission costs were incurred.

**31 December 2007**

**€'000**

### 10 Interest Received

78

Interest on bank deposit accounts (gross)

### 11 State Funding

Grants received from the Department of Communications, Energy and Natural Resources represent state funding received in relation to current expenditure incurred by Teilifís na Gaeilge.

The total allocation for 2007 was €30.98m, of which €22.962m was utilised to offset

Teilifís na Gaeilge expenditure during the 9 months April to December 2007.

#### State funding credited to Income and expenditure account in period

**€'000**

Grant received in period of accounts

22,962

Capital grant amortised (note 9)

919

Prepaid grant-in-aid amortised (note 9)

1,033

24,914

### 12 Taxation

**31 December 2007**

**€'000**

Profit/(Loss) on ordinary activities before tax

(34)

Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in Ireland of 12.5%

(4)

Effects of:

Income taxable at higher rate of tax

10

Excess/(shortfall) of capital grants amortised a and capital allowances over depreciation

25

Non-deductible expenditure

2

#### Current tax charge for the year

33

### 13 Debtors

**€'000**

Trade debtors

1,786

Value added tax

417

Prepayments

51

2,254

## Notes to the financial statements continued

### 14 Cash €'000

Cash at bank and on hand	25
Short term deposits	11
	<u>36</u>

### 15 Creditors €'000

Trade creditors	373
Accruals and deferred income	1,958
Pension Contributions	65
Corporation Tax	17
PAYE/PRSI	227
	<u>2,640</u>

### 16 Opening balances

Under section 52 of the Broadcasting Act 2001 all property, rights and liabilities of Seirbhísi Theilifís na Gaeilge Teo were transferred, on establishment date of 1 April 2007, to Teilifís na Gaeilge.

Net assets of €399,000 were transferred on that day, made up of the following:

	<b>€'000</b>
<b>Fixed assets</b>	9,287

#### Current assets

Debtors	4,095
Cash at bank and in hand	3,568
	<u>7,663</u>

#### Current Liabilities

Creditors	(7,094)
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Net current assets	569
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Total assets less current liabilities	9,856
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Capital grants and prepaid grants-in-aid	(9,457)
Revenue Reserve brought forward	399
	<u>399</u>

### 17 Revenue Reserves €'000

<b>Retained revenue of Seirbhísi Theilifís na Gaeilge Teo transferred</b>	399
Deficit for the financial period retained	(67)

<b>Balance at 31 December 2007</b>	<u>332</u>
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### 18 Reconciliation of Surplus for the year to net cash flow from operating activities €'000

Deficit for the year	(67)
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#### Non Operating Activities

Interest received (net)	(62)
Surplus from sale of fixed assets	-

#### Non Cash Items

Depreciation	1,119
Amortisation capital grants	(919)
Amortisation grant in aid	(1,033)
(Increase)/decrease in debtors	1,841
Increase/(decrease) in non capital creditors	(4,458)
Net cash outflow from operating activities	<u>(3,579)</u>

### 19 Analysis of changes in net funds

	At 1 April 2007	Cash flow	At 31 Dec 2007
	€'000	€'000	€'000
Cash at bank and on hand	3,568	(3,543)	25
Short term deposits	-	11	11
	<u>3,568</u>	<u>(3,532)</u>	<u>36</u>

## Notes to the financial statements continued

### 20 Pensions

#### Defined contribution scheme

Teilifis na Gaeilge contributes to a defined contribution pension scheme for certain of its employees. The assets of the scheme are held separately from those of Teilifis na Gaeilge in an independently administered fund. The pension cost represents contributions payable by Teilifis na Gaeilge to the fund and amounted to €218,640 for the nine month period ended 31 December 2007.

#### Defined benefit scheme

The CEO and deputy CEO were members of the RTÉ Superannuation scheme up until 2nd December 2007. The Board has approved the establishment of a defined benefit pension scheme into which contributions will be made for the CEO and Deputy CEO retrospective to that date. No contributions have been made to the scheme, to date though an accrual, based on an estimate of cost for 4 weeks commencing 3rd of December 2007, is included in 9 months accounts to 31 December 2007. FRS 17 is not being applied in these financial statements as the amounts are immaterial

### 21 Programme / rights purchase commitments

Teilifis na Gaeilge has programme / rights purchase commitments contracted but not provided for at 31 December 2007 of €6,955,764.

### 22 Commitments

Teilifis na Gaeilge has capital commitments contracted but not provided for at 31 December 2007 of €210,000

### 23 RTE Transactions

Teilifis na Gaeilge receives 365 hours of Irish language programming annually from RTÉ free of charge.

### 24 Board Members Interests'

The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. There were no transactions in the period in relation to the Board's activities in which the Board Members had any beneficial interest.

### 25 Approval of financial statements

The board of directors approved the financial statements on the 19 May 2008



# Route 66

Daithí ar Route 66

# 4

