

YOUR PUBLIC MEDIA

A large crowd of people is seen from behind, looking towards a brightly lit stage. The stage is filled with performers and is surrounded by a dense shower of confetti. The scene is illuminated by warm, golden stage lights, creating a festive and energetic atmosphere. The background shows the structural elements of a large arena or stadium.

RTÉ

A Year in Review

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Distribution, Digital, Delivery

Today,
tomorrow,
together

RTÉ is Ireland's
national public-service
media organisation
– on television, radio,
online and mobile.

Raidió Teilifís Éireann Board
The 59th Annual Report and Group Financial
Statements for the 12 months ended 31
December 2019 presented to the Minister
for Communications, Climate Action and
Environment in line with sections 109 and 110
of the Broadcasting Act 2009.

Is féidir leagan Gaeilge den Tuarascáil a
íoslódáil ó www.rte.ie/annualreport

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VISION

To champion Irish culture by captivating audiences with trusted, engaging and challenging content; celebrating our country's rich diversity; and cultivating Ireland's talent.

MISSION

To enrich Irish life with content that challenges, educates and entertains.

VALUES

As an organisation and individually, we will be outward looking, creative, respectful, sustainable and accountable, collaborative and transparent, and will demonstrate the following behaviours:



Outward Looking

Have a deep understanding of its audience and their needs. Invest time and energy in monitoring changes in the media landscape.





Respectful

Treat people, including staff and partners, with respect, even when it challenges. Nurture trust by being fair and open about the decisions it makes.

Creative

Be resourceful and innovative in how it makes its content. Be brave, take risks and be willing to learn from failures.



Sustainable and Accountable

Manage its business in a responsible manner. Be accountable to each other within RTÉ and to audiences and stakeholders.

Collaborative

Work together, bringing the 'One RTÉ' organisation to life. Join forces with partners to meet the needs of our audience.



Transparent

Make decisions openly. Be upfront about the reasons for the actions taken.



20% UP

RTÉ Player saw a growth of 20% in viewing in 2019.

BIG 42

RTÉ television shows clinched 42 spots in the top 50 most-watched programmes of 2019, up from 39 in 2018.

140

COMMUNITIES

RTÉ Supporting the Arts partnered with more than 140 local, national and community arts events, up from 130 in 2018.

**1,700 AND
COUNTING**

The RTÉ News studio is the busiest television studio in Ireland, broadcasting more than 1,700 news bulletins and programmes each year. It was completely refurbished in 2019.

90,000 HOPEFULS

Demand for audience seats for *The Late Late Toy Show 2019* surpassed previous years, with more than 90,000 applications.

270,000 STRONG

The *RTÉ Guide* bumper Christmas issue continued to be an Irish publishing phenomenon, with almost 270,000 copies sold.

2,000,000 LISTENERS

Almost 2 million radio listeners tuned in to RTÉ each week; 51.9% of the adult (15+) population listened every week in 2019.

75,000,000 EARS

In 2019 there were 75 million podcast and clip streams from RTÉ's on-demand audio catalogue.

157 CHILDREN JOIN THE FIRST RTÉ YOUTH ASSEMBLY ON CLIMATE






2FM XMAS BALL RAISES MORE THAN €3M FOR THE ISPCC SINCE 2015





ALMOST
1 MILLION
TUNE IN TO
EACH OF THE
DUBLIN V
KERRY ALL-
IRELAND
FOOTBALL
FINAL AND
REPLAY ON
RTÉ2



A young man with short brown hair is shown in profile, looking towards the right. He is wearing a purple sweater with a white geometric pattern and the word "HAKA" in yellow on the sleeve. The background is dark with out-of-focus lights, suggesting a Christmas tree or festive decorations.

1.7 MILLION
PEOPLE WATCH
THE LATE
LATE TOY
SHOW
ON RTÉ
PLATFORMS



XRocker

PIK



RTÉ LYRIC FM
CELEBRATES
20 YEARS
ON AIR





IRELAND BIDS FAREWELL TO BROADCASTING LEGEND GAY BYRNE



Chair's Statement

What media do we consume and how are we consuming it? The commonly held view is that traditional media is being replaced by social media and new online on-demand services, and that what was once the mainstream is quickly being pushed into irrelevance and obsolescence.

However, the emerging reality in 2019 was quite different. Certainly, global media consumption levels continued to rise but, instead of the death of traditional media, we have seen public-service providers adapting and changing to retain and remain relevant to audiences. Traditional media has diversified its platforms, radically overhauled its content offerings and moved to meet consumers where they are consuming. High quality publishers have seen a resurgence through high-end, niche production; podcasts and streaming are heralding a renaissance in audio; and television has re-established itself in the most remarkable manner – in 2019 there were more than 500 scripted television series in the US. Remarkably, television is not, in fact, dead. While the method of consumption may be changing, broadcast content accounts

for almost 70% of the average five hours of consumption per day.

Within this complex eco-system sits public-service media – the idea of it, the aspiration of it and, now, its strategy for survival. In 2019, that strategy was even more essential and real. Essential because, in an age of information wars fuelled by fake news, the need for trusted, independent, quality journalism and programming has never been more important to our societies and democracies. And real because in 2019 we came face to face with how a lack of funding reform and legislative planning is threatening a public-service platform that is central to our sense of selves, our communities, our cultures and our global voice.

In 2019, the Board promoted public awareness of the challenges that face RTÉ and the creative industries generally. This was grounded in a recognition that the media today is a complicated sector in which collaboration is essential. In 2019 however, legislative legacy and established RTÉ structures complicated the emergence of

A PIVOTAL YEAR FOR PUBLIC- SERVICE MEDIA



practices appropriate to this new order. Hence, with the backing of the Board, the Director-General and her team spent some time developing a revised strategy aimed at sustaining RTÉ's role at the centre of Irish life and culture while stabilising the organisation's finances. The Board joined the call to fix the broken TV licence collection system, which more than any other factor threatens RTÉ's role and future sustainability. We looked again at our remit – as we are required to do and agreed a strategy that seeks to maintain the best portfolio of services and content possible for audiences in Ireland in the context of declining revenues.

Headlines about RTÉ were made in 2019 and, whilst we prefer to deliver the headlines rather than be the subject of them, nonetheless a conversation about public-service media was needed. In many ways, the passing of my friend and friend-of-the-nation Gay Byrne crystallised the issues at hand. A unique broadcasting talent, Ireland grew up with Gay Byrne; his public service to the nation was indisputable. When, early in the

new year of 2020, we lost the incomparable Marian Finucane, the beloved Larry Gogan and the remarkable Keelin Shanley, we examined their remarkable achievements and reflected on their service; their service to us as citizens and to a nation that has both a reflexive and challenging relationship with the myriad issues that are shaping and defining it.

The common thread, through it all, is public media: the place of public media in our diversifying consumption habits and the need for public-service media in the preservation and evolution of who and what we are as a country. We welcome the Government decision in December to allocate increased funding to RTÉ for 2020 and to establish a commission to report on the future of public-service media in Ireland. I sincerely hope it will allow for a reasoned debate and make sensible recommendations that ensures the Irish people get the public-service media they want and deserve.

RTÉ cannot run deficits indefinitely. That much is clear. The current funding model is broken, and RTÉ will face a material

uncertainty about its capacity to provide the same level of services in the medium term if it is not resolved quickly and definitively. That is why the Commission on Broadcasting is so important and RTÉ will be fully engaged with the process.

It was also a year of major stories, major sporting achievements and sector-shifting innovations, many of which are captured in this report and which I invite you to explore. There is a compelling argument to be made for the sustenance, protection and patronage of public-service media and this report tells something of RTÉ's important contribution to the life of the nation in 2019, a contribution that underlines the view of American commentator Stanley A. McChrystal that "public broadcasting makes our nation smarter, stronger and, yes, safer".

Moya Doherty
Chair



Director- General's Review

We had a year of intense contrasts in 2019. It was a year when we raised our voices in support of the unique mission of public media, fighting for a resolution to the funding crisis that has left Ireland's national broadcaster financially struggling. Towards the end of the year, RTÉ's Revised Strategy, targeting significant savings over the next three years, articulated the depth and extent of the crisis.

But it was also a year when we reimagined the scope of public media, responding creatively to the issues that shape our island and our world. Initiatives such as the *RTÉ on Climate* Youth Assembly saw RTÉ tackle a topic of worldwide concern while shifting definitively to engage our younger audiences in a most innovative way.

In making the case for RTÉ, it is what we do – our journalism and our programmes – that demonstrate most effectively why RTÉ matters. It's not what we do the same that distinguishes RTÉ, but what we do differently.

At the core of that idea sits impartial journalism. In 2019 we again delivered a range of powerful investigations that shone a light into dark corners, and many of which produced some real changes. Our investment in our new main news studio, as well as in a state-of-the-art digital screen studio, allowed us to tell the stories that matter – be they in news or sport – in the most compelling way.

Elsewhere, the RTÉ Radio 1 *Documentary on One* team continued to surprise and illuminate. RTÉ 2fm reaffirmed its position as the nation's most-dedicated supporter of Irish artists and music. The orchestras balanced their commitment to the classics while continuing to innovate, be it at the *Fleadh, All Together Now*, or the dozens of events where they redefined the orchestral experience for audiences.

This, of course, is the tip of the iceberg in terms of demonstrating what makes RTÉ different. This report sets out the case in detail, showcasing our work in the Irish

TO SERVE THE PEOPLE OF IRELAND



language, our award-winning factual programming, our top-rating entertainment shows, our content for children, our dedication to preserving and popularising the national audiovisual archive, our expanding public events portfolio and our rich online and on-demand services. Whether we are bringing audiences in Ireland the biggest sporting moments or providing the go-to service for information when the national conversation demands it, RTÉ is shaped by the mission to serve all audiences. That is what makes us different.

We worked hard in 2019 to ensure everyone got real value from RTÉ, not only on our traditional platforms, but everywhere the audience expects their public media to be. There was more original content on RTÉ Player; radio continued to diversify into podcasts and streaming; and RTÉ News' digital-first strategy focused more clearly than ever on repurposing our journalism for all audiences, wherever they are and whenever they like.

Creating a more diverse and inclusive RTÉ was a key focus in 2019. It informed what we commissioned and how we scheduled, and opened up RTÉ to a greater breadth of voices and experiences. Multiple sustainability initiatives saw RTÉ lead the way in terms of its own efficiencies, minimising the impact of what we do on our environment.

We faced some tough financial challenges in 2019 – and the battle goes on. Arising from our revised strategy in November 2019, we have a comprehensive change programme underway to both reimagine RTÉ's role and return the organisation to financial stability. Through that process, and for many years before, Breda O'Keeffe as CFO has contributed hugely to ensuring RTÉ managed its resources so it can deliver on its broad public purposes. She is leaving RTÉ in early 2020 and I thank her sincerely for her service and wish her all the best for the future.

We must ensure that RTÉ keeps on defining who and what we are in a world where media has never been more dynamic and numerous, but also never more conflicted in terms of trust, authenticity and disruption. As we work through how we use our available resources to best effect, we will continue to raise our voices for a public and independent media that exists in service of the people of Ireland.

Dee Forbes

Director-General, RTÉ



Results and Operating Profit

With a modest increase in total revenue together with ongoing containment of operating costs, RTÉ returned higher EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) before special events costs of €8.4 million (2018 €6.5 million).

The cost of special events in 2019 including the Rugby World Cup and local and European elections amounted to €4.1 million and were lower than 2018 levels, resulting in a lower Net Deficit before Exceptional Items and Tax for the year of €9.1 million (2018 €12.6 million). A tax refund relating to the 2017 land sale gave rise to an overall Net Deficit after tax and Exceptional Items for the year of €7.2 million which was an improvement on the prior year (2018 €13 million).

Commercial revenue declined by €4.2 million as Brexit uncertainty curtailed advertising spend and changes in media consumption habits continued to have an impact on the Irish advertising market. Licence fee income increased by a net €7.2 million due to the €8.9 million increase in public funding announced in Budget 2019, which was a further part reversal of public funding cuts made since 2010. Licence fee unit sales declined year on year which eroded part of this reversal of cuts, despite growth in new household formations. Operating costs, including the costs of special events, of €337.8 million, were €2.0 million lower than 2018 levels due to a decrease in the number and costs of special events in 2019 compared to 2018. There were higher depreciation charges in 2019 as a result of the adoption of IFRS 16 Leases and from increased capital investment in recent years funded by land sale proceeds.

Summary Financial Highlights

	2019 €m	2018 €m	Change €m
Commercial Revenue	145.8	150.0	(4.2)
Licence Fee Revenue	196.3	189.1	7.2
Total Revenue	342.1	339.1	3.0
Operating Costs (excluding Special Events)*	(333.7)	(332.6)	(1.1)
EBITDA** (before Special Events)	8.4	6.5	1.9
Special Events Costs	(4.1)	(7.2)	3.1
EBITDA	4.3	(0.7)	5.0
Depreciation & Amortisation	(13.8)	(12.4)	(1.4)
Gain on Disposal of Assets	0.3	-	0.3
Net Finance Income	0.1	0.5	(0.4)
Deficit before Exceptional Items & Tax	(9.1)	(12.6)	3.5
Land Sale Gain less Sales-Enabling Project Costs	0.2	(0.6)	0.8
Restructuring & Other Charges	-	0.1	(0.1)
Deficit after Exceptional Items and before Tax	(8.9)	(13.1)	4.2
Tax	1.7	0.1	1.6
Net Deficit for the Year	(7.2)	(13.0)	5.8

* Operating Costs before Depreciation & Amortisation and excluding the incremental costs of Special Events

** EBITDA: Earnings before Interest, Tax, Depreciation, Amortisation and Exceptional items.

Commercial Revenue

2019 commercial revenue of €145.8 million declined by €4.2 million i.e. 2.8% compared to 2018. While the market remained challenging, RTÉ's performance was in line with, or ahead of the market in almost all areas. The trend for advertisers to expand beyond traditional media into digital to reach their consumers continued in 2019 which also had some benefits for RTÉ. For many categories, the continuing uncertainty in the market around Brexit for much of the year did impact negatively on budgets, particularly in the first half of the year. Certain categories were especially affected – most notably Food as some of the bigger clients budgets are planned out of the UK. Consumer confidence and fears of investing in 'big ticket items' saw falling car sales, which together with an increase in imports

had a noticeable negative effect on the Motor category. RTÉ's commercial approach to client and agency spends continues to provide real and meaningful opportunities to maintain and build the revenue base.

	2019 v 2018 Change €m	Change %
Television Trading	(2.5)	-2.9%
Radio Trading	(0.6)	-2.5%
Digital Trading	0.6	10%
Other Non-Trading Revenues	(1.7)	-5%
Year-on-Year Movement	(4.2)	-2.8%
Commercial Revenue 2018	150.0	
Commercial Revenue 2019	145.8	

RTÉ television trading revenues including advertising and sponsorship declined by 2.9% year on year broadly in line with the market. Television advertising had a challenging year with declines in the Food and Motor categories while Finance, Household Services, Travel and Transport showed the biggest growth. However, the trusted quality and context in which adverts appear on RTÉ is valued by advertisers as is RTÉ's consistency of delivery of planned campaigns which supports the premium rates applied. Overall television sponsorship revenue increased in 2019 due to Programme Production Support and Product Placement reflecting the growing interest from advertisers in new and innovative ways to reach target customers. RTÉ is in a very strong position to take advantage of this emerging trend.

RTÉ radio trading revenues declined by 2.5% compared to 2018 and were ahead of the market with varying performance between RTÉ's stations. Radio 1 experienced a decline in year on year revenues while RTÉ 2fm revenue grew strongly, hugely outperforming the market, largely due to the continuing strong performance among its important core audience of Adults 15-34. Declining categories in radio included Motors, Government and Finance. Radio sponsorship revenues grew well ahead of the market and included a number of first time sponsors and also renewals from existing clients proving the enduring confidence in the medium.

RTÉ digital trading revenues increased by 10% on 2018, largely driven by strong growth in RTÉ Player revenues which was sold out for much of the year. Demand for Video on Demand will continue to grow and the RTÉ Player is poised to continue to take advantage of this trend. RTÉ.ie also had a strong year in revenue terms with new innovation opportunities being explored.

Other non-trading revenues declined by 5% year on year. Commercial telecoms revenues experienced another challenging year as audience interactivity continues to decline, while television programme sales reported a more normal pattern of trading after an exceptional performance in 2018. *RTÉ Guide* had a strong performance, maintaining advertising revenue year on year in a press market where estimates are of declines in the order of 15% to 20% in some cases. Circulation revenue grew by 3%, another very strong result, helped by a price increase in the Christmas issue.

Television Licence Revenue

As RTÉ is a dual-funded public-service broadcaster with a broad range of statutory responsibilities, the level of public funding it receives to fulfil its role is crucial. The Department of Communications, Climate Action and Environment (DCCAE) is responsible for the collection of licence fee monies from An Post (the appointed agent for the sale of TV licences) and from the Department of Employment Affairs and Social Protection (DEASP) in respect of 'free' television licences. The DCCAE then makes a grant to RTÉ out of licence fee monies collected.

Of the €224 million licence fee collected in 2019, €196.3 million (88%) was received by RTÉ. The remaining licence fee collected, €27.7 million, was used to pay An Post collection costs and related charges and to provide funding for the BAI Sound & Vision Fund. Licence fee income received by RTÉ in 2019 was an increase of €7.2 million on 2018 levels due to an increase of €8.9 million in the amount received from the DEASP in respect of 'free' television licences which was a part reversal of the public funding cuts made since 2010. Unfortunately the number of licence fee units sold by An Post in 2019 decreased compared to 2018 despite growth in net new household formations.

Latest evasion levels for 2018 as calculated by the DCCAE are 13% of chargeable domestic households and business premises. Evasion levels in Ireland are significantly higher than the UK and other European countries and collection costs are more than double other European PSBs. An Post, DCCAE and RTÉ continue to work to address evasion levels.

Of concern is the increase in the number of homes that do not have a traditional television set. This has been growing steadily over recent years, as per the Nielsen Establishment Survey, and is now 11.6% (January 2020) an increase of 1% in just one year. As media consumption patterns become more complex, the television licence fee mechanism reflects less and less how people consume public-service content. It is for this reason that the mechanism is being changed in other countries to a media charge or other methods, rather than being device dependent.

Licence fee income received by RTÉ through public funding had been reduced by over €20 million since 2010 through a series of cuts made from the available pool of funding. These include part funding of TG4 from the licence fee, increased funding to the BAI Sound & Vision Fund, the cap imposed on the amount of licence fee received by way of 'free licences' and the €5 million reduction in Budget 2014 in public funding received. Recent Government Budgets have seen the reversal of the majority of these cuts in Budget 2017, Budget 2018, Budget 2019 and most recently post Budget 2020 which included an €9.2 million reversal of the public funding cuts made in earlier years which is welcome.

Financial Review (continued)

The Broadcasting Authority of Ireland (BAI) as part of its annual review of funding for public-service broadcasters, each year since 2013 through 2017, has recommended that there should be an increase in RTÉ's public funding to address the inadequate levels that RTÉ receives to meet its objectives as a public-service broadcaster. This was again reiterated by the BAI in 2018 in its review of RTÉ's five-year strategy 2018–2022 when they recommended that an immediate increase of €30 million in public funding be given to address the inadequate levels of RTÉ's funding. Government response which has reversed cuts previously made while welcome is well below funding levels recommended by the BAI.

The section 'How Your TV Licence Fee Is Used' (see pages 28-29) outlines how the licence fee is used, with 83% of total licence fee invested in RTÉ services and activities. The remaining 17% is invested in non-RTÉ activities, including the BAI Sound & Vision fund, TG4 deduction and support, and An Post collection fees.

Operating Costs

2019 total operating costs were €337.8 million, a reduction of €2.0 million on 2018 levels, due to the reduced cost of special events covered during the year. The cost of special events in 2019 was €4.1 million and included the Rugby World Cup in Japan and local and European elections. Operating costs continue to be contained, despite the impact of inflation, and 2019 operating costs were still 23% lower than 2008 levels.

	2019 v 2018 Change € m
Increase in Operating Costs	1.1
Decrease in Special Events Costs	(3.1)
Year-on-Year Decrease (Including Special Events)	(2.0)
Operating Costs 2018	339.8
Operating Costs 2019	337.8

Employee Numbers

At 31 December 2019, there were 1,831 (2018: 1,822) employees, of which 240 (2018: 250) were part-time/casual. The full-time equivalent headcount at 31 December 2019 was 1,714 (2018: 1,691), reflecting a 7% reduction compared to 31 December 2016. This reduction occurred primarily in late 2017 and also during 2018 / 2019 as over 180 staff left the organisation under the voluntary exit programme launched in 2017 as part of the overall organisation restructuring. There have also been increases in employee levels as a result of the review of contractors which took place throughout 2018 and 2019, where over 80 individuals were offered contracts of employment.

Net Finance Expense

A net finance income of €0.1 million arose in 2019 (2018 €0.5 million), comprised as follows:

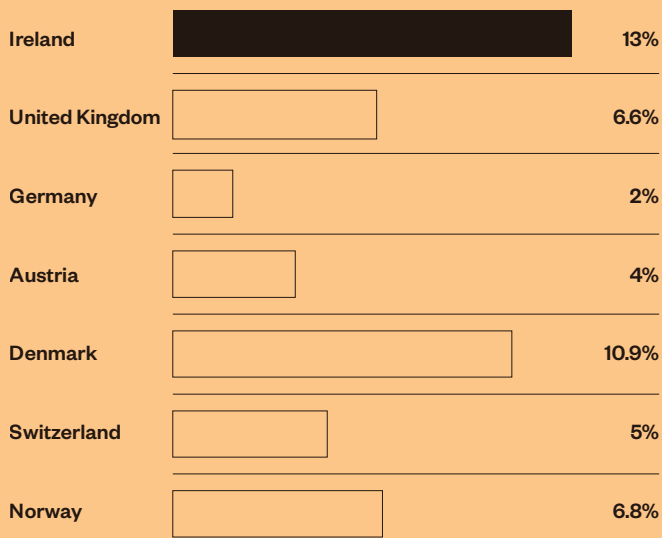
Finance income for 2019 was €1.3 million compared to €2.1 million in 2018. It included net interest income of €1.0 million related to IAS 19 defined benefit pension scheme (2018: €1.0 million); and investment income of €0.3 million from a joint venture (2018: €0.1 million).

Finance expense for 2019 amounted to €1.2 million compared €1.6 million in 2018. The expense of €1.2 million included interest payable on borrowings, refinancing costs, interest on restructuring costs and fair value loss on derivative foreign currency contracts.

Taxation

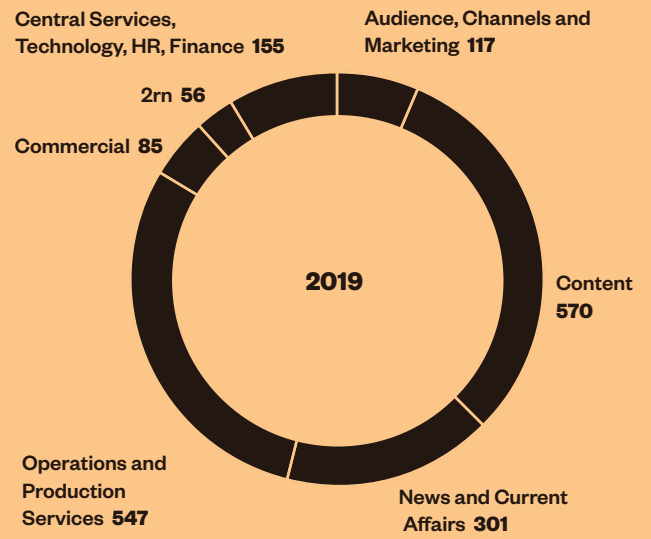
There was an overall tax credit of €1.7 million in 2019 (2018 tax credit of €0.1 million). A tax refund of €1.6 million was received from Revenue which related to taxes paid in 2018 on lands sold in 2017. This refund arose as 2018 tax losses were utilised against the land sale gain. There was also a deferred tax credit of €0.1 million resulting from timing differences between capital allowances claimed and depreciation charged.

LICENCE FEE EVASION

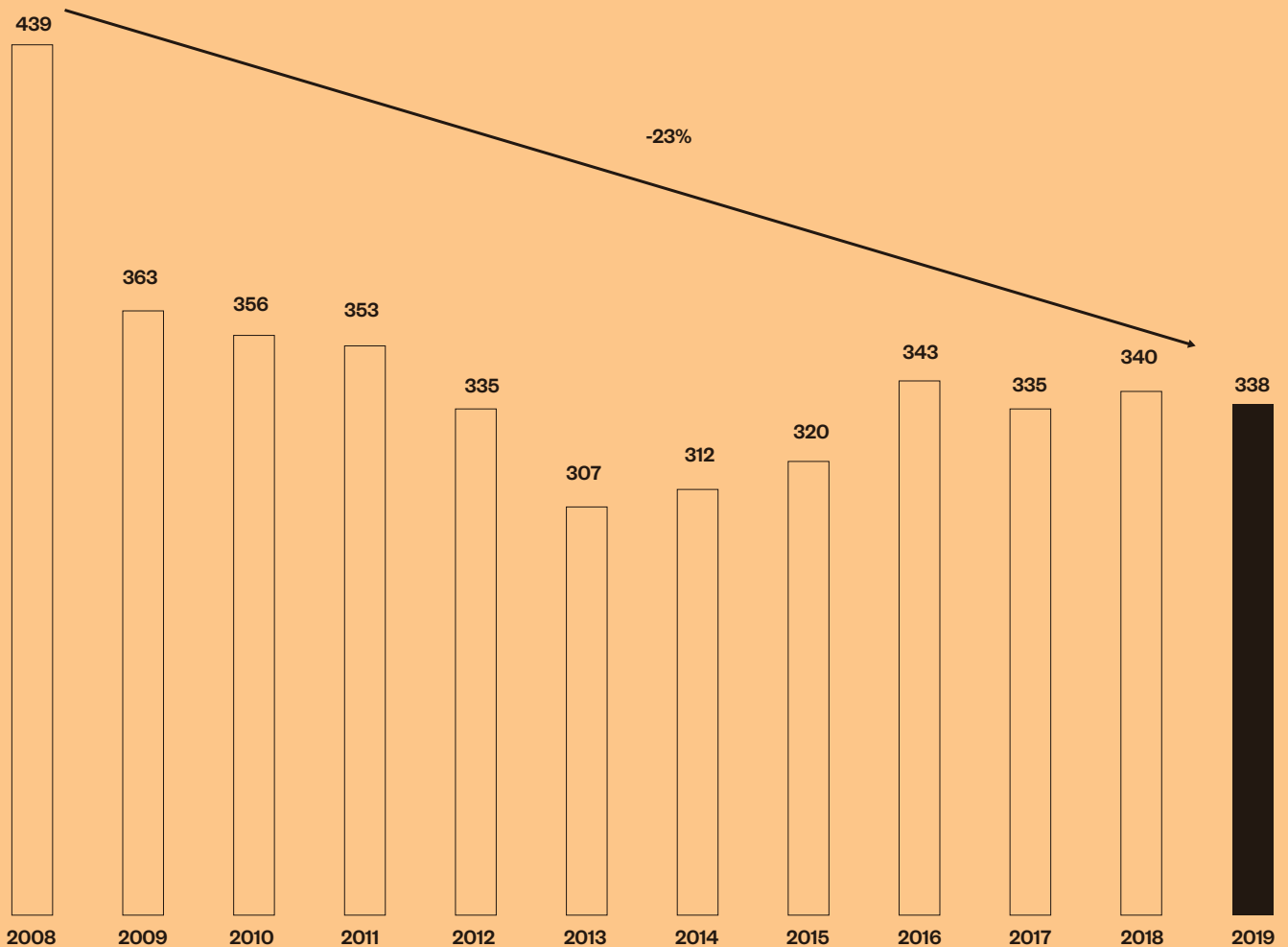


Source: EBU Report Licence Fee 2019 incl. Evasion Rates for 2018

EMPLOYEE NUMBERS



RTÉ OPERATING COSTS €M 2008-2019



Financial Review (continued)

Cash Flow and Borrowings

Total cash balances including liquid investments at 31 December 2019 amounted to €69.1 million (2018: €67 million), an increase of €2.1 million primarily due to drawdown of additional borrowings. The movement in 2019 cash balances can be summarised as follows:

Summary Cash Flow Statement

	2019 €m	2018 €m
EBITDA	4	(1)
Operating cash flows:		
– Working Capital decrease	3	6
Restructuring cash flows:		
– Payments	(3)	(6)
Investing Activities:		
– Capital Expenditure	(13)	(18)
– Taxes refunded / (paid) on Sale of Assets	2	(21)
Financing cash flows:		
– Borrowing Drawdown	10	1
- Interest Paid	(1)	(1)
Net Increase / (Decrease) in Cash and Liquid Investments	2	(40)

Given the financial pressures experienced in recent years there has been an increased focus on cash management and funding. This remained a key financial management priority throughout 2019 to ensure that adequate cash flow and facilities continue to be available.

RTÉ's banking arrangements and facilities are very important to the organisation, together with reviewing the adequacy of facilities. This focus on funding remains a key priority.

At 31 December 2019, RTÉ had bank borrowings of €60 million (2018: €50 million) comprised as follows;

- In early 2019, RTÉ refinanced its 2rn debt under a new €60 million 7 year Club Facility with Barclays Bank and Bank of Ireland. 2rn, RTÉ's transmission subsidiary, has a €45 million project finance loan facility as part of the funding for the transmission and distribution infrastructure required for the Digital Terrestrial Television network. This facility is outstanding at 31 December 2019. An additional term loan facility for €15 million was arranged as part of the Club Facility of which €10 million was drawn down during 2019 and outstanding at 31 December 2019.

- In late 2019, RTÉ refinanced its Bank of Ireland Facility for a further five year period. This is a €20 million facility which includes a €10 million revolving credit facility and a €10 million term loan facility. As at 31st December 2019 €5 million of the term loan is drawn and outstanding.

Financial Risk Management

The Board of RTÉ sets the treasury policies of the Group, which include financial instruments, cash management, interest rate risk, foreign exchange risk, liquidity risk and counterparty credit risk. These are set out in note 23 to the financial statements.

Capital Grant

A capital grant was received from the DCCA in 2017 to facilitate the clearing of the Spectrum 700 MHz frequency band, as stipulated by the EU. Capital grants are recorded as deferred income and released to the Income Statement on a basis consistent with the depreciation policy of the underlying assets.

Capital Expenditure

RTÉ's total expenditure incurred on capital projects in 2019 was €15.6 million (2018: €17.8 million), which included investment in technology, RTÉ assets including 2rn network renewals and the Spectrum 700 MHz project. RTÉ have begun to spend on a number of key strategic capital projects agreed by the RTÉ Board to be funded from the net proceeds of the 2017 land sale.

Investment in RTE assets including 2rn network renewals was €8.5 million including technology projects such as News & TV Camera renewals, replacement of the audio & video encoding equipment, a studio talkback replacement, upgrade of IP Networks, upgrade of the On-Air Graphics for Nuacht and other property related projects. There was also a continued focus on ongoing investment in DTT broadcast infrastructure and network renewal projects in 2rn.

Capital expenditure incurred on the 700 MHz migration project during 2019 was €1.6 million (2018: €3.3 million). This project involves migrating broadcast services out of the 700 MHz frequency band by 2020 and is primarily funded by the DCCA.

Spend is underway on a number of Strategic Capital projects approved by the RTÉ Board to be funded from the land sale including an upgrade of Studio 5, upgrade of the channel & rights management system, a new ERP system and the upgrade of our post production assets. Total expenditure on these projects in 2019 was €5.5m (2018: €4.4 million).

Segmental Reporting and Cost Allocation

RTÉ's segmental analysis is prepared in accordance with IFRS 8 *Operating Segments* which is set out in note 2(d). RTÉ's primary reporting segments are its divisions which in the main were established on 1 January 2018 under the One RTÉ restructuring project. As a result of the change in the organisational structure and the increase in non linear output with additional programmes getting first showings on digital and a move towards a 'digital-first' approach in news particularly, RTÉ revised and updated its cost allocation methodologies in 2018 to reflect the new structure which have been consistently applied for 2019 as outlined and presented in Note 2 Segmental Reporting.

Regulation

RTÉ is regulated by the BAI in relation to its obligations as a public-service broadcasting corporation. RTÉ (as required by the *Broadcasting Act 2009*) cooperates with the BAI in the annual and five-year public funding reviews carried out by the BAI under section 124 of the Act. In October 2017 RTÉ submitted its five-year strategy 2018–2022 *Renewing RTÉ for the Next Generation* for consideration. In October 2018, the BAI endorsed RTÉ's strategic plan and recommended "at a minimum, that RTÉ should receive an increase in its annual public funding of €30m per annum." RTÉ fully engaged in the subsequent annual review by BAI, which awaits Ministerial response. In late 2019, RTÉ published its Revised Strategy 2020-2024, a plan that brings Ireland's public service media to sustainability and addresses many of the challenges RTÉ faces.

In line with Government and BAI requirements, RTÉ's Fair Trading Policy and Procedures is published on RTÉ.ie. The policy and procedures set out a framework grounded on:

- Clear separation between commercial activities and public services
- Fair trading in line with market principles
- Transparency and accountability

The Commission for Communications Regulation (ComReg) previously designated RTÉ and 2rn as having significant market power (SMP) in the markets for the provision of transmission and distribution services to radio broadcasters and the DTT multiplex operator as well as the downstream supply of DTT multiplexed services to broadcasters. The decision placed certain obligations on both RTÉ (Market B) and 2rn (Market A). Separated accounts comprising regulated accounts for each of Market

A and Market B, together with primary accounting documentation, are published in accordance with regulatory requirements.

GDPR (General Data Protection Regulation) legislation came into force on the 25 May 2018. GDPR introduces new rights for individuals and introduces new and increased obligations on organisations who are data processors or data controllers, such as RTÉ. It also gives new and extensive powers to the privacy regulator, the Data Protection Commission (the DPC). RTÉ complies fully with GDPR legislation.

Pensions

RTÉ operates three pension schemes for its employees: a defined benefit (DB) scheme, a defined contribution (DC) scheme and a hybrid scheme (elements of DB and DC).

RTÉ Superannuation Scheme

The RTÉ Superannuation Scheme is a funded, contributory DB scheme, established under legislation and sponsored by RTÉ. No new employees have been admitted to the scheme since 1989. As at 31 December 2019, RTÉ had 119 employees (2018: 143) who were members of the scheme.

As at 31 December 2019, the assets of the scheme had a market value of €1,091 million (2018: €998 million). At 31 December 2019, the liabilities of the scheme, as valued in accordance with IAS 19 *Employee Benefits*, were €984 million (2018: €951 million). As required under IAS 19, the excess or shortfall of the assets compared to the liabilities of the scheme is reported as an asset or liability on RTÉ's statement of financial position. Therefore, as at 31 December 2019, there is a pension asset of €107 million reported in respect of the scheme (2018: €47 million). Strong investment returns for 2019 led to the increase in surplus.

In addition, the actuaries to the scheme have considered the scheme's position with liabilities measured under the minimum funding standard (MFS). As at 31 December 2019, the actuaries estimated that there was an MFS surplus of €204 million (2018: €134 million). In addition, the scheme has also met the funding standard reserve requirement at 1 January 2020. These are both very positive results and there is no requirement for a funding proposal in 2020.

RTÉ Defined Contribution Scheme

The RTÉ Defined Contribution Scheme is a funded, contributory DC arrangement that has been open to new members since 1989. As at 31 December 2019, RTÉ had 1,220 employees (2018: 1,164) who were members of the scheme.

RTÉ 50/50 Risk-Sharing Pension Scheme

The RTÉ 50/50 Risk-Sharing Pension Scheme is a funded, contributory hybrid scheme with DB and DC elements sponsored by RTÉ. The scheme commenced in September 2010 as an optional pension arrangement for eligible employees. As at 31 December 2019, RTÉ had 366 employees who were members of the RTÉ 50/50 Risk-Sharing Pension scheme (2018: 344).

As at 31 December 2019, the assets of the DB section of the scheme had a market value of €23.6 million. Under IAS 19, the liabilities of the DB section were €20.2 million, giving rise to a surplus of €3.4 million (2018 surplus €3.0 million). This is reported as an asset on RTÉ's statement of financial position.

The DB section of the scheme has a surplus under MFS and meets the solvency requirements under the risk reserves, therefore no funding proposal is required for this scheme.

Insurance

Appropriate insurance cover is held for a range of material insurable risks, including sizable catastrophe risks, subject to relevant deductions and exclusions.

Legal Proceedings

RTÉ and its subsidiary companies are party to a range of legal proceedings, including ones in which claims have been asserted against RTÉ or its subsidiaries but the outcome of which remain uncertain. Based on the advice received, RTÉ believes that necessary steps have been taken to ensure the outcome of all of these proceedings will not, in aggregate, have a long-term significant adverse effect on RTÉ's financial condition, results or liquidity.

Outlook

While 2019's financial result was an improvement on 2018, reporting a lower overall Net Deficit, unless there are material changes, the outlook for 2020 and beyond remains challenging with inadequate levels of funding from both licence fee and commercial revenue to fund RTÉ's obligations.

- In late 2019, RTÉ published its Revised Strategy 2020-2024, a plan that brings Ireland's public service media to sustainability and addresses many of the challenges including financial which RTÉ faces. In order to return to financial sustainability, commercial revenue, public funding and operating cost need to be addressed.

- Growth has returned to the Irish economy. In previous years, this would have seen growth in advertising revenue; however this is no longer the case. The broadcast market has continued to be increasingly competitive with video-on-demand entrants such as Netflix growing more important, causing audience fragmentation and revenue decline. RTÉ plans to stabilise its commercial revenues by diversifying into more non spot areas and by developing more unified advertising offerings.
- In late 2018, the BAI endorsed RTÉ's five-year strategic plan 2018-2022 and recommended "at a minimum, that RTÉ should receive an immediate increase in its annual public funding of €30m per annum". RTÉ welcomes, as a positive step to addressing public funding levels, the €9.2 million increase in annual public funding levels announced in late 2019 for 2020 and beyond. Further increases in public funding are required if RTÉ is to continue to deliver all of its current public service activities. The current television licence fee collection system is not fit for purpose, with the current system losing more than €50 million every year for public-service broadcasting through high evasion and collection costs and an increase in the "no TV homes" population. In this regard, RTÉ welcomes the announcement of Public Service Broadcasting Commission which is to consider structural reforms to Licence Fee and the role of purpose of PSB's.
- RTÉ has announced that it plans to reduce its operating costs by a total of €60 million over the next three years (2020-2022). This will include reductions across all cost areas including personnel related costs which will require agreement with the Trade Union Group.
- In March 2020, the Covid-19 global pandemic has adversely impacted the Group's revenue. Contingency planning has been put in place to mitigate the impact through cost curtailment and other initiatives.

How Your TV Licence Fee Is Used

The utilisation of licence fee monies received by RTÉ to fund its public services is reported in note 2 to the financial statements.

The basis on which the licence fee is attributed to channels and services is set out in note 2(c). RTÉ attributes public funding to individual services in a

How Your TV Licence Fee Is Used

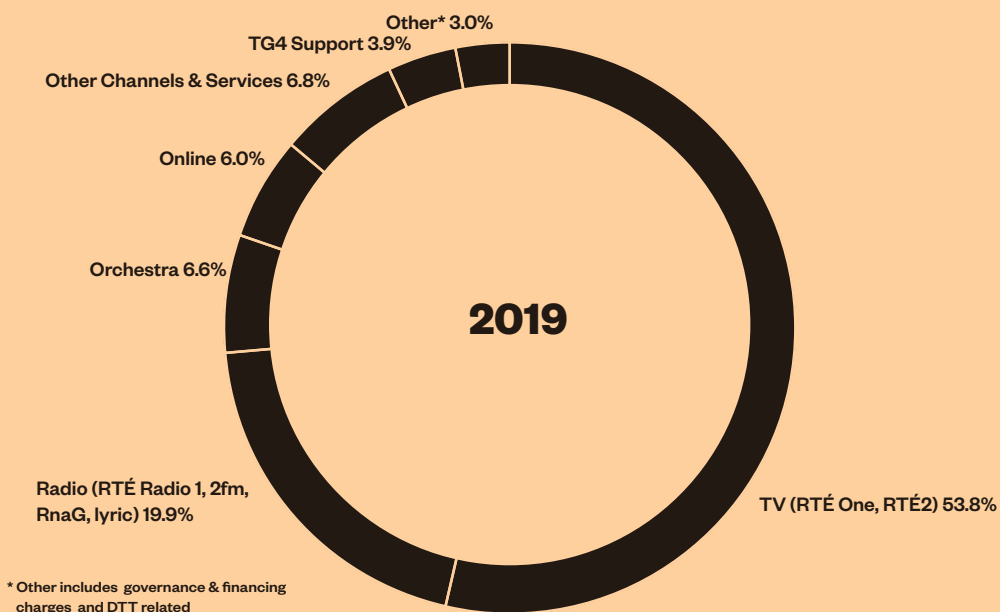
way that reflects the net cost of the public service. The net cost of public service is determined by deducting the contribution from commercial activities from the gross cost of delivering the public service.

The following table represents how an individual TV licence fee is used, bearing in mind that RTÉ is not the sole recipient of TV licence fee monies:

Utilisation of Each TV Licence Fee Collected

	2019 €	2018 €
RTÉ One	47.46	48.47
RTÉ2	27.37	24.99
RTÉ Television	74.83	73.46
RTÉ Radio 1	12.69	11.58
RTÉ 2fm	2.39	3.34
RTÉ Raidió na Gaeltachta (RnaG)	8.33	8.57
RTÉ lyric fm	4.24	4.31
RTÉ Radio	27.65	27.80
RTÉ Orchestras	9.15	9.16
Online Services	8.31	7.73
Other Channels and Services	9.39	8.46
Governance and Financing Charges	3.30	3.09
DTT Related	0.91	0.71
RTÉ Activities	133.54	130.41
	83%	82%
RTÉ Support for TG4	5.44	5.08
BAI Levy	1.23	1.35
TG4 Deduction	-	3.04
BAI Sound & Vision Fund	10.55	10.53
An Post Collection Costs and Related Charges	9.24	9.59
Non-RTÉ Activities	26.46	29.59
	17%	18%
Cost of TV licence	€ 160	€ 160

ALLOCATION OF LICENCE REVENUE RECEIVED BY RTÉ IN 2019



Financial Review (continued)

The pie chart below summarises the attribution of the TV licence fee revenues that were received by RTÉ to the public-service element of RTÉ's activities during 2019.

Cost Per Transmitted Hour

As part of its Annual Statement of Performance Commitments, RTÉ publishes the average cost per transmitted hour of programmes broadcast by channel. The table below provides this information for 2019, together with comparative figures for 2018.

2019	RTÉ One €'m	RTÉ2 €'m	RTÉ Radio1 €'m	RTÉ2fm €'m	RTÉ lyric fm €'m	RTÉ RnaG €'m
Costs						
Indigenous Programming	105.8	44.5	28.6	5.2	4.8	10.1
Acquired Programmes – Ireland	2.0	1.2	-	-	-	-
– Overseas	12.8	8.9	-	-	-	-
General Broadcast & Transmission Operations	12.8	9.4	5.2	4.2	0.6	0.5
Transmission & Power Charges	2.2	2.2	2.0	1.1	1.1	1.1
	135.6	66.2	35.8	10.5	6.5	11.7
Hours						
Annual Transmission Hours (incl. simulcast)	8,760	8,760	8,855	8,760	8,760	8,760
Overall Average Cost per Transmitted Hour – 2019						
All Transmission Hours	15,500	7,600	4,000	1,200	700	1,300
2018						
	RTÉ One €'m	RTÉ2 €'m	RTÉ Radio1 €'m	RTÉ2fm €'m	RTÉ lyric fm €'m	RTÉ RnaG €'m
Costs						
Indigenous Programming	110.4	42.2	29.0	6.2	4.8	10.1
Acquired Programmes – Ireland	1.0	0.4	-	-	-	-
– Overseas	13.7	9.1	-	-	-	-
General Broadcast & Transmission Operations	12.5	9.5	4.6	4.2	0.7	0.7
Transmission & Power Charges	2.6	2.7	2.0	1.1	1.1	1.1
	140.2	63.9	35.6	11.5	6.6	11.9
Hours						
Annual Transmission Hours (incl. simulcast)	8,760	8,760	8,870	8,760	8,760	8,760
Overall Average Cost per Transmitted Hour – 2018						
All Transmission Hours	16,000	7,300	4,000	1,300	800	1,400
Annual Movement						
% Change in Cost per Hour¹						
All Transmission Hours	(3.3%)	3.5%	0.8%	(8.5%)	(1.7%)	(1.6%)

1. Costs per hour are rounded to nearest hundred euro. Percentage changes are calculated from the costs per hour before rounding.

Changes in average cost per transmitted hour are due to changes in programme costs due to a range of factors including changes in programme type and programme mix, levels of co-funding, the number of first transmission hours and repeat programming.

Who We Are

Television

RTÉ ONE

RTÉ ONE **+1**

RTÉ 2

RTÉ 2 **+1**



RTÉ News **NOW**

Radio

RTÉ RADIO 1

RTÉ 2^{FM}

RTÉ lyric _{fm}

RTÉ RAIDÍO NA GAELTACHTA

RTÉ 2<>M

RTÉ pulse

RTÉ RADIO 1
EXTRA

RTÉ **GOLD**



RTÉ radioplayer

News and Current Affairs

RTÉ News & Current Affairs

Sport

RTÉ Sport

Digital

RTÉ.ie

RTÉ **PLAYER**

RTÉ AERTEL

RTÉ Archives

RTÉ News **NOW**

Orchestras, Quartet and Choirs

RTÉ NATIONAL SYMPHONY ORCHESTRA

RTÉ CONCERT ORCHESTRA

RTÉ CONTEMPORARY QUARTET

RTÉ PHILHARMONIC CHOIR

RTÉ Cór na nÓg

RTÉ Cór LINN

RTÉ **GUIDE**

SAORVIEW

2r

What We Made in 2019

RTÉ NEWS & CURRENT AFFAIRS

In 2019 RTÉ made significant progress on three strategic priorities; to become a genuinely digital-first news organisation; to provide more regional content; and to move toward stronger integration across the RTÉ News and Current Affairs division.

January saw us go live from the new state-of-the-art Studio 3, a process that had been a year in the making. What began as a refresh became a rebuild, designed to future-proof the presentation of RTÉ News on television. The brand-

new look for RTÉ News' Studio 3 base was essential - the busiest television studio in Ireland, it broadcasts over 1,700 news bulletins and programmes each year.

Trust and relevance is a key performance objective for RTÉ News, and in 2019 the Oxford Reuters Institute and DCU's FuJo Institute released their Digital News Report for 2019 - their research suggested that RTÉ News was now the first choice for Irish audiences online, as well as on radio and on television.

With the exponential growth in digital, the launch of new RTÉ digital series *Explained by Prime Time* aimed to give audiences additional insights into the background of the stories and issues that dominated the headlines, delivered in engaging and accessible ways.

October saw the Irish interest in developments around Brexit stand in stark contrast to a growing weariness in the UK. RTÉ's coverage was praised for its insight, relevance and breadth, with up-to-date developments as they happened in London, Brussels and beyond.

RTÉ's coverage of the UK Elections was ambitious - every UK election matters to Ireland, but few mattered as much as this one, coming as it did in the shadow of Brexit.

RTÉ News announced new appointments in 2019, North East Correspondent, South East Correspondent, London Correspondent, Economics Correspondent, Business Editor and two new dedicated briefs of Environment & Science Correspondent and Agriculture & Consumer Affairs correspondent.

Meanwhile, dedicated storytelling that gave victims a voice included the powerful *Claire Byrne Live* interview with the family of Clodagh Hawe, and the *Prime Time* documentary on the murder of Bobby Ryan, the longest murder trial in the history of the State.

RTÉ Investigates

The gold standard of RTÉ's journalism, in 2019 RTÉ Investigates again made headlines with ground-breaking reports. In June, *The ESB Leaks* revealed that up to one million litres of oil had been leaked from ESB underground cables over the past 20 years. The programme also revealed significant leaks of SF6, a greenhouse gas with a global-warming potential 23,000 times that of carbon dioxide.

Following the programme, the Environmental Protection Agency (EPA) launched an immediate investigation. Appearing before the Oireachtas Committee on Communications, Climate Action and Environment in November 2019, the EPA was extremely critical of the ESB, saying it had failed to notify the regulator of the sustained and prolonged leaks from equipment within the ESB Networks.

Greyhounds: Running for Their Lives was the result of an eight-month investigation that examined the Irish greyhound industry. The programme revealed how up to 6,000 greyhounds were killed each year simply because they failed to make the grade in their early lives or their performance was no longer fast enough. The programme led to a public outcry and widespread protests, resulting in significant changes in animal welfare being introduced by the Irish Greyhound Board (IGB), including increased funding from the IGB for a re-homing scheme for retired greyhounds. The programme also led to a number of investigations by An Garda Síochána, the Department of Agriculture and the National Parks & Wildlife Service.

In July, *Creches: Behind Closed Doors* uncovered significant failings in the standard of care being provided by a Dublin-based creche chain. The failings included employing staff who were not Garda vetted or who did not have the appropriate qualifications. There were also breaches of the child-to-carer ratios - in one case, a single carer was left to look after 18 children for more than an hour. In one branch, children were fed cheap, dried noodles in place of the advertised menu. The programme led to widespread condemnation of the failings uncovered and significant public and political debate about childcare in Ireland. Separate investigations by An Garda Síochána and Tusla (the child and family agency) were commenced as a result of the programme.

In November, *Quarries: Between a Rock and a Hard Place* revealed that one in every eight quarries across Ireland was operating without planning approval and was therefore unauthorised. One such operation was taking place in the middle of the river Foyle, straddling the Donegal/Derry border, where the riverbed was being dredged for sand and gravel in a location designated a special area of conservation. In the aftermath of the programme, investigations were launched by the EPA and a number of local authorities.

RTÉ on Climate
also put youth
voices to the fore,
convening the RTÉ
Youth Assembly
on Climate in Dáil
Éireann

RTÉ on Climate

New documentaries and features offered an Irish perspective on the global climate crisis. With a range of dedicated content and coinciding with Science Week, *RTÉ on Climate* put Ireland at the centre of the global climate crisis in programmes such as *Will Ireland Survive 2050?* and *Hot Air – Ireland's Climate Crisis*, as well as *What Planet Are You On?*, which provided practical ways to help deliver sustainable solutions.

RTÉ on Climate also put youth voices to the fore, convening the RTÉ Youth Assembly on Climate in Dáil Éireann. In association with the Houses of the Oireachtas, 157 young people between 10 and 17 years of age from all over Ireland gathered in the Dáil to discuss the climate crisis and look at solutions.

"We, the youth of Ireland, call on our elected representatives and on adults to listen. We put forward our recommendations for action to stop climate breakdown. We are NOT experts. In our recommendations we offer ideas but we do NOT have answers. It is a starting point for adults and particularly for those elected to protect and progress our society. We call on you to listen to the science, to take on board our recommendations and to work on our behalf to ensure that we – and you – have a future."



What We Made in 2019

FACTUAL

RTÉ Documentaries, the cross-platform factual team, delivered a diverse range of impactful documentaries across the year on all platforms.

On television, *One Day* proved a hit with viewers, while *Showstoppers* celebrated the achievements of a group of drama students with Down syndrome as they staged their first professional play.

RTÉ Cork continued to contribute hugely to our factual output, with three episodes of *Creedon's Atlas of Ireland* gaining critical and audience acclaim, along with an extended run of the ever-popular *Today Show*, which grew its audience numbers year on year. RTÉ Cork's *When Michael Met Davy* documented 11-year-old Michael O'Brien's experience of a lifetime when he was invited by Davy Fitzgerald, manager of the Wexford senior hurling team, to give the team talk at the Wexford v Tipperary game.

Commissioning the Island

Sundays were for escape in 2019. *Daniel and Majella's USA Road Trip* brought us to sunnier climes; audiences reacted positively to *Francis Brennan's All Hands on Deck* from Waddell Media, and *Baz: Wingman* saw Baz Ashmawy help three very different people realise their dreams.

Raised by the Village, in which errant urban teens were given some rural community therapy, was a substantial hit with audiences, who responded to the very genuine transformations in the lives of the series' participants. This series will return in 2020.

On Monday nights, commissions were varied. Single documentaries such as *Fertility Shock* and *Bordering on Brexit* – which looked at the likely impact of Brexit on communities on both sides of the border – aired alongside programmes such as *I, Dolours*, the feature-length documentary on Dolours Price; *The Man Who Wanted to Fly* from Loosehorse; and

Fergal Ward's *The Lonely Battle of Thomas Reid*. Alex Gibney's *No Stone Unturned* received its first terrestrial broadcast on the island of Ireland in the summer of 2019.

A standout documentary that generated high viewing figures and massive audience reaction, *The Funeral Director* gave a first-time insight into a world seldom seen on television. Profiles of national treasures were particularly popular in 2019. *Brendan Grace: Thanks for the Memories* was brilliantly realised by producer, Dearg Films, particularly given Brendan's very sad passing during the production. Other profiles of national treasures, well received by viewers, included Mary Black and Niall Tóibín. At Christmas, Shane Lowry reflected on a big year for himself and for Irish sport in *Shane Lowry: Open*. After 13 series, Wednesday night became the new home of *Operation Transformation*.

New Voices, New Faces

There was a focus on launching new on-screen talent into the schedule, with a particular focus on diversity, in 2019. On RTÉ One, *The Borrowers*, set in Irish credit unions, gave audiences an insight into borrowing habits across the country; while in *How to be Good With Money* new talent, Eoin Magee, gave advice on how to save and spend wisely. New property format *Goodbye House* gave family members the opportunity to help parents who were downsizing. Another new format, *The Big DIY Challenge*, proved popular with viewers.

On RTÉ2 an Irish version of *Ultimate Hell Week*, filmed in Wicklow with ex-army rangers, proved very popular with viewers. Equally popular was original dating format *Pulling With My Parents*, which introduced bemused

parents to the pleasures and pitfalls of online dating. New wedding format *My Big Day, Home or Away* saw two wedding planners go head to head as they tried to convince engaged couples to get married their way.

Diversity was centre stage for two other new RTÉ2 formats: fashion format *The Fitting Room* went on to win a Royal Television Society award in Belfast and, towards the end of the year, the team from *My Yellow Brick Road* gave a helping hand to those looking to make a change. The second series of *The Rotunda* again won the hearts and minds of younger factual viewers on RTÉ2 and was extended to an eight-week run in autumn 2019.

Public-service Documentary with a Difference

The landmark three-part series *Atlas of the Irish Revolution*, produced in association with UCC, aired to widespread acclaim and was nominated for a prestigious Prix Europa award. Live-event television included three formats across the year: *Weather Live* aired in April; *50 Years: To the Moon and Back* aired in July; and *Harvest Week on the Farm* aired in September.

Returning series such as *Crimecall* and *Ear to the Ground* enjoyed successful seasons.

The slate also contained a number of well-received documentaries covering a broad range of subjects, from history in *Daniel O'Connell – Forgotten King of Ireland* to climate change in *Will Ireland Survive 2050?* Original climate-action format *What Planet Are You On?* formed the spine across three nights of *RTÉ on Climate* and was among the most-watched shows of the week.

Other Perspectives

Life & Soul was a new occasional series. Its four hour-long episodes took a fresh and creative approach to Christian worship and added to our staple offering of masses and services across the year. Commissioned documentary *Guns & Rosaries* was voiced by Martin Sheen and told the story of Father Patrick Peyton, the so-called 'Rosary Priest' from Co Mayo. *Coming Home: When Dublin Honoured the Magdalenes* gave a long-overdue voice to the scores of women who were incarcerated, enslaved and silenced in the Magdalene Laundries.

RTÉ Radio 1's Dawn Chorus

RTÉ Radio 1's live *Dawn Chorus* was one of the most ambitious and innovative radio projects of the year. Joining forces with the European Broadcasting Union and BirdLife International (the global partnership of bird conservation organisations), the broadcast featured live birdsong and expert commentary spanning the entire continent, offering an unmatched live celebration of Europe's shared natural heritage.



The five-part podcast series with Jennifer Rock (aka The Skin Nerd) discussed all things skin.

RTÉ Radio 1's *Documentary on One*

RTÉ Radio 1's *Documentary on One* team made headlines when they told the story of former Garda Majella Moynihan, who had been subject to an internal Garda inquiry when she became pregnant outside of marriage in the 1980s. *The Case of Majella Moynihan* resulted in a public outcry and immediate apologies to Majella from both the Garda Commissioner and the Minister for Justice. On a lighter side, the story of *Benjy the Little Gay Bull* became one of the *Documentary on One*'s most-listened-to documentaries ever, as it broke records in podcast downloads and surpassed 170,000 streams when it debuted on YouTube.

The Art of Audio

In 2019, there were 75 million podcast and clip streams from RTÉ's on-demand audio catalogue. RTÉ's podcasts are available on RTÉ.ie and popular podcast apps such as Spotify and Apple Podcasts.

- The RTÉ Radio 1 *Documentary on One* accounted for five million streams and was featured on the Apple Podcasts store as one of 2019's best listens.
- *Brexit Republic* gave weekly updates from RTÉ News Europe Editor Tony Connelly and featured in podcast charts across Europe.
- *Callan's Kicks*, Oliver Callan's weekly satirical swipe at well-known voices, was a consistent presence in comedy podcast charts.
- *Treasure Island*, from Philip Boucher-Hayes, was a six-part story of a 400-year-old mystery wrapped up in a modern-day hunt for sunken Spanish Armada gold.
- RTÉ Sport's GAA, soccer and rugby podcasts discussed all of the major stories, bringing insight and opinion from a range of voices.

In 2019, the RTÉ online lab also worked on a range of podcasts that showcased new talent, voices, stories and trends.

- *Deep Cleanse: The Skin Nerd* – The five-part podcast series with Jennifer Rock (aka The Skin Nerd) discussed all things skin. Along the way, she was joined by her nerds and nerdettes to share some skincare tips.
- *Dirty Laundry* – 2fm DJ Tara Stewart explored the world of sustainable fashion, looking at the way we currently approach buying clothes, assessing what the future holds for style influencers and looking at how big brands are handling the climate crisis.
- *Unlocked with Emma and Laura* – This pop culture and entertainment podcast was presented by 2fm's Emma Power and RTÉ Pulse's Laura Fox, with chat about festivals, fashion, gigs and must-see TV.
- *The W* – RTÉ Sport's podcast for sportswomen offered insight and analysis on major events as they unfolded and shone a spotlight on the champions of women's sport, on and off the field.

What We Made in 2019

ARTS AND CULTURE

In 2019, our arts and culture output continued to offer emotionally enriching content that expressed contemporary Irish culture and championed Irish traditional arts as a living, breathing legacy.

Using all platforms, we sought to diversify and broaden the audience for arts and culture,

engaging and collaborating with a range of partners.

The RTÉ Concert Orchestra – fulfilling the Boaden report’s recommendations – developed more broadcast engagements, performing to mass audiences on RTÉ One shows *Dancing with the Stars* and *The Tommy Tiernan Show*. On RTÉ Radio 1, a new

bank holiday daytime show, *Strings Attached*, showcased the best of Irish musical talent.

Music as a contemporary creative expression was the hallmark of *Ireland’s Favourite Folk Song*, a five-part series putting the spotlight on Irish folk music and culture for a new generation of audience. In autumn, the *RTÉ Folk Awards* in Vicar St, Dublin, recognised and celebrated the best of Irish artistic talent. The ceremony was broadcast on Radio 1, on RTÉ One and online.

Radio 1 broadcast 40 hours of live music shows every week.

On digital, RTÉ.ie/culture became the primary online channel for the arts on RTÉ, streaming innovative live arts events to a national audience. There were more than 800 hours of high-quality arts programming on Radio 1, including *Arena*, *Sunday Miscellany*, *Miscellany 50* and *Pantisocracy*. On television, documentaries included *The Last Days of Luggala* and *Ross O’Carroll Kelly at 21*. *The Works Presents* series profiled five women in Irish cultural life.

Orchestras

2019 was a year of firsts for the RTÉ Concert Orchestra, with appearances on *Dancing With The Stars*, *The Ray D’Arcy Show* and *The Tommy Tiernan Show*, all on RTÉ One, extending the popular reach of the orchestra. With RTÉ lyric fm, the Concert Orchestra became an IMRO Radio Award Finalist for the Specialist Music Programme, *Music and the Mind*, the first such associated nomination for the orchestra.

On RTÉ Radio 1, the *Strings Attached* series saw the orchestra join forces with a range of artists for in-depth musical explorations across various catalogues and genres; Irish band The Villagers featured in the series, which included a journey through the music of Joni Mitchell and a celebration of the best of country music.

The beginning of 2019 saw the orchestra deliver sold-out concerts featuring the music of Tchaikovsky and Beethoven at the National Concert Hall, and the orchestra switched seamlessly into jazz mode with *Kind of Blue* and *Porgy and Bess*. Celebrations for Sir James Galway’s 80th birthday were followed in late September by the major Culture Night concert event in Collins’ Barracks, which was broadcast live on radio and recorded for television.

Commissions included Neil Martin’s song cycle *Sweeney*, with artist support from Stephen Rae and Iarla Ó Lionáird. The music of Pink Floyd was also commissioned with two sold-out performances at The National Concert Hall.

The orchestra supported a range of events with special performances, including New Music Dublin, Fleadh Cheoil na hÉireann, and Irish National Opera’s *Madame Butterfly*. Composer Danny Elfman praised the orchestra for its work on *A Nightmare Before Christmas*, saying “now I know where to come if I need a great European orchestra.”

The RTÉ National Symphony Orchestra reached a total live audience of 63,632, with 68 performances in 2019. A major development was the appointment of Jaime Martin as Chief Conductor for three seasons.

The orchestra’s broad audience focus was reflected in its programming. Performances ranged from large-scale works – such as Mahler’s *Third Symphony* with the RTÉ Philharmonic Choir; Richard Strauss’s *Alpine Symphony*; Korngold’s opera, *Die Tote Stadt*; and a world premiere by John Kinsella – to world premieres by Niall Vallely and Shaun Davey, live movie screenings in concert, the European premiere of *We Have to Go Back: The LOST Concert* in Dublin, conducted by Oscar®-winning composer Michael Giacchino, and Jenny Greene and the RTÉ National Symphony Orchestra at the Iveagh Gardens.

Major names with whom the orchestra collaborated included its Principal Guest Conductor Nathalie Stutzmann, Leonard Slatkin, Maxim Vengerov, Bryn Terfel and Irish artists such as Jennifer Walshe, Barry Douglas, Claudia Boyle and Fiachra Garvey, as well as actor Stephen Rea.

Education and development work included the *Music in the Classroom* programme for primary and second-level students and the Mentoring Scheme for developing young orchestral players. Collaborations with the Contemporary Music Centre and Bluebell Community Breakfast Club enabled, respectively, *Composer Lab* for emerging composers and participation by emerging female conductors; and the world premiere of new music for an orchestra performed and inspired by the lives of Bluebell Breakfast Club’s members.

Recordings released included *Mary Black Orchestrated*, *José Serebrier: Symphonic BACH Variations* and *Lost in Concert*, composed and conducted by Micheal Giacchino.

RTÉ lyric fm

On 1st May, in the company of the RTÉ National Symphony Orchestra, RTÉ Philharmonic Choir and acclaimed soloists conducted by Gavin Maloney, RTÉ lyric fm celebrated its 20th birthday in a sold-out concert at the National Concert Hall, Dublin, which was broadcast live and online. To celebrate, lyric fm commissioned three new works through an open competition, including a setting of Carrick-on-Suir poet Michael Coady's poem *Though there are torturers (... there is music)* by Kate Neville, which was performed by the massed singers of the RTÉ Philharmonic Choir.

Cementing its role as the home of culture on radio, over 100 hours of arts programming, comment and review were broadcast in the *Lyric Feature* and regular strand programme inserts such as *Culture File*, *Nature File*, *Poetry File* and *Through the Canvas*. The *Lyric Feature* was shortlisted for both the Prix Italia and the Prix Europa, while RTÉ lyric fm's programmes overall received one gold award, four silver awards and four finalist certificates at the New York Radio Festivals.

Partnering with the European Broadcasting Union, lyric fm broadcast from Ireland to the world on more than 50 occasions in 2019, including from the Wexford Festival Opera and the West Cork Chamber Music Festival.

Lyric fm made 10 community visits to secondary schools and third-level colleges, libraries and care homes in 2019 in Co Kerry. *Music and the Mind* with the RTÉ Concert Orchestra brought wellness to radio, while RTÉ lyric fm's Choirs for Christmas competition had 127 entrants from all around the country, the largest ever number.

Lyric fm staged 88 outside broadcasts in 2019, from James Galway's 80th birthday celebrations to the Irish National Opera's production of *Cinderella*. Lyric fm also released the premiere recording of music by the early 20th century Irish-American composer Swan Hennessy, played by the internationally acclaimed RTÉ Contempo Quartet.

The RTÉ National Symphony Orchestra reached a total live audience of 63,632, with 68 performances in 2019.



What We Made in 2019

DRAMA AND COMEDY

RTÉ Radio 1's Drama on One

RTÉ Radio 1's *Drama on One* employed 18 Irish writers, 63 actors and musicians, and broadcast 16 new Irish radio plays in 2019. Participating writers included Eimear McBride, Stephen Jones, Peter Sirr, Janet Moran, Irene Kelleher, Alan McMonagle, Colin Murphy, Philip Davison and Nyree Yergainharsian. *Drama on One* productions were honoured with many awards, including at the New York Festivals Radio Awards and the UK Radio Drama Awards.

RTÉ *Drama on One*'s playwright competition, the PJ O'Connor Awards, attracted a large response and 2019 saw the competition's youngest ever winner. Sarah McKenna, aged 17, from Lusk, Co Dublin, took second place with *Swept Under the Carpet*. *Christie* by Seán O'Gorman won first prize.

RTÉ *Drama on One* undertook workshop and outreach activities with Queen's University, Belfast; Trinity College Dublin; the Scripts festival in Offaly; Hearsay International Audio Arts Festival in Kilfinane; and Shakespeare for Schools at the Mill Theatre, Dundrum.

Ireland on Screen

Fair City had a fantastic end to 2019 and beginning of 2020, with powerful storylines driving viewers to the soap across different audiences and increasing overall share to between 30-35%.

Working with international co-production partners and accessing other funding sources through the BAI and Screen Ireland, we significantly increased our drama activity, up from 6 hours to 23 hours of commissioned/co-produced drama and comedy drama, which were all in various stages of production or delivery in 2019. *Resistance* was a five-part sequel to *Rebellion* that continued the story

of Ireland's fight for independence. Featuring Brian Gleeson (*Love/Hate*), the series was produced by Spiral Pictures for RTÉ and was co-financed by ARTE, Banijay Rights, the BAI and Screen Ireland.

An additional 14 hours of Irish drama was acquired or co-commissioned, including *Normal People* and *Dublin Murders*. Based on the *Dublin Murder Squad* series by crime novelist Tana French, *Dublin Murders* was set during the height of the Celtic Tiger, and was adapted for the screen by renowned screenwriter Sarah Phelps (*The ABC Murders*, *The Casual Vacancy*). It was produced by Euston Films, Element Pictures and Veritas Entertainment Group for BBC One, as well as RTÉ, with support from Northern Ireland Screen.

Dead Still – a unique six-part comedy drama set in the strange world of 1880s memorial photography, with a strong dash of murder mystery – went into production, as did *Smother*, which began shooting in Lahinch.

A 6-hour comedy drama set in West Cork, where a green-energy executive is secretly tasked by her Norwegian company to quell turbine protests, *The Southwesterlies* went into production. An RTÉ commission, it was produced in association with Acorn Media Enterprises, TV2 Norway, ZDF Enterprises, BAI and Screen Ireland.

Project Laughter

Our comedy output continued to increase, growing to 21 hours in 2019 with a further 46 hours funded and poised for production for 2020.

Callan's Kicks continued on RTÉ Radio 1 and *The Doireann Project* returned for a second season on RTÉ Player, as well as *Talking it Out*, a topical adult animation show set in a phone-

in radio programme. *The Tommy Tiernan Show* continued to grow its already impressive audience and we aired four comedy pilots; one will be chosen to go to series, in partnership with Screen Ireland, which co-funded. The second series of Amy Huberman's *Finding Joy* wrapped production in 2019.

Other Irish comedies were acquired in 2019, with *Young Offenders*, *Mrs Brown's Christmas Specials* and *All Round to Mrs Brown's* returning.

Storyland on RTÉ Player

RTÉ and Northern Ireland Screen launched six brand-new, 20-minute dramas for *Storyland*, bringing original stories to a national and global audience, and showcasing the great breadth of Ireland's creative talent across writing, acting, producing and directing.

Wastewater

Written and directed by Dave Tynan (*Dublin Oldschool*), *Wastewater* was produced by Dave Leahy and Michael Donnelly for Warrior Films and stars Ian Lloyd Anderson and Eva Jane Gaffney.

A Deal's a Deal

A Deal's a Deal was written by Francis and Geraldine Scullion, directed by Mick Gordon, produced by Pearce Cullen for Wolfhound Media and stars Ian McElhinney, Stuart Graham, Rose Henderson and Laura Hughes.

Eat the Rich

Written by PJ Hart, directed by Aidan Largey and produced by Katy Jackson for Wee Bun Films, *Eat the Rich* stars Shaun Blaney, Ian Beattie and Kristina Yaneva.

Mushrooms

Written by Marion McDowell and directed by Meghan McArdle, *Mushrooms* was produced by Janine Cobain for Richter Media and Write Path NI. It stars Maggie Cronin, Andrea O'Neil, Julie Alderdice and Ian Beattie.

Skip to the End

Written and directed by Jason Butler for Brothers Gonna Work It Out Ltd, *Skip to the End* stars Paul Reid, Amy de Bhruin and Mark Huberman.

Yellow Bird

Yellow Bird was written and directed by Grainne Dwyer. Produced by Fiona Dwyer for Stori Creative Ltd, it stars Catherine Field, Fachtna O'Driscoll, Aoife Moore and Maurice Thom.

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ENTERTAINMENT AND MUSIC

Bringing Audiences Together

RTÉ's entertainment strands continued to feature strongly in the list of the most-watched programmes of 2019, bringing families and communities together across the RTÉ schedule. *Dancing with the Stars* brought viewers of all ages together as Mairead Ronan was crowned the first female winner of the show. *Ireland's Fittest Family* returned, with 15 families from urban and rural communities across the four provinces competing for the title. *Winning Streak* entered its 30th year of giving money to contestants and good causes alike. Since 1990, more than 6,000 contestants have won a combined total of more than €172 million.

Compelling Irish Stories

The Ray D'Arcy Show, *Brendan O'Connor's Cutting Edge* and *The Late Late Show* continued to tell Irish stories to huge audiences with enjoyable, powerful and popular guests. *The Late Late Show* looked back on the career of John Sheahan in May and of Shane McGowan in December – just two of many special moments. November saw *The Late Late Show* commemorate the man who started it all, when it marked the passing of Gay Byrne with a special show. *The Late Late Toy Show* was once again the most-watched programme of the year. It celebrated inclusivity and tackled the issue of bullying, all the while wowing a record-breaking audience.

A broad range of events across the island of Ireland were also covered in 2019, from New Year's celebrations to the St Patrick's Day Festival.

Existing and Emerging Talent

We created a new format for magician Keith Barry in 2019, while Una Healy hosted the New Year's Eve party for the first time. In a new and novel pairing, Bernard O'Shea and Marty Morrissey joined forces in *Marty and*

Bernard's Big Adventure, while Jacqui Hurley joined her colleague, Des Cahill, to present this year's *Up For The Match* programmes.

Other Voices continued to showcase the best in contemporary Irish music from its very special venues in Co Kerry. In 2019, the programme also visited Berlin for a special episode commemorating An tUachtarán Michael D Higgins' first State visit to Germany. A six-part series on the biggest music festival in the country featured national and international musicians when Fleadh Cheoil 2019 came from Drogheda.

RTÉ 2fm

In its 40th birthday year, 2fm re-launched its weekday schedule, introducing new talent to its schedule when Doireann Garrihy joined Eoghan McDermott to co-present the new breakfast show. A return to the morning-time chat-show format saw a new daily programme hosted by Jennifer Zamparelli. Later in 2019, *Game On* was re-launched as a two-hour show co-presented by sports journalist Marie Crowe, rugby international Donncha O'Callaghan and racing legend Ruby Walsh. Six of the top ten programmes for 15-34s are on RTÉ 2FM, making it the biggest youth station in Ireland, with a market share of 13.8%.

Supporting Young Irish Music Artists

2fm Rising gave airplay to emerging talent and made new music discovery integral to the service. The first 2fm Rising national tour took place in 2019, with free concerts in Cork, Galway and Dublin. There were performances from acts including True Tides, JyellowL, Tebi Rex, Pillow Queens, Inhaler, Rushes, Flynn, ROE and HappyAlone.

***The Tommy Tiernan
Show* continued
to grow its already
impressive audience**



What We Made in 2019

RTÉ SPORT

Coverage of the Olympic hockey qualifiers, which ultimately saw our national women's hockey team book their place at the Olympics, was a highlight in 2019.

2019 was a year of sporting excellence, and RTÉ brought audiences the very best of Irish sporting talent from both national and international stages. From Patrickswell to Paris, from Thurles to Tokyo, RTÉ Sport was again at the heart of the key moments that brought joy (and sometimes sadness) to the nation. Ireland's rugby journey to Japan in 2019, while unsuccessful in sporting terms, was a huge success in broadcast terms. Over one million people tuned into RTÉ2 as Ireland crashed out of the Rugby World Cup.

RTÉ Sport broke new and progressive ground in transforming the scale and scope of women's sport, most notably through its innovative partnership with TG4, which ensured that every single match from the Women's Soccer World Cup was broadcast free-to-air to an enthralled and growing audience. RTÉ2 and RTÉ Player broadcast 23 matches, including three of the quarter-finals, one semi-final and the final on Sunday 7 July, plus a highlights programme each morning. An average audience of 224,400 tuned-in to RTÉ2 for the FIFA Women's World Cup final as defending champions USA defeated Netherlands. The audience peaked at 265,400 as the game reached a climax - 31% of those watching TV at the time were watching the game on RTÉ2.

The progress made in 2019 built on RTÉ Sport's long and proud tradition of commitment to women in sport - coverage of the Olympic hockey qualifiers, which ultimately saw our national women's hockey team book their place at the Olympics, was a highlight in 2019.

RTÉ's GAA coverage maintained the high standard audiences have come to expect. RTÉ aired 31 live games on television and online, with exclusive live radio coverage of all games. Dublin created history winning five in a row in a thrilling conclusion to the championship. A peak audience of 1,123,300 watched the All Ireland Football Final replay on the *Saturday Game Live* on RTÉ2 as the Dubs closed in on their historic five in a row All Ireland title. An average of 966,600 viewers tuned in for the game, a share of 72.3% of those watching TV at the time. Additionally there were a total of 140,808 streams on RTÉ Player.

RTÉ Sport significantly expanded its GAA offering, broadcasting live matches from both the national leagues and the club championship. The extension of the coverage allowed for a significantly enhanced offering to the public and extended the calendar footprint for our national sport from four to nine months.

The Sunday Game Live celebrated 40 years on air, with highlights of up to 100 games throughout the season - the team provided definitive analysis every single Sunday of the Championship summer, as well as rolling back the years with a look through the archives and a special programme at the culmination of the Championship which celebrated four decades of Ireland's favourite GAA show.

Across soccer, horse racing, camogie, showjumping, gymnastics and golf, RTÉ Sport again reflected the very best of our nation's talent.



YOUNG PEOPLE

The delivery of innovative, fresh new content for RTÉ's eight to 12-year-old audience was a priority in 2019. A number of new formats premiered on RTÉ2. *Ace My Space*, a new bedroom makeover format from Tailored films, was presented by dynamic duo and YouTube sensations Mary-Claire Fitzpatrick (aka MC Luvs) and Sean Treacy (aka Stellar Sean). *Squad Goals*, created by Kite Productions, was an action challenge series for kids, while *Crafty Christmas* from Appetite Media was hosted by crafty duo Ande Gray and Órla Morris Toolan.

In drama, the thought-provoking *Girl at the End of the Garden* was an original drama created by Dyehouse Films. The new documentary strand, *My Story*, found its footing in the schedule with a number of wonderful films, including *Flossie The Beach Cleaner* from Dyehouse films and *I'm Starting Secondary School* from Cracked Egg.

For our youngest viewers on RTÉjr, *The Body Brothers* (aka The Lords of Strut) danced their way on to our screens in a hilarious and educational show all about the body and how it works. *Tir na nÓg* took kids, young and old, on a magical journey through a hidden garden gateway. Popular favourites, *Living With a Fairy*, *Bright Sparks* and *Donncha's Two Talented*, all returned in 2019.

It was also a strong year for animation on RTÉ. In *Critters TV*, we met the native animals of Ireland as you've never seen them before – at home, with their feet up, watching nature documentaries on television. *Urban Tails* was a musical fun fest pre-school; while *Ollie*, an animated pre-school series for the younger end of RTÉjr's audience (three to 5-year-olds), featured the adventures and explorations of little owl Ollie and the friends with which he shares his park. *Sir Mouse* challenged our preconceptions of existing fairytale clichés and 2019 also saw the return of audience favourites *Pablo*, *MyaGo* and *Ballybraddan*.

RTÉjr Radio

It was an exciting year in RTÉ for kids' audio content. A bespoke three-part podcast series for the *Late Late Toy Show* had in excess of 7,000 page impressions on RTÉ.ie. *We Love Books* was launched in collaboration with Children's Books Ireland and Dublin City Libraries. *Ecolution* was developed for RTÉ on Climate, and an original radio panto for Christmas day, *The Panto that Starts at the End*, starred our talented DJs and crew.

Popular favourites
Living With a Fairy,
Bright Sparks
and *Donncha's*
Two Talented all
returned in 2019.

Donncha's TWO TALENTED



What We Made in 2019

IRISH LANGUAGE

Twenty-two new half-hour Irish-language programmes, as well as one 40-minute and one 52-minute programmes, aired on RTÉ One during 2019. Our Cláracha Gaeilge series attracted audience share averages of 23% for *Scannal*, 22% for *Cloch le Carn*, 20% for *The Geansaí* and 19% for *Ar Son na Poblachta*. A one-off mid-summer programme, *Spéis sa Spás*, marked the 50th anniversary of the moon landing and delivered an audience of 118,200 viewers, a 15% share. *Ar ais go Berlin '89* was broadcast in the week marking the 30th anniversary of the fall of the Berlin Wall and attracted 102,600 viewers (a 14% share).

We built considerably on our in-house Cláracha Gaeilge output with a broad range of projects commissioned from the independent sector, supported by the BAI Sound & Vision Fund as well as the Irish Language Broadcast Fund of Northern Screen. All commissions played prominently in the RTÉ One schedule to positive notices.

Slán leis an gCeol was an unflinching, emotional look at the life of renowned Irish accordion player Tony MacMahon. The film revealed a difficult story of euphoric highs and devastating lows through a long battle with bipolar disorder. *GAA Eile* cast an inquiring eye on today's GAA, with All-Ireland winning Kerry captain Dara Ó Cinnéide looking at the economic model of today's GAA and asking who really owns the GAA.

My Tribe: Mo Threibh, a four-part bi-lingual series, told the definitive story of Ireland's musical tribes from the 1950s to today. It revealed the underground worlds of some of music's most defining youth culture movements – the rockabillys, mods, skinheads and punks. The series achieved an average audience share of 16%, 167,950 viewers.

Turas Cosnochta – a two-part co-production between RTÉ and BBC Northern Ireland, and supported by the Irish Language Broadcast Fund – explored what inspires people to take part in the age-old pilgrim tradition of Lough Derg, which has been welcoming pilgrims for more than a thousand years. The series attracted an average audience of 137,800, a 14.5% share.

RTÉ Raidió na Gaeltachta

There were some stand-out milestones on RTÉ Raidió na Gaeltachta in 2019.

Sruth na Maoile – a weekly music programme that celebrates the best traditions of Irish and Scottish music and singing, and which is a co-production with BBC Radio nan Gàidheal in Scotland – celebrated its 25th year on air. A special concert in the Glór Theatre in Ennis, *Sruth na Maoile @ 25*, brought together top musicians from both countries. *An Taobh Tuathail*, a fresh underground music programme that first went on air 20 years ago, marked its anniversary with a live music broadcast from the Róisín Dubh in Galway, with many of the programme's loyal listeners in attendance.

We also saw the 50th year of Comórtas Peile na Gaeltachta (The Inter-Gaeltacht Football Championship), which has been covered by the station since 1972. RnaG broadcast more than 25 hours of live commentary, analysis, interviews, discussion and entertainment from the event.

News and current affairs coverage at a national, international and local level was again a significant part of the station's output. Programmes such as *Adhmhaidin*, *Nuacht a hAon*, *Tús Áite* and *An tSeachtain le Máirín Ní Ghadhra*, as well as the various news bulletins and local magazine programmes, covered major events such as the European and local elections, and Brexit.

For *Seachtain na Gaeilge*, RnaG built on a partnership with Foras na Gaeilge. A competition was launched for secondary schools across the island to make a radio programme in Irish based on *Bliain na Gaeilge 2018*. Five schools were selected and, under the guidance of a mentor (who was a professional radio producer), each school produced its own programme. The five programmes were broadcast during *Seachtain na Gaeilge* and the winner, *Pobalscoil Ghaoth Dobhair*, was presented with a €1,000 prize. RTÉ Raidió na Gaeltachta attended many festivals in 2019, with *An Ródaí*, the stations outside broadcast unit, broadcasting live, assisting with the collection of music from musicians of all ages and strengthening the cherished connection between RnaG and traditional music followers.

In 2019 more programmes were streamed live than ever before. They included various competitions and events at *Oireachtas na Gaeilge*, *Sruth na Maoile @ 25*, *Fleadh Cheoil na hÉireann*, *Gradaim Ceoil Nós* and *Bonn Óir Sheáin Uí Riada*.

GAA Eile cast an inquiring eye on today's GAA, with All-Ireland winning Kerry captain Dara Ó Cinnéide looking at the economic model of today's GAA and asking who really owns the GAA.



What We Won in 2019

CURRENT AFFAIRS

RTÉ Prime Time: Carers in Crisis was named best current affairs programme at the 2019 Celtic Media Festival in Scotland, with other wins for *The Rotunda*, *Documentary on One*, and *The Man Who Wanted to Fly*.

BROADCASTER OF THE YEAR

RTÉ was again honoured with the prestigious **Broadcaster of the Year** award at the 2019 New York Festivals International Radio Awards. Selected from finalists spanning 32 countries, this was the sixth time we won this coveted radio award.

2 GOLDS

RTÉ Radio 1's *Documentary on One* won two prestigious gold awards at the 2019 IMRO Radio Awards.

MOMENT OF THE YEAR

**The IMRO Radio Moment of the Year was 2fm's emotional
*Gerry Ryan Show 2fm at 40 Special***

JUSTICE MEDIA

**Tony Connelly won the Justice Media Award for his piece 'How
the backstop deal was done'.**

RECYCLING CHAMPION

**RTÉ was named the winner of the 2019 Business Recycling
Champion Award at the Pakman Awards, recognising
performance across all areas of environmental impact and
our responsible approach to waste segregation, achieving a
recycling rate of more than 80% and zero-to-landfill status.**

What We Did in 2019

Across our content and programming, through our services and people, RTÉ championed Irish culture, our people, our island and our diversity.

MORE DIVERSE, MORE INCLUSIVE

RTÉ is committed to inspiring leadership in diversity and inclusion.

Gender	Headcount Dec 2019	%
Female	881	48
Male	950	52
Total	1,831	100

1. With pride

In May, RTÉ announced its proud support of the Dublin LGBTQ+ Pride Festival, which took place from 20-30 June. As media partner, we celebrated the festival with a high-profile campaign across radio, television, social media and online.

In June, RTÉ staff marched in the Dublin Pride Parade, including members of our new Pride employee group, their partners and friends.

Across the summer, a specially produced campaign showcased the voices, experiences and challenges facing members of the LGBTQ+ community, including the unique experiences of those in direct provision.

2. Women in sport

RTÉ and TG4 reached agreement with FIFA in 2019, guaranteeing live coverage of every game in the 2019 FIFA Women's World Cup in France. RTÉ and TG4 shared coverage throughout the tournament, with all games free-to-air for Irish viewers. We continued to support the 20X20 initiative with a commitment to air more female sporting fixtures, as well as diversifying panels and presenter line-ups.

3. Celebrating people

RTÉ marked International Women's Day 2019 with a week-long campaign of specially produced content for social media, as well as events and staff discussions. In addition, we partnered with the European Broadcasting Union on a wide range of campaigns that aired on broadcast channels all over Europe. The campaigns, produced by RTÉ for international broadcast, focused on World Press Freedom Day, International Children's Day and International Women's Day.

4. Young people on air

In September, first-time television presenter Aisling Moloney (22) from Dungarvan, Co Waterford joined the RTÉ *news2day* team. A news television programme designed specifically for children, *news2day* features Irish and international news of interest to a young audience. Following a call out to media and journalism graduates across the country, and a comprehensive audition process, Aisling was chosen to join the team and is now a popular face on RTÉ2 and RTÉ News Now.

5. Herstory

In 2019 we partnered with Herstory; the Broadcasting Authority of Ireland; and EPIC, The Irish Emigration Museum, to bring the stories of some of Ireland's forgotten heroines to life. As part of the project, RTÉjr commissioned six brand-new Irish animations that look at great Irish women. For broadcast in 2020, children and young people from ages seven to 17 were invited to nominate the women who inspire them.

6. World Down Syndrome Day

RTÉ marked World Down Syndrome Day with a visit by Cameron McNamara to the RTÉ Weather studios for the 'I Could Be' campaign, which showcases the innate potential, skills, talents and unique perspectives people with Down syndrome bring to society. Cameron got first-hand experience of how to present the weather on a behind-the-scenes look at the set with Audrey McGrath.

7. Special Olympics Ireland

Paul O'Flynn reported on success and smiles for Team Ireland at the Special Olympics World Games in Abu Dhabi, where there were notable performances in equestrian and gymnastics. With medals and magic moments, the coverage culminated in a standing ovation for Ireland's Special Olympic athletes 2019 on *The Late Late Show*.

8. Beyond Representation

In November, we were honoured to host Beyond Representation, an event that champions women of colour who are breaking new ground in Irish media, the arts and business. Panellists included Abidemai Taiwo and Filomena Kaguako in conversation with RTÉ's Zainab Boladale.



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GREATER ACCESS, BETTER LEARNING

RTÉ is committed to improving access services and providing tangible educational tools for citizens.

1. Educating together

RTÉ hosted the annual European Broadcasting Union (EBU) Access Services conference in 2019. Delegates from all over Europe looked at innovative technology projects and initiatives, production workflows and organisation.

We also hosted the 45th EBU International Features Conference in Cork. Organised by the RTÉ *Documentary on One* team and RTÉ Corporate Events, speakers and delegates attended from Canada, BBC Africa, Sweden, BBC Radio 3 and 4, Norway, Poland, Australia, Italy and Germany. President Michael D Higgins opened the event via video, along with EBU Director General, Noel Curran.

In 2019, RTÉ also supported Mojofest, the mobile journalism conference, which welcomed delegates from around the world to Galway city. In addition, we hosted the EBU Plenary Session for music experts, with delegates from across Europe gathering in RTÉ Radio's studio one for sessions that spanned two days and multiple speakers.

2. RTÉ in the classroom

In November, the Junior Cycle for Teachers (JCT) organisation, RTÉ and the Broadcasting Authority of Ireland (BAI) announced the launch of an exciting new selection of online classroom resources related to the Junior Cycle. Three television programmes from recent RTÉ and TG4 archives were used to generate classroom resources for teachers and students of business studies, geography, history, Gaeilge, SPHE and OSPE, as well as the digital media literacy (short course) in the Junior Cycle.

3. A week of science

Science Week on RTÉ returned in 2019 with a range of engaging science-themed content for people of all ages, across all platforms. Working in partnership with Science Foundation Ireland, a week of special content was supported by an advertising campaign on television, radio and social media, as well as online.

4. STEaMing ahead

Once again, we supported a range of educational conferences, projects and initiatives, many aimed at young people. From Coder Dojo to Schools Digital Champion, Inspirefest and the Junior Entrepreneur Scheme, we were both an active supporter and an active partner. The RTÉ set at the BT Young Scientist and Technology Exhibition at Dublin's RDS saw RTÉ deliver an exciting three-day schedule of live broadcasts, events and activities.

At the Junior Entrepreneur event in the RDS, students got to try their hand at presenting the news on a specially constructed RTÉ *news2day* set.

5. Staff training

In November 2019, we hosted the first in a series of unconscious bias workshops for content makers. The training was a joint effort between RTÉ and Screen Producers Ireland. A number of diversity and inclusion workshops with programme teams also took place throughout 2019.

In October, staff attended a talk about dyslexia, which was facilitated by Amy Smyth from the Dyslexia Association of Ireland. Meanwhile, for Stand Up Awareness Week – which saw second-level schools in Ireland take a stand against homophobic, biphobic and transphobic bullying – Moninne Griffith, executive director of BeLonG To Youth Services, delivered a lunchtime workshop looking at the importance of LGBTI+ issues and identities, the work of BeLonG To and what individuals can do as allies.

To mark Autism Awareness Month in April, we hosted a special autism awareness workshop facilitated by Understanding Le Chéile. To mark Africa Day in May, we welcomed Dr Ebun Joseph for a short talk reflecting on the first black studies module in Ireland.



What We Did in 2019

SUPPORTING COMMUNITIES

RTÉ is committed to supporting local communities in sharing their stories, developing their creativity and hearing their voices.

1. Arts for all

Through RTÉ Supporting the Arts, we supported more than 140 arts and cultural events nationwide in 2019. From major events such as Culture Night, Cork Film Festival and the An Post Irish Book Awards to local festivals, exhibitions and events, we actively partnered to deliver major marketing campaigns that drove attendance and awareness. RTÉ Supporting the Arts is a popular interface for the public in Ireland to keep up to date with their arts and artists.

2. Gaillimh abú

In 2018, we announced a major media partnership with Galway 2020, supporting events across all platforms and working alongside sister service TG4. In 2019, RTÉ produced and aired a wide-ranging consumer campaign, promoting what promised to be a year of creativity and spectacle in the City of the Tribes.

3. Country life

The National Ploughing Championships took place in Ballintrane, Fenagh, Co Carlow, and once again we were there over three full days with an action-packed schedule of live programmes, a host of musical performances, live weather bulletins and exclusive events with well-known presenters. This year *The Late Late Toy Show* costume display, *The Sunday Game* set and the *RTÉ Guide* cover-star feature drew record crowds.

4. Fleadh-aris

As part of Fleadh Cheoil na hÉireann 2019 – the biggest traditional Irish music festival and celebration of trad music in the world – we broadcast live from Drogheda, celebrating with the 600,000 visitors, 10,000 musicians and 6,000 competitors who descended on the Louth town. To mark the second Fleadh in Drogheda, we created *Are You Coming to the Fleadh?*, a specially made partner advertising campaign that resonated widely.

5. Blooming amazing

We returned to Bloom in Dublin's Phoenix Park over the June bank holiday weekend, providing an action-packed schedule of live broadcasts and events from a specially constructed set. The event featured live television and radio, live music with the RTÉ lyric fm Quartet, live RTÉ Weather reports, panel discussions and children's entertainment.

6. Being dramatic

The 67th RTÉ All-Ireland Drama Festival showcased the very best of Irish amateur theatre and attracted thousands of visitors to Athlone once again. We broadcast daily reports from the festival on RTÉ lyric fm. Nine drama groups from around the country competed in the festival finals.

7. Running with Ray

RTÉ Radio 1's *The Ray D'Arcy Show* took the show on the road in June, as Ray embarked on the 'Run with Ray' campaign, encouraging people in their communities to get out and get active. Over five days from June 10th, Ray broadcast from Ballincollig in Cork; Limerick City; New Ross in Wexford; Kilcock, Co Kildare; and St Anne's Park in Dublin. Thousands of runners, experienced and novice, crossed the finishing lines.



What We Did in 2019

OUR SHARED WORLD

RTÉ is committed to sustainability and to educating, informing and preserving.

1. Keeping it green

In 2019 we committed to the Business in the Community Low Carbon Pledge, generated by Irish businesses to set industry standards on sustainability and reduce carbon usage. As one of the signatory companies, RTÉ committed to reducing greenhouse gas emission intensity by 50% by 2030.

2. Greening the screen

We joined with other Irish creative screen partners to launch an industry-specific carbon calculator in 2019. The BAFTA Albert Carbon Calculator, already used in the UK, allows producers to understand a production's environmental impact. By providing some basic information about studio work, travel, accommodation, locations, materials' use and disposal, and post-production, the calculator reveals the extent of the carbon emissions on a given production.

3. Turn off (in a good way)

RTÉ continues to innovate to find more environmentally sustainable ways of running the organisation and more efficient ways of working. We moved towards more paper-less production in 2019 and more effective use of cloud storage. A new system placed all RTÉ desktop monitors into shut-down mode after a five-minute period of screensaver display, reducing electricity consumption, increasing the life cycle of monitors and reducing cooling loads by limiting generated heat.

4. Waste not, want not

In 2019, RTÉ was the winner of the Pakman Recycling Champion Award, which recognises efforts to reduce all kinds of waste (including paper, food and electrical items). Savings to date equate to more than 4,000 tonnes of waste diverted from landfill. In November, we hosted a cross-sector Circular Economy Awareness event, in collaboration with the Environmental Protection Agency and Business in the Community. During the year, we did not send any waste to landfill; approximately 80% of waste was recycled with the balance being recovered.

5. Save our water

Water consumption on site has reduced by 27% over the past decade. Controlled water monitoring and use of rainwater harvesting means that, since 2016, RTÉ has saved more than 41,000 litres of water.

6. Supporting biodiversity

RTÉ, in partnership with the All-Ireland Pollinator Plan, contributed to a national programme to reverse pollinator decline in Ireland and restore healthy pollinator populations. We reduced the frequency of mowing and introduced wild pollinator nesting habitats, as well as ground nesting habitats for the common mining bee.

7. Sustainable transport

We continue to operate the bike-to-work scheme and the tax-saver travel scheme, and we provide a Go Car facility for short car journeys, assisting in the promotion of public transport options. Electric vehicle charging is available on site and car parking spaces on the Donnybrook site were reduced in 2019, putting more emphasis on sustainable modes of transport.



FOSTERING IRELAND'S CREATIVITY

RTÉ is committed to working with organisations and producers all over Ireland, supporting artists and developing access to diverse art forms and new voices.

1. Creating together

In June, RTÉ Director-General, Dee Forbes, joined Minister for Culture, Heritage and the Gaeltacht, Josepha Madigan, to call on all children and young people to fire up their imaginations and take part in one of the hundreds of free Cruinniú na nÓg events that took place around the country on Saturday 15 June 2019. Supported by RTÉ, Cruinniú na nÓg celebrates and encourages participation by children and young people in creative activities in their local neighbourhoods and communities.

2. All our curious minds

We curated a special two-day programme for 2019's All Together Now Festival in Waterford. The 'Now by RTÉ' stage was part of the All Curious Minds area and featured a live performance from musician and composer Colm Mac Con Iomaire; wildlife sound artist Chris Watson; *Mystery Train* live with John Kelly; *Beo ar Éigean* Podchraoladh, the first Irish-language podcast of this type from RTÉ; and a rare performance from Mná na bPíobáí Uileann (a quintet of women pipers) led by Louise Mulcahy, with archive visuals. On the main stage, the RTÉ Concert Orchestra played the music of Leonard Cohen in the company of special guests such as Glen Hansard; Saint Sister; Phelim Drew; and Javier Mas, Leonard Cohen's classical guitarist.

3. Supporting our writers

RTÉ Radio 1 continued to support one of Ireland's longest established and most significant literary prizes, the RTÉ Radio 1 Short Story Competition in honour of Francis MacManus. Stephen O'Reilly, living in Galway, took home the first prize with his short story 'Honey Days'. Stephen had previously been shortlisted for the award. 'Honey Days' was read by Jane Brennan and broadcast on RTÉ Radio 1 as part of *Book on One's* new season of writing.

4. Classical Collision

At the Body and Soul Festival in May, the team behind Jenny Greene and the RTÉ Concert Orchestra debuted *Classical Collision*, a new collaboration featuring concert pianist Máire Carroll, 24-piece orchestral ensemble and vocals from Karen Cowley (Wyvern Lingo), Erica Cody and Max Zanga (Tebi Rex). The mash-up of stomping current hits with well-known classical compositions resulted in a rousing musical set. Conducted by Kenneth Rice from the Irish Chamber Orchestra, the performance closed with a powerful rendition of The Cranberries' *Dreams* with Karen Cowley of Wyvern Lingo.

5. Operatic highs

In April, Irish National Opera and RTÉ launched a new RTÉ Player exclusive, with Irish National Opera's critically acclaimed production of Puccini's *Madama Butterfly*. The venture brought this major production to digital audiences at home and abroad. In addition to being able to watch the entire opera on RTÉ Player, audiences were also able to enjoy Celine Byrne's powerful performance on RTÉ lyric fm's *Opera Night*. The venture complemented our exclusive live stream from Wexford Festival Opera later in the year, when Wexford's stunning sold-out production of the Baroque opera *Dorilla in Tempe* was carried live at the Lighthouse Cinema in Dublin, Pálás Cinema in Galway and Century Cinema in Letterkenny.

6. Supporting the music industry

Ye Vagabonds were the big winners at the sold-out RTÉ Radio 1 Folk Awards in November. President Michael D Higgins was in attendance and presented Irish folk legend Moya Brennan with the Lifetime Achievement Award for her continued contribution to folk music in Ireland. American singer and folk royalty Peggy Seeger was also at the awards and was on hand as Margaret Barry was inducted into the Hall of Fame.

O Emperor, meanwhile, won the RTÉ Choice Music Prize Irish Album of the Year 2018 for the album *Jason*. O Emperor received a cheque for €10,000 – a prize provided by the Irish Music Rights Organisation (IMRO) and the Irish Recorded Music Association (IRMA) – as well as a specially commissioned award. The winner of the RTÉ Choice Music Prize Irish Song of the Year was Picture This for their song 'One Drink'. Decided by the public via the RTÉ and Choice Music Prize websites, fans could get behind their favourite song. The sold-out event in Vicar Street was hosted by RTÉ 2fm's Eoghan McDermott and was broadcast live on the station on a specially extended *Louise McSharry Show*.

7. Rising artists

RTÉ 2fm presented a live programme of 2fm Rising artists and acts at the Body & Soul Music and Arts Festival in Ballinlough Castle, Co Westmeath. 2fm Rising was dedicated to championing new Irish artists with a curated list of 12 artists and acts.

8. Culture vultures

We marked Culture Night by returning to Clarke Square at the National Museum of Ireland, Collins Barracks for a free open-air concert. Almost 10,000 people gathered for a mix of live music, spoken word, dance and performances from both established and emerging Irish artists, and some special guests, in the company of the RTÉ Concert Orchestra.

Irish Youth Music Award

RTÉ 2fm and Youth Work Ireland's Irish Youth Music Award (IYMA) released *IYMA's Volume 12* in 2019, featuring tracks from up-and-coming musicians from Youth Work Ireland Louth's team. The album was produced in Sun Studios, giving young musicians the opportunity to follow in the footsteps of artists such as U2, The Coronas and Kanye West.



GIVING BACK

RTÉ is committed to highlighting issues of national importance and our people are personally committed to a better Ireland.

1. Helping our homeless

In October, RTÉ staff once again participated in the Focus Ireland Sleepout, a national fundraising event that was highlighted on *The Late Late Show*, with a donation from Bord Gáis Energy on behalf of the studio audience. In December, we launched a special campaign across radio, television, digital and social media to draw attention to the plight of our homeless and encourage audiences to donate to a homeless charity of their choice. Featuring spoken-word poet Stephen James Smyth, the campaign was supported by St Vincent de Paul, Simon, Peter McVerry Trust and Focus Ireland.

2. Being media smart

A public awareness campaign was launched in February 2019 to coincide with European Media Literacy Week. The Be Media Smart campaign helped people identify sources of information that may be unreliable, as well as identifying deliberately false or misleading information. Created and produced by RTÉ for Media Literacy Ireland, an entity of the Broadcasting Authority of Ireland, the partnership campaign aired extensively on all Irish national broadcasters, on regional radio and was distributed extensively on social media channels.

3. Our people

RTÉ staff fundraised for a wide variety of causes, including the Capuchin Day Centre, the Alzheimer Society of Ireland, the Irish Motor Neurone Disease Association and the Irish Cancer Society.

Our own employee-donation scheme, the One World Fund, again supported a broad range of projects that enhance living conditions for communities in the poorer areas of the world through the funding of community-based projects.

4. Taking the first step

We launched a multiplatform campaign across our television, radio and online services to support the National Adult Literacy Agency (NALA) programme Take the First Step. Fronted by Joe Duffy, Brenda Donohue and Marty Morrissey, the campaign supports people in Ireland who have difficulty with reading, writing, maths or technology to get the help they need.

As media partner, RTÉ created a campaign that encouraged adults who have literacy, numeracy or other difficulties to contact the NALA to start an adult learning course. The campaign, which also highlighted that there are many different types of illiteracy, sought to de-stigmatise this issue.

5. Walking the walk

In August, RTÉ 2fm breakfast show presenters Eoghan McDermott and Doireann Garrihy, with the help of RTÉ presenter Dáithí Ó Sé, raised €32,734 for Walk in My Shoes, an awareness campaign run by St Patrick's Mental Health Services. Dáithí was challenged by the two breakfast presenters to wear red knee-high boots while on stage during The Rose of Tralee on RTÉ One. And he did!

The 2fm Christmas Ball

In December, 2fm and MCD were delighted to announce that the 2fm Christmas Ball in aid of the ISPCCC had raised more than €3 million for the charity since the concert was launched in 2015. The sold-out event, hosted by 2fm's Eoghan McDermott in 2019, was headlined by Picture This. Other acts performing on the night included Hudson Taylor, Gavin James, Brian Deady, Aimée and Soulé, LYRA, Thanks Brother and John Gibbons, who were all accompanied by the RTÉ Concert Orchestra.



DISTRIBUTION

2rn

2rn, a wholly owned subsidiary of RTÉ, maintains, manages and develops Ireland's broadcast transmission network for all broadcasters on the island and provides infrastructure services to the telecommunications industry. As custodians of Ireland's national broadcast transmission network, 2rn makes sure the nation is always switched on and again achieved 99.99% reliability across television and radio transmission services.

In early 2017, 2rn finalised an agreement with the Department of Communications, Climate Action and Environment in relation to migrating broadcast services out of the 700MHz frequency band by 2020. The migration has necessitated changes at a number of 2rn transmission sites and the construction of two new transmission sites. The migration works were completed in 2019 and a period of simulcast continued until March 2020. The migration of affected viewers commenced in 2019 and will be completed in 2020.

The Saorview and Saorsat services transmitted by 2rn continued to make public-service television and radio services available free to every home in the State, offering high-quality video and audio. Of the 1.66 million television-viewing homes in Ireland, 653,000 homes had Saorview in 2019. In 197,000 of these homes, Saorview was the only means of watching broadcast television. Overall, 2rn generated revenue of €27.3 million in 2019, a small decrease on 2018 primarily attributable to a decrease in the regulated revenue from broadcast services.

Overall, year-on-year performance reflects the stability of the broadcast market and a solid performance of the mast and tower rental market. There were no significant changes in the local and regional radio market, as available spectrum capacity in the FM band is almost fully utilised. Consolidation of the mobile phone networks has now matured; maintaining year-on-year revenue stability in the telecommunication business remains challenging.

Saorview

Saorview now reaches 39% or 653,000 TV homes (Nielsen establishment survey January 2020), a figure comparable to that of Sky subscriptions. This indicates that, in a challenging media landscape, Saorview retains considerable relevance to Irish television audiences.

In 2019, RTÉ delivered several improvements to Saorview. In February, RTÉ2 + 1 was added to the channel line up, while the on-air timetable of RTÉ One +1 was extended to 24 hours.

Following a consumer beta test, a software upgrade was rolled out in April to add a recording feature to Saorview Connect boxes, fulfilling a promise made to viewers. The new RTÉ Player was added to Saorview Connect in October, allowing Saorview viewers easy access to RTÉ's suite of online content.

Saorview commenced its 700MHz migration campaign in September. The campaign, intended to clear the 700MHz broadcast spectrum for future mobile services, involved messaging on the Saorview website, social media, local radio and print, and was supported via the Saorview helpline.

RTÉ Guide

As the country's fifth-largest publication, the *RTÉ Guide* remained Ireland's best-selling magazine in 2019. Continued focus on editorial content ensured that the magazine, whilst in a challenging industry, remained a revenue generator for RTÉ, helping to engage younger audiences as well as maintaining its core base.

Editorial partnerships continued. The magazine joined forces with *Operation Transformation* to produce a 32-page magazine and also brought the *The Late Late Show Country Music Special* issue to market in May. This standalone publication appealed to advertisers due to its specialist nature and also resonated with readers. The *RTÉ Guide* continued to publish the glossy food magazine, *Taste Ireland*.

The *RTÉ Guide* bumper Christmas issue continues to be an Irish publishing phenomenon, with almost 270,000 sales. The *RTÉ Guide* continues to perform well in all demographics, with a total reach of 334,000 adults, of which 128,000 are men, 206,000 are women. When looking across the age divide, the readership includes more women under the age of 24 than any other weekly magazine or newspaper supplement.



DIGITAL

Keeping it Original

Original productions, commissioned especially for RTÉ Player, were a hit with audiences in 2019. *The Doireann Project* returned, following a successful first season. *Laura Brennan: This is Me* was a one-off documentary produced by the Docland team and followed the final chapters in the life of HPV vaccine campaigner, Laura Brennan. A series of Rugby World Cup shorts were viewed almost 80,000 times, while *Go Outside and Play* was a six-part travel expedition, with Go-Pro guru, Carl Mullan, showing us the best spots in Ireland to road trip, hike and take in the breathtaking sights. *Good Skin Day* was presented by The Skin Nerd, Jennifer Rock.

Docland was an online short-form documentary strand that dealt with a number of topics, from Lolita subculture in Ireland to gay conversion therapies.

My Best Sustainable Life, produced as part of RTÉ on Climate, followed The Two Johnnies, Lauren Guilfoyle, Nadia Forde, Thumper and Bonnie Ann Clyde as they took on the challenge to live a more sustainable life. *Influenced*, a four-part original series for RTÉ Player, saw social media addict, Pamela Joyce, take on the challenge to live like her favourite celebs.

RTÉ Player

RTÉ Player, Ireland's leading broadcast video-on-demand service, continued to grow, with a record number of streams in 2019. RTÉ Player saw strong increases across the year, with live streaming of RTÉ One, RTÉ2 and RTÉ online channels accounting for 38% of all streams. Sporting events delivered record-breaking viewing figures. In particular, Rugby World Cup 2019 delivered 1.43 million streams to Irish audiences. The biggest match of the tournament saw Ireland take on Russia in an early morning midweek clash, which had more than 290,000 streams.

We're a nation of soap and drama lovers; 25% of video-on-demand streams came from *Fair City*, *EastEnders*, *Home and Away* and *Neighbours*. RTÉ Player continued to grow the on-demand library of online exclusive and archive content, with *The OC*, *ER*, *Frasier*, *Dawson's Creek* and *Ally McBeal* all making the top-five box sets of the year. *Love/Hate* (seasons one to five) broke one million streams by November 2019.

Dublin Murders was the number one video-on-demand title on RTÉ Player in October, with audiences choosing to binge the series as the box set rights became available. *The Young Offenders* season two was a hit with audiences aged 18-24 and grew its online audience 10% year on year.

RTÉ.ie

RTÉ.ie has recorded a 28% increase in traffic since the service relaunched in 2016, averaging 66.2 million page views per month. Some 50% of the audience is now under 44 and 51% of the audience is female. In 2019, we launched RTÉ.ie/learn, a dedicated resource for teachers and educators that showcases a diverse range of educational content from across RTÉ. Partnering with the Broadcasting Authority of Ireland (BAI) and the Junior Cert curriculum team, RTÉ.ie/learn created a series of lesson plans to complement a range of RTÉ programming.

Top stories this year across RTÉ.ie included the sad news of the death of RTÉ presenter Gay Byrne and *Fair City* actor Karl Shiels. Weather warnings also topped the list alongside boil water notices in Leinster. *RTÉ Brainstorm*, a unique partnership between RTÉ and Irish third-level institutions, continued to grow, with more than 1,500 academics having contributed to date and an 80% increase in traffic since launch.

RTÉ Archives

RTÉ Archives is home to Ireland's largest collection of audiovisual material. Every day RTÉ Archives curates content from its collections for the public to explore and share online. In 2019, 1,149 new Archives Daily stories were created. In addition, 1,626 individual news reports from the 1980s and 1990s were published as part of the RTÉ Archives News Collection, a project supported by the BAI Archive Funding Scheme. Traffic grew by 17% year on year, with an average of 234,124 unique visitors per month and 6,513,998 page loads.

RTÉ Archives partnered with a range of cultural institutions to support public exhibitions, bringing content to wider audiences. These included a look back at Gaelic games and broadcasting at the GAA Museum in Croke Park and an exhibition of unique footage of some of Ireland's seminal writers at new Dublin venue MoLI, the Museum of Literature Ireland. Exploring Broadcast History: An Evening With the Archives at BBC Blackstaff House was a unique public event, in collaboration with BBC Northern Ireland Archives, RTÉ Archives, Northern Ireland Screen and UTV.

Throughout the year, radio and television productions drew heavily on content from RTÉ Archives. Tributes were made to two major public figures who died in 2019 – iconic broadcaster, Gay Byrne, and performer, Brendan Grace.

Unique recordings and footage also featured in *The Irish Revolution*, the RTÉ documentary series, in association with UCC, and produced by Tyrone Productions, to mark the centenary of the Irish War of Independence.

RTÉ Archives continued work on safeguarding legacy content from obsolete and decaying video and sound recordings. Two unique archive collections, the Film News Collection (1960-1969) and RTÉ Acetates Sound Recordings (1930s-1970s), were added to the digital archive in 2019 as part of RTÉ's commitment to preserve this unique heritage for future generations. These projects are supported by the BAI Archive Funding Scheme.



Statistical Information

TOP 10 PROGRAMMES

1ST JANUARY – 31ST DECEMBER 2019

ALL CHANNELS CONSOLIDATED NATIONAL INDIVIDUALS AGED 4+

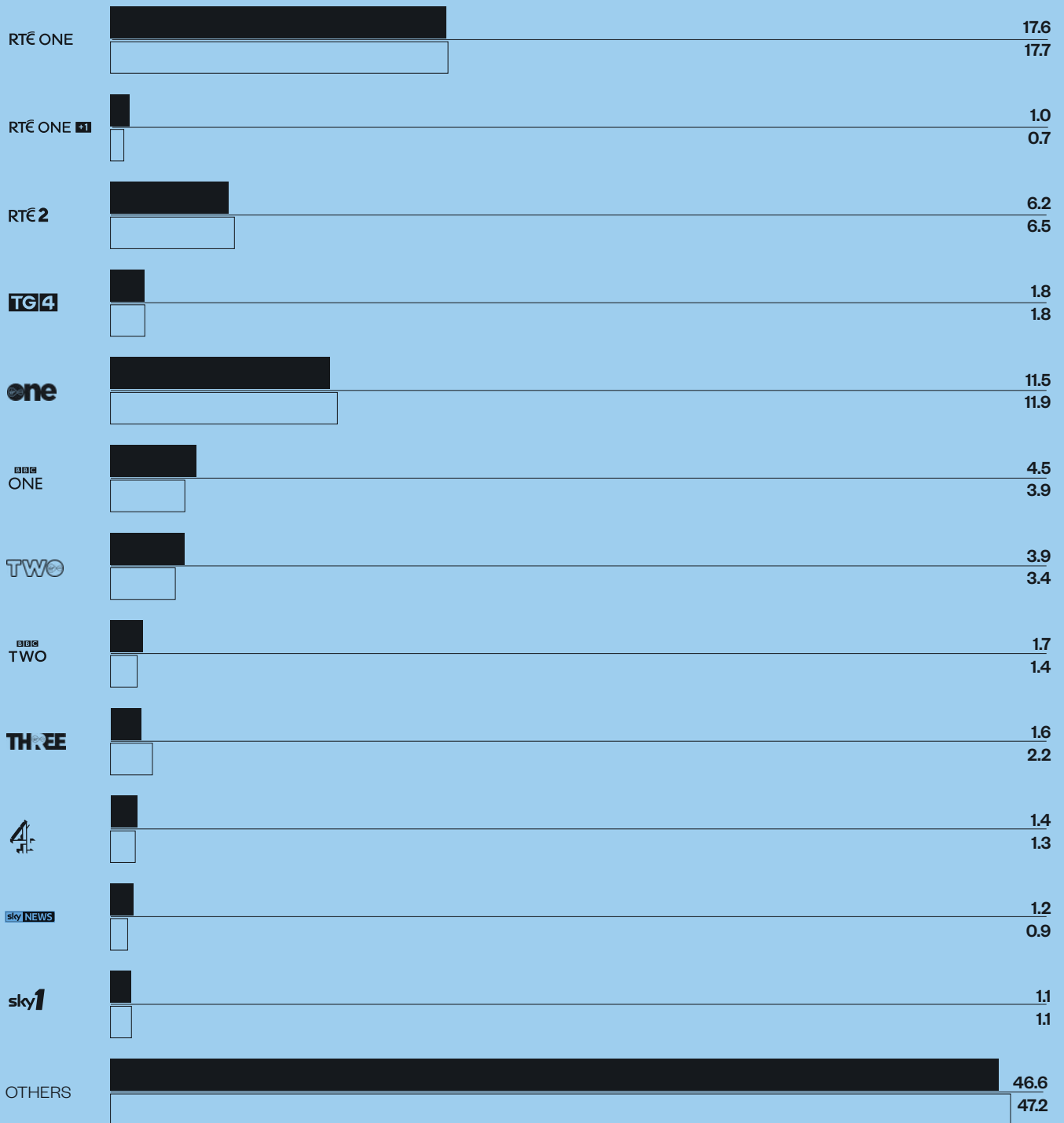
Rank	Description	Channel	Day of week	Date	Time	TVR	000s	Share%
1	The Late Late Toy Show	RTÉ One	Fri	29-11-2019	21:38 - 24:00	35.40	1,541	74.12
2	All Ireland Football Final (replay): Dublin V Kerry	RTÉ2	Sat	14-09-2019	18:01 - 19:38	22.77	991	71.37
3	All Ireland Football Final: Dublin V Kerry	RTÉ2	Sun	01-09-2019	15:30 - 17:08	22.71	989	75.97
4	Guinness 6 Nations: Ireland V England	Virgin Media One	Sat	02-02-2019	16:45 - 18:40	22.62	980	67.14
5	All Ireland Hurling Final: Kilkenny V Tipperary	RTÉ2	Sun	18-08-2019	15:30 - 17:01	19.06	830	72.02
6	Guinness 6 Nations: Ireland V France	Virgin Media One	Sun	10-03-2019	14:59 - 16:53	17.83	772	58.92
7	Rugby World Cup 2019: New Zealand V Ireland	RTÉ2	Sat	19-10-2019	11:19 - 13:12	17.60	766	72.19
8	I'm A Celebrity Get Me Out of Here!	Virgin Media One	Sun	17-11-2019	21:01 - 22:43	16.63	724	43.90
9	All Ireland Football Semi Final: Dublin V Mayo	RTÉ2	Sat	10-08-2019	17:02 - 18:39	16.00	697	62.55
10	Room To Improve	RTÉ One	Sun	06-10-2019	21:30 - 22:27	15.80	688	49.15



Source: TAM Ireland Ltd/Nielsen TAM
Any Day Any Time - Best Episode. Ranked by TVR (note universe changes three times per year)
Minimum programme duration is 15 minutes

**CONSOLIDATED NATIONAL INDIVIDUAL
4+ ALL-DAY CHANNEL SHARES (%)**

■ 2019 □ 2018



Source: TAM Ireland Ltd/Nielsen TAM

Statistical Information

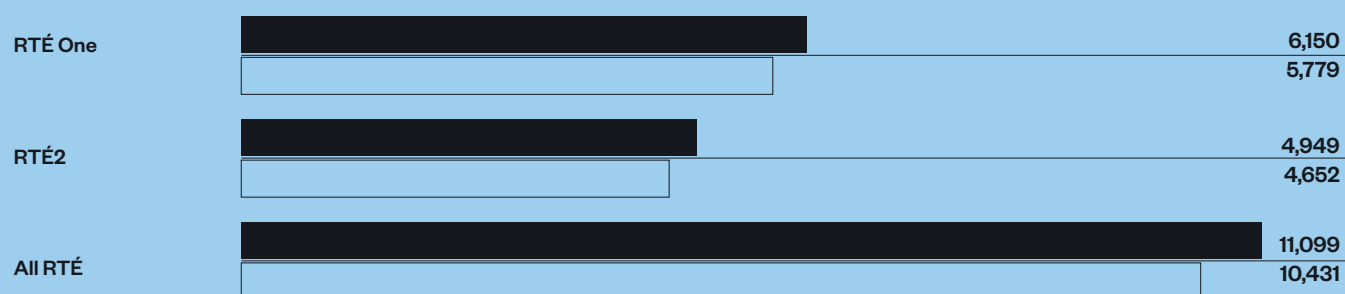
INDIGENOUS HOURS BROADCAST ON RTÉ TELEVISION IN PEAK TIME BY GENRE

■ 2019 □ 2018



Source: RTÉ

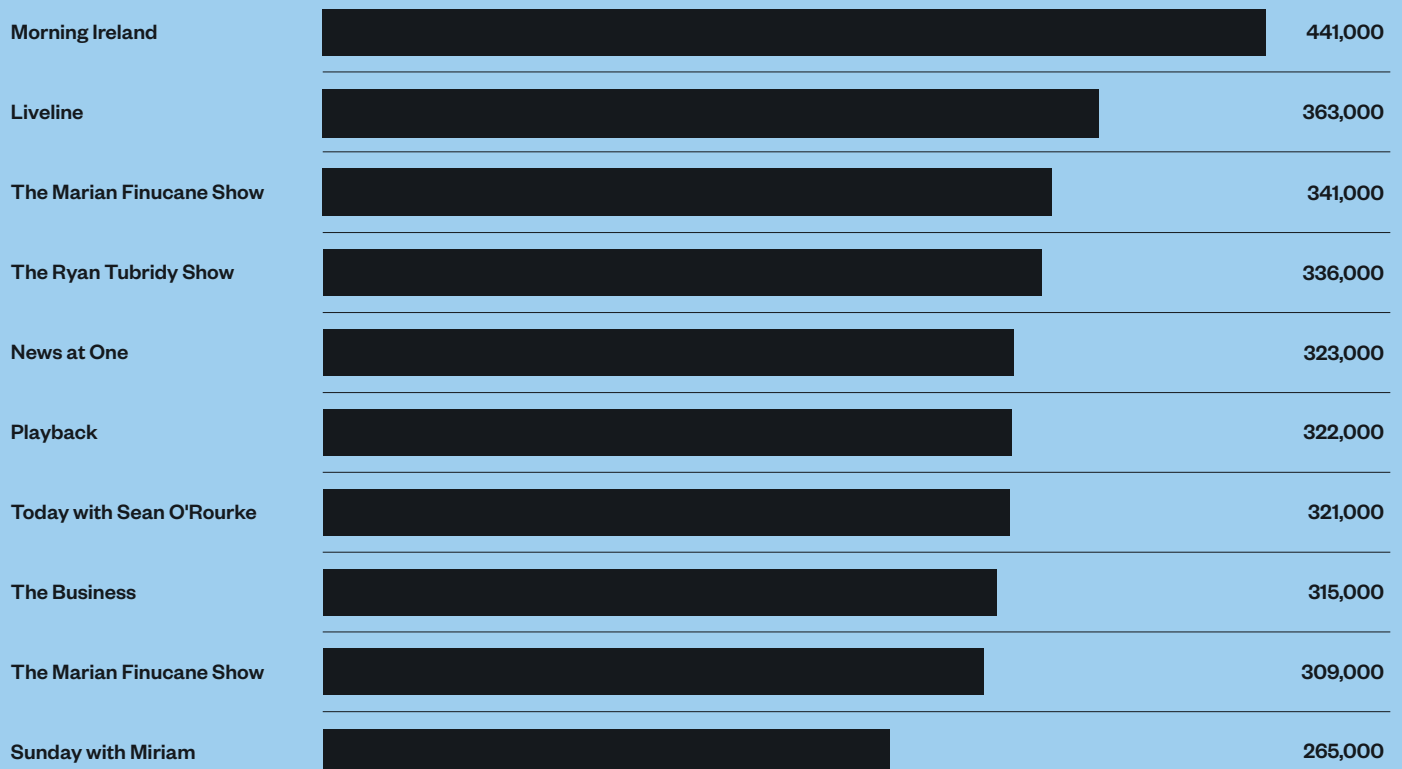
SUBTITLING HOURS TELEVISION



Source: RTÉ

**TOP 10 ALL-WEEK NATIONAL RADIO PROGRAMMES – ADULTS 15+
TIMEBLOCK REACH FOR NATIONAL COMMERCIAL STATIONS
JANUARY – DECEMBER 2019**

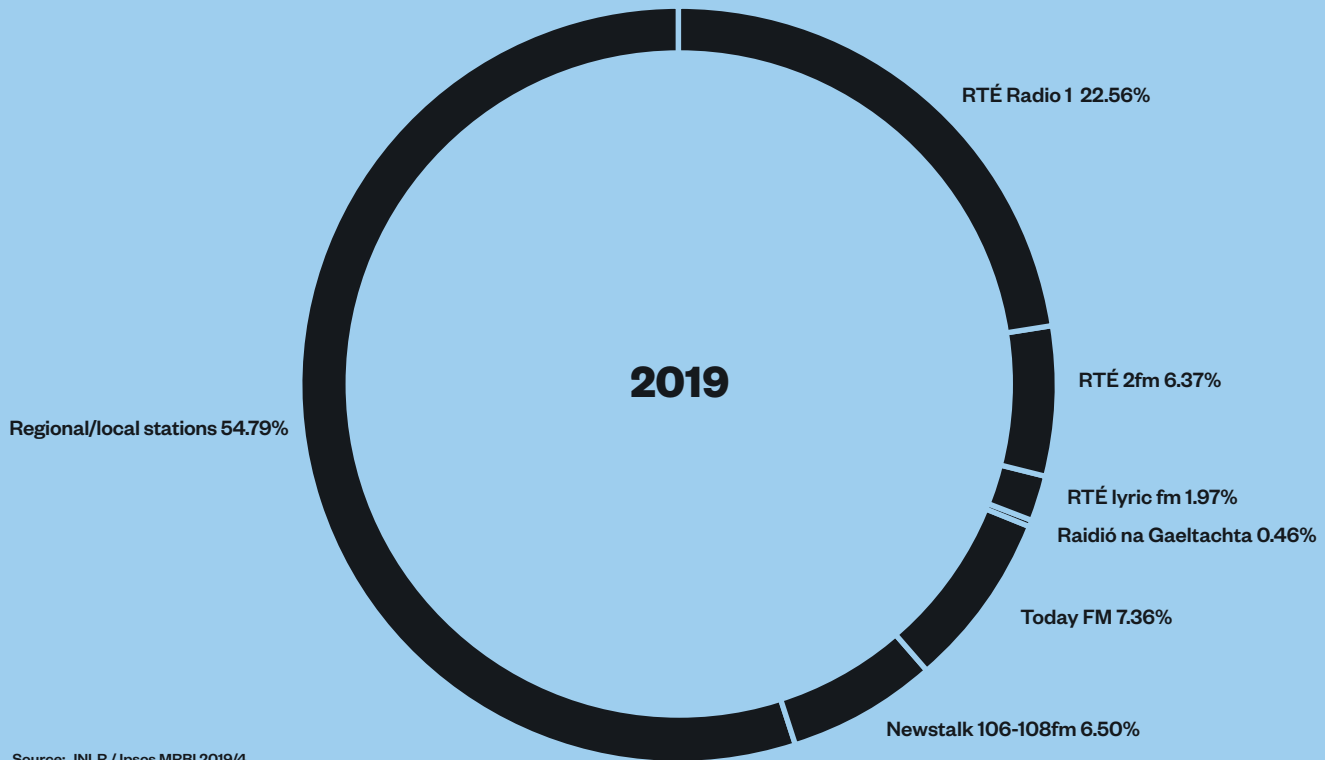
Rank	Programme	Station	Time-slot	Period	Adults 15+ Prog Reach	No. Of Adults 15+ (000s)
1	Morning Ireland	RTÉ Radio 1	07:00-09:00	Mon-Fri	11%	441
2	Liveline	RTÉ Radio 1	13:45-15:00	Mon-Fri	9%	363
3	The Marian Finucane Show	RTÉ Radio 1	11:00-13:00	Sat	9%	341
4	The Ryan Tubridy Show	RTÉ Radio 1	09:00-10:00	Mon-Fri	9%	336
5	News at One	RTÉ Radio 1	13:00-13:45	Mon-Fri	8%	323
6	Playback	RTÉ Radio 1	09:00-10:00	Sat	8%	322
7	Today with Sean O'Rourke	RTÉ Radio 1	10:00-12:00	Mon-Fri	8%	321
8	The Business	RTÉ Radio 1	10:00-11:00	Sat	8%	315
9	The Marian Finucane Show	RTÉ Radio 1	11:00-13:00	Sun	8%	309
10	Sunday with Miriam	RTÉ Radio 1	10:00-11:00	Sun	7%	265



Source: JNLR / Ipsos MRBI 2019/4

Statistical Information

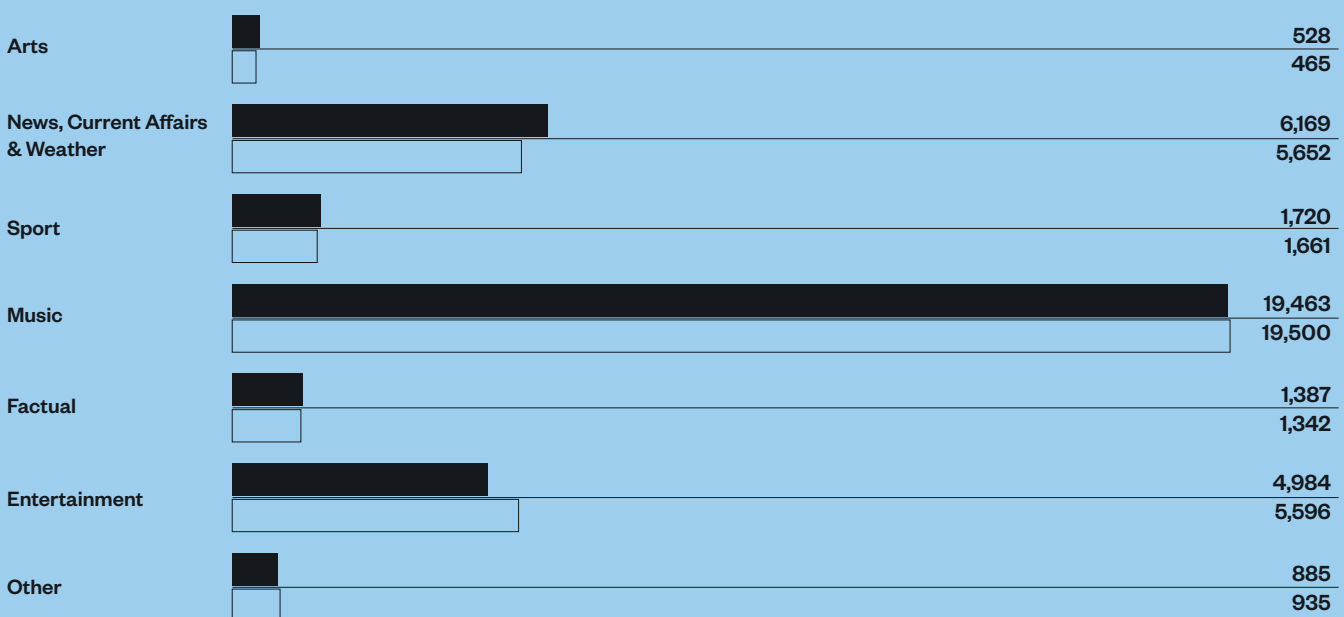
NATIONAL SHARE OF RADIO LISTENING 2019 WEEKDAY/PEAK TIME



Source: JNLR / Ipsos MRBI 2019/4

RTÉ RADIO HOURS BY GENRE

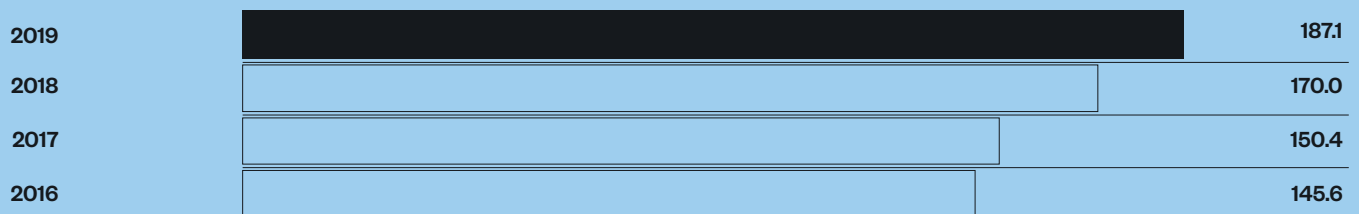
■ 2019 □ 2018



Source: RTÉ

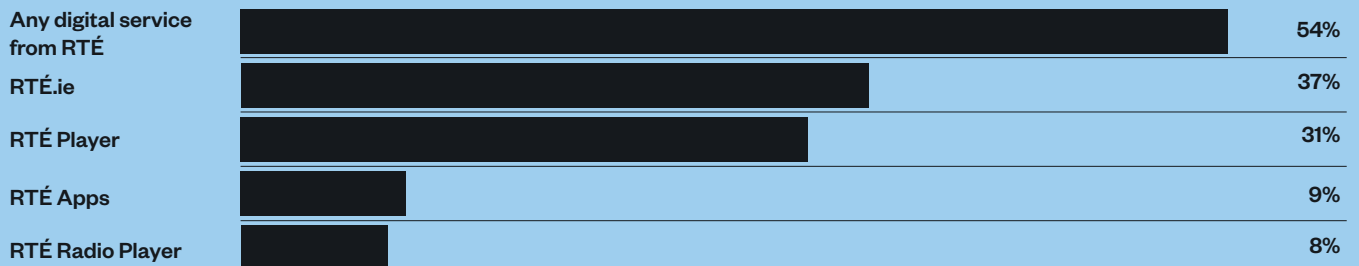
Note: Category "Other" includes, Religion, Young Peoples and Drama

AVERAGE PAGE IMPRESSIONS PER MONTH ACROSS DIGITAL SERVICES (MILLIONS)



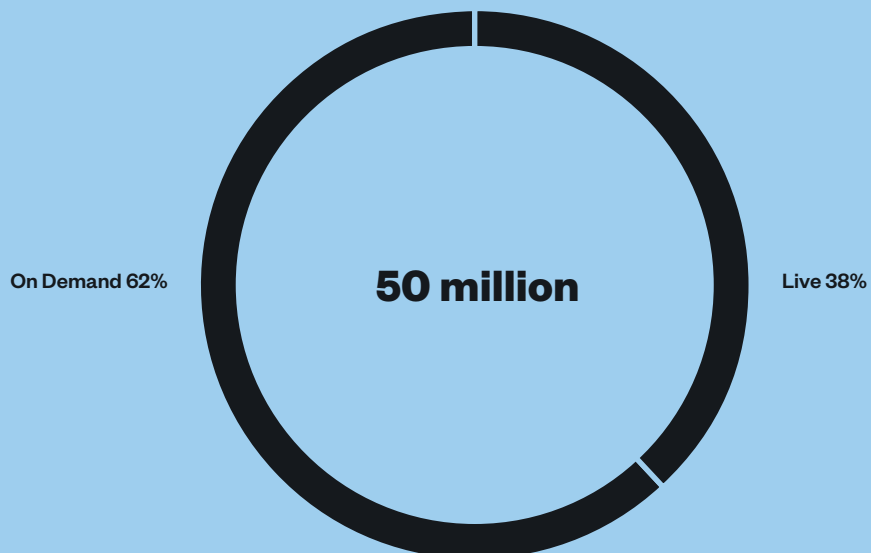
Source: RTÉ

WEEKLY REACH OF RTÉ'S DIGITAL SERVICES 2019



Source: RTÉ

RTÉ PLAYER STREAMS IN 2019

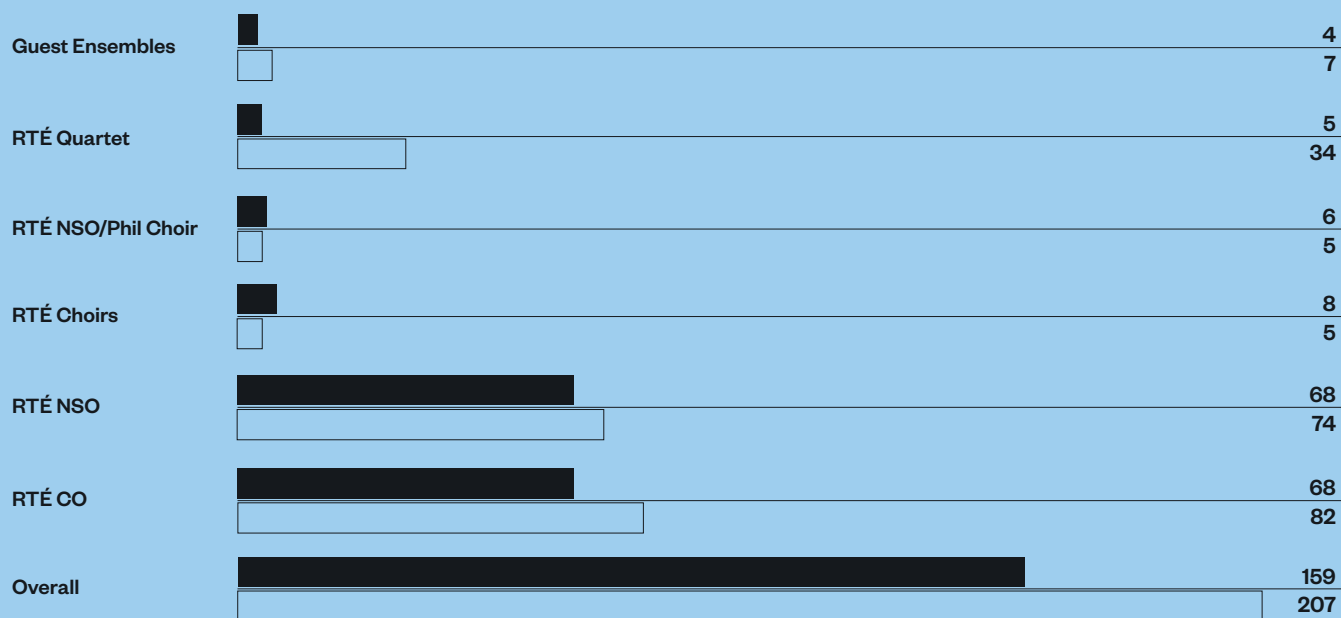


Source: RTÉ

Statistical Information

RTÉ ORCHESTRAS PERFORMANCES

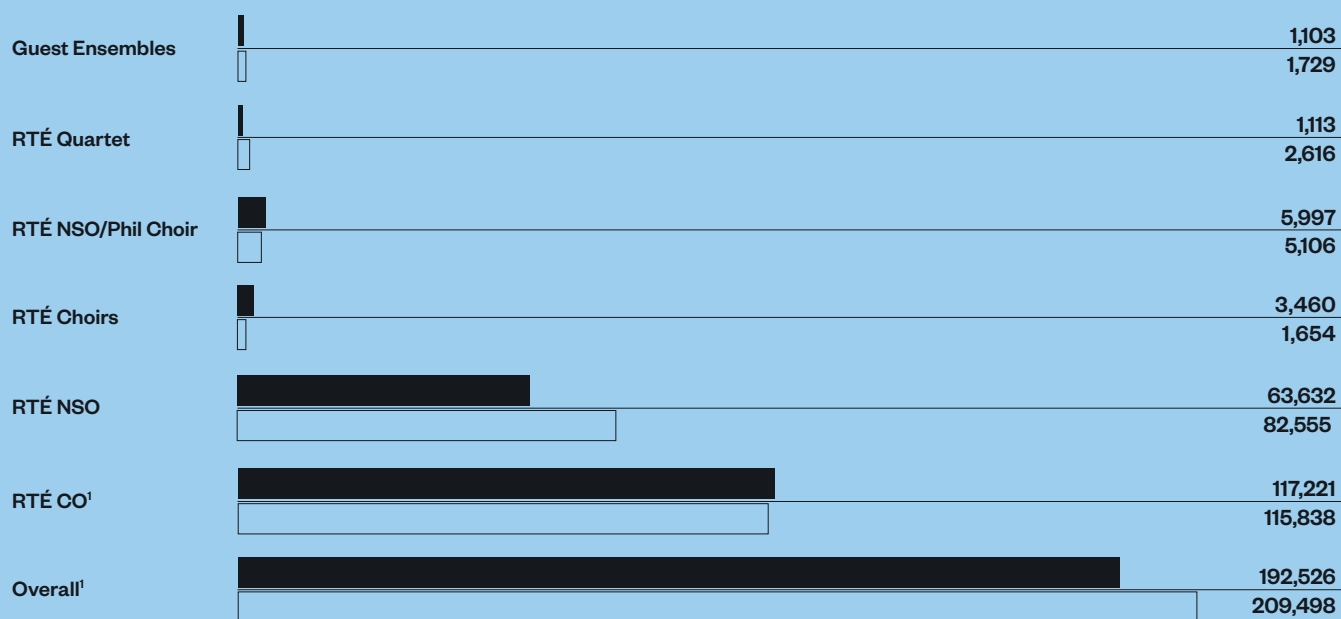
■ 2019 □ 2018



Source: RTÉ

RTÉ ORCHESTRAS ATTENDANCES

■ 2019 □ 2018



Source: RTÉ

1. Restatement of 2018 data for consistency.



RTÉ

new season





1. Moya Doherty, Chair

Term of office: 4 November 2014 – 6 November 2022 (Reappointed for a second term on 6 November 2017)

Moya Doherty's career encompasses the creative industries, theatre, radio and television production and presentation, both in Ireland and internationally. She fronted a number of arts, features and documentary programmes for RTÉ. As executive producer, Moya produced a number of charity telethons, the Eurovision Song Contest and the televised opening ceremony of the Special Olympics in Ireland in 2003. Moya developed the original concept for *Riverdance* and was the Commissioning Producer for the Eurovision Song Contest of 1994.

She is a director of Tyrone Productions, one of Ireland's leading independent television production companies, whose output includes drama, documentary and entertainment programming. She was a founding director of the radio station Today FM.

Moya has sat on a number of arts-related boards, including seven years as chair of the Dublin International Theatre Festival, the Abbey Theatre, the Ark Children's Theatre in Dublin, and Business to Arts and Walnut Hill Arts School in Massachusetts.

Moya has received numerous awards and accolades, including the Veuve Clicquot Business Woman of the Year and the Ernst & Young Entrepreneur of the Year. She has also received honorary doctorates from the University of Ulster and the National University of Ireland in recognition of her ongoing commitment to the world of the arts in Ireland.



2. Dee Forbes, Director-General

Ex officio member following appointment as Director-General on 11 July 2016

Dee Forbes was appointed Director-General of RTÉ with effect from 11 July 2016. Prior to taking up her role at RTÉ, Dee was based in London for more than 27 years, working for broadcasters and advertising agency Young and Rubicam.

Most recently she was President and Managing Director of Discovery Networks Northern Europe. Dee joined Discovery in 2010 as Head of the UK/Ireland operation and progressively grew her responsibilities to eventually lead the Northern Europe region, which included 18 markets and territories and 27 channels, both free-to-air and subscription, which broadcast to more than 276 million households across Northern Europe each month.

Before joining Discovery, Dee led Turner Broadcasting's business in the UK and Ireland, which consisted of seven entertainment channels, including Cartoon Network, Boomerang and TCM. She spent several years working at Turner in a variety of commercial roles, including General Manager for the Nordic/Central and Eastern Europe and EMEA regions, and Head of Advertising Sales for Europe.

Dee is a former non-executive director of the board of *The Irish Times* and currently sits on the board of Munster Rugby. A native of Drimoleague in west Cork, Dee is a graduate of UCD where she studied history and politics.



3. Deborah Kelleher

Term of office: 4 November 2014 – 6 November 2022 (Reappointed for a second term on 6 November 2017)

Appointed Director of the Royal Irish Academy of Music (RIAM) in October 2010, Deborah Kelleher played an integral role in setting up and developing outreach, distance and academic courses in the RIAM over the last number of years.

She played a key part in the introduction of a specialised undergraduate degree in composition, the first music technology programme at the RIAM, and numerous professional development courses for teachers throughout the country. In 2013, RIAM became an Associated College of Trinity College Dublin (TCD). Deborah oversaw this significant transition.

She studied music at TCD and was awarded Master's degrees in musicology (UCD) and business administration (Dublin City University). She was recognised as one of Ireland's finest pianists of her generation and worked for many years as Head of Musicianship at the RIAM.

In recent years, she has specialised in working with singers and counts Ailish Tynan, Mairéad Buicke, Tara Erraught and the late Bernadette Greevy among her recital partners. She is a board member of the Dublin International Piano Competition, the National Youth Orchestra of Ireland and Lyric Opera. She has also served on the Arts Council's Peer Review Panel.

Deborah is a Vice-President of the 12-person council of the Association of European Conservatoires (AEC), the umbrella body for more than 280 conservatoires in Europe.

At year end, 55% of RTÉ Board members were female and 45% were male.



4. Ian Kehoe

Term of office: 9 October 2018 – 8 October 2023

Ian Kehoe is an award winning journalist, author and broadcaster. In 2014, at the age of 34, he was appointed Editor of *The Sunday Business Post* newspaper, a position he held for four years. During that time, he was appointed to the board of the newspaper and an associated printing business.

Following this, Ian co-founded Currency Media Limited, which publishes the online business service, The Currency.

A former presenter and reporter with RTÉ's *Prime Time*, he has made a number of major television documentaries, including *Who's Buying Ireland* and *The Great Irish Sell-Off*.

Ian has twice been named as Ireland's Business and Economics Journalist of the Year and has also won a Miriam Hederman O'Brien Award for his contribution to Irish fiscal policy. He is the co-author of *Citizen Quinn*, a bestselling book about the rise and fall of industrialist Seán Quinn.

A native of Enniscorthy, Co Wexford, he holds a BA in Journalism and an MA in International Relations from DCU.



5. Dr P.J. Mathews

Term of office: 4 November 2014 – 3 November 2024 (Reappointed for a second term on 10 December 2019)

Dr P.J. Mathews is an associate professor in the School of English, Drama and Film at UCD and specialises in Irish literature and culture. He is the author of *Revival* (published by Field Day/Cork UP in 2003), a study of the Irish cultural revival period; editor of the *Cambridge Companion to J.M. Synge* (2009); and co-editor of *A Handbook of the Irish Revival* (published by the Abbey Theatre in 2015).

P.J. is the founder and director of academic podcasting for UCD scholarcast (www.ucd.ie/scholarcast).

He was director of the Parnell Summer School from 2002 to 2005 and was appointed Naughton Fellow and Visiting Associate Professor of English at the University of Notre Dame for 2007-8. He is an external member of the Irish studies group at Université Sorbonne Nouvelle-Paris 3 and co-convenor of the Irish Studies Doctoral Research Network.



6. Eoin McVey

Term of Office: 20 December 2016 – 16 February 2020

Eoin McVey is a journalist. He trained in accountancy with the Dublin practice of Coopers & Lybrand (now PwC) and then joined *The Irish Times* as a financial journalist.

Further appointments included Business Editor, Assistant Editor and Managing Editor. He served as a Director of The Irish Times Ltd and Irish Times Publications Ltd. He was a founding director of the Press Council of Ireland and served on its board for six years.

Eoin is a member of the Board of Management of the RDS and of its governing council. He is also on the Board of the National Library of Ireland. He chairs the Audit & Risk committees in both organisations.



7. Shane Naughton

Term of office: 17 February 2015 – 16 February 2020

Shane Naughton is Chief Financial Officer of the Economist Group, a leading source of independent analysis on international business and world affairs. It includes *The Economist* newspaper among its businesses.

Previously, he was Global Chief Financial Officer of EMI Music, the international music business containing the Capitol, Virgin, Blue Note and Parlophone labels, and with artists ranging from the Beatles and the Beach Boys to Coldplay and Katy Perry.

Before that, as CEO of UBM plc's Connect division, Shane managed a portfolio of business magazines. He gained extensive television and broadcasting experience during his time with Sky. He also worked at Coca-Cola and Dell Computers in a variety of finance roles.

He qualified as a chartered accountant with KPMG and holds a law degree from UCD.

Board of RTÉ



8. Anne O'Leary

Term of office: 4 November 2014 – 3 November 2024 (Reappointed for a second term on 10 December 2019)

Anne O'Leary is an experienced business executive with a proven track record in helping companies develop new routes to market and exploit technology to optimise potential. Anne has a very good understanding of corporate governance and compliance. As a member of the Institute of Directors, she has an updated understanding of the requirements of both private and State boards.

She is a successful entrepreneur, building and selling a world-class technology business, with a strong concentration on strategic partnerships, sales management, marketing, product development and internal-external relationship management.

Anne has a broad range of experience across a number of different business sectors. She has a demonstrated ability in diagnostics, strategic planning, facilitation of teams and individuals, and sustainable revenue growth.



9. Fionnuala Sheehan

Term of office: 17 February 2015 – 16 February 2020

Fionnuala Sheehan's career spans the civil service (Department of Finance and Commission on Taxation), the public service (Funding Manager for the newly created Telecom Éireann and its capital investment company, Irish Telecommunications Investments Limited), the commercial sector (Group Treasurer of GPA Limited and its joint-venture companies), higher education (Deputy Registrar, University of Limerick) and the not-for-profit sector (Chief Executive of MEAS – Mature Enjoyment of Alcohol in Society and Chief Executive of FirstLight).

During her career, Fionnuala has led many innovation and change-management initiatives.

A native of Limerick city, she graduated from NUIG with double first-class honours. She has an MA, a diploma in Applied Finance, and a certificate and diploma in Company Direction (awarded by the Institute of Directors). She has served as a Governor of the University of Limerick and a Director of Daghda Dance Company and is a board member of Extern Ireland.



10. Robert Shortt

Term of office: 29 May 2018 – 3 November 2024 (Reappointed for a second term on 10 December 2019)

Robert Shortt joined RTÉ as a journalist on *News at One* in 1998 and has worked across many of the programmes in the News & Current Affairs division. He has served as Business Correspondent and was part of the team that set up *The Business* on Radio 1. He spent four years as Washington Correspondent before moving to *Prime Time* in 2009. He has twice won a Smurfit Business Journalist Award for his reporting.

Before joining RTÉ, he worked for the Japanese financial newspaper *The Nikkei* and for the BBC. He was elected as the first chair of the NUJ's RTÉ sub branch and served as Vice Chair of the RTÉ Trade Union Group (TUG) for three years. He holds a BA in English & Economics from UCD and an MSc in Economics from the School of Oriental and African Studies, University of London.



11. Margaret E. Ward

Term of office: 17 February 2015 – 16 February 2020

Margaret E. Ward is a leadership and management consultant specialising in strategy, change management and communications. As Managing Director of Broadly Speaking, she empowers leading executives and high-performing teams throughout Europe, the Middle East and Asia (EMEA) to excel at the highest levels of their organisation. She's also an experienced board member, serving on the Fáilte Ireland and European Movement Ireland boards, and is a member of the Institute of Directors.

Margaret's an experienced entrepreneur who has built two successful companies, brand communications consultancy Clear Ink and Broadly Speaking. She is also a social entrepreneur who founded Women on Air, a not-for-profit group that provides expert women with the skills they need to go on the airwaves.

Before starting her first company in 2006, she was an award-winning investigative journalist and financial columnist with *The Irish Times*, Money Editor for *The Sunday Times*, a business presenter for Newstalk and a regular contributor to RTÉ, BBC and National Public Radio (US).

Board Attendance

There were eight meetings of the Board of RTÉ in 2019. The attendance of board members is outlined below:

	Meetings Eligible to Attend	Meetings Attended
The Board at 31 December 2019		
Moya Doherty	8	5
Dee Forbes	8	8
Ian Kehoe	8	8
Deborah Kelleher	8	8
Dr P.J. Mathews	8	8
Eoin McVey	8	8
Shane Naughton	8	8
Anne O'Leary	8	8
Fionnuala Sheehan	8	8
Robert Shortt	8	8
Margaret E. Ward	8	8
Ceased to be a Board member during 2019		
Frank Hannigan	4	4

Refer to the Corporate Governance report on page 80 for further details of the change in the composition of the Board during 2019.

Board Committees

Audit and Risk Committee

There were six meetings during 2019, attended as follows:

Committee Members	Meetings Eligible to Attend	Meetings Attended	Appointed to the Committee
Anne O'Leary (Chair)	6	5	27 November 2014
Eoin McVey	6	5	26 January 2017
Shane Naughton	6	5	23 July 2015
Robert Shortt	6	6	13 September 2018

Programme Committee

There were three meetings of the Programme Committee during 2019. The attendance is set out below:

Committee Members	Meetings Eligible to Attend	Meetings Attended	Appointed to the Committee
Deborah Kelleher (Chair) ¹	3	3	27 November 2014
Dr P.J. Mathews	3	3	27 November 2014
Robert Shortt	3	2	31 May 2018
Margaret E. Ward	3	2	19 February 2015

1 Dr P.J. Mathews was Chair of the committee for two meetings.

Remuneration and Management Development Committee

One meeting of the committee took place during 2019, with attendance as follows:

Committee Members	Meetings Eligible to Attend	Meetings Attended	Appointed to the Committee
Moya Doherty (Chair)	1	0	22 January 2015
Shane Naughton	1	1	4 November 2015
Anne O'Leary	1	1	22 January 2015

Strategy Committee

The Strategy Committee met five times during 2019, with attendance as follows:

Committee Members	Meetings Eligible to Attend	Meetings Attended	Appointed to the Committee
Dr P.J. Mathews (Chair)	5	5	6 December 2018
Ian Kehoe	5	5	6 December 2018
Deborah Kelleher	5	5	6 December 2018
Shane Naughton	5	5	6 December 2018
Anne O'Leary	5	5	6 December 2018
Margaret E. Ward	5	5	6 December 2018

Fair Trading Committee

There were four meetings during 2019, with full attendance as follows:

Committee Members	Meetings Eligible to Attend	Meetings Attended	Appointed to the Committee
Fionnuala Sheehan (Chair)	4	4	24 September 2015
Deborah Kelleher	4	4	24 September 2015

Attendance at Subsidiary Board Meetings

The attendance disclosures above refer to attendance by Board members at meetings of the RTÉ Board and its five sub-committees. In addition, Moya Doherty, Eoin McVey, Fionnuala Sheehan and Ian Kehoe served on the boards of subsidiary companies, with additional scheduled attendance at subsidiary board meetings.



Dee Forbes

Director-General

See biographical note on page 74.



Richard Collins

Chief Financial Officer

Richard joined RTÉ in January 2020. He has been appointed a director of RTÉ Commercial Enterprises DAC and of RTÉ Transmission Network DAC.

Prior to joining RTÉ, Richard spent 13 years in the retail sector where, in addition to gaining wide financial and operational experience, he led a number of major turnaround and transformation programmes. Most recently he served as Director of Finance at Dunnes Stores where he played a key role in strategy development and systems modernisation.

Prior to that he was Finance Director at Superquinn where he led the integration into Musgrave Group.

Richard has held a number of other senior financial roles, both in Ireland and abroad, with organisations such as Dell Computer Corporation and the Dublin Airport Authority. He is a graduate of Trinity College Dublin and trained as a chartered accountant with KPMG.



Rory Coveney

Director of Strategy

Rory has been with RTÉ since 2007 in a variety of roles. Since 2011, as Strategic Advisor to the Director-General, Rory has been at the centre of strategic planning for the organisation. As Director of Strategy, he leads a new strategy function encompassing corporate strategy, new ventures and innovation, public affairs and strategic risk management.

Prior to joining RTÉ, Rory worked for Irish Aid in the Department of Foreign Affairs. Rory is a graduate of UCC, where he gained a BA in history. He also holds an MA in Interactive Media from Dublin Institute of Technology.



Eimear Cusack

Director, Human Resources

Eimear was appointed Director of Human Resources in 2017. With a career spanning legal, banking, professional services and ICT, Eimear was appointed Head of Human Resources for Ericsson UK and Ireland in 2013, where she shaped and implemented extensive change programmes. With a successful background in innovative people strategy, Eimear's focus has been on employee engagement, talent acquisition, talent management, and learning and development.

Before joining RTÉ, Eimear delivered diverse employee transition, transformation and integration strategies in the areas of managed services and acquisitions.

Adrian Lynch

Director, Audiences, Channels and Marketing

Adrian joined RTÉ in 2014 and was previously Channel Controller for RTÉ One and RTÉ2.

In that capacity, he launched ambitious new schedules for the services. As Channel Controller of RTÉ One and RTÉ2, Adrian delivered a range of landmark public-service programming across all genres, with marked successes around *Dancing with the Stars*, *RTÉ 1916* and award-winning documentaries such as *My Homeless Family*.

Prior to joining RTÉ, Adrian was the Managing Director and owner of one of Ireland's most successful independent television production companies, Animo Television. During his time there, he was responsible for some of RTÉ One's most high-profile shows, including award-winning blue-chip documentary series such as *Freefall – The Night the Banks Failed*.

Paula Mullooly

Director, Legal

Paula was appointed Director of Legal in 2019. She is a highly experienced specialist media lawyer with 25 years' experience in media, broadcasting and privacy law. She has advised and represented a broad range of media clients in her career, both domestic and international, and has lectured on media law. She was appointed by the Government as a member of the Working Group on Defamation Reform which, in 2003, provided a report recommending reforms and which presented draft legislation. She also served on the Compliance Committee of the Broadcasting Authority of Ireland from 2010 to 2018 and as Chair of the Censorship of Publications Appeals Board from 2004 to 2012.





Geraldine O'Leary

Commercial Director

Geraldine joined RTÉ in 1997 as Manager, Television Sales, and was promoted to Director Sales and Marketing in 1999. In 2003, she was appointed Commercial Director, RTÉ Television, and has played a prominent role in RTÉ's commercial function. She was appointed Commercial Director, RTÉ, in January 2018 and is responsible for leading all of the commercial staff and operations at RTÉ. A Fellow of The Marketing Institute of Ireland, Founding Director of TAM Ireland and a member of the Council of the Marketing Society of Ireland, Geraldine is also a Board member of EGTA (European Group of Television Advertising). She was the President of the EGTA Board from 2009 to 2011.



Jim Jennings

Director, Content

Jim was appointed Managing Director of RTÉ Radio in November 2013. He also oversees the RTÉ orchestras, quartet and choirs. Previously, Jim was Head of RTÉ Radio 1, which he joined in 1985, working first in features and current affairs on programmes such as *Today at Five* and *The Pat Kenny Show*.



Richard Waghorn

Director, Operations, Technology and Transformation

Richard joined RTÉ as Chief Technology Officer in February 2012. During 2013, he was appointed as a director of RTÉ Transmission Network DAC. Richard holds an MBA from Henley Management College and is a graduate of the University of Leeds.

Between 2009 and 2011, Richard was Chief Technology Officer at the South African Broadcasting Corporation. Before that, he was Controller of Distribution at the BBC for four years, leading the implementation of digital switchover. At the BBC, he worked in a number of areas including strategy, new media, distribution and radio production. Richard was a board director of Freesat and project manager for the 2002 launch of Freeview in the UK.

Richard took over RTÉ's technology and transformation activities in 2017, and also took over the management of the operations division in 2019, as part of the restructure of the organisation.

Jon Williams

Director, RTÉ News and Current Affairs

Jon joined RTÉ in January 2017. He was previously Managing Editor, International News, at ABC News in New York, where he shaped the organisation's international news coverage and strategy. Jon led ABC's reporting of the war in Ukraine and the European refugee crisis, as well as coverage of ISIS terrorist attacks in Europe. He also drove innovation, including the use of 360 and virtual-reality video.

From 2006 to 2013, Jon was the BBC's World News Editor, managing a staff of 200 people in 30 countries. He oversaw reporting of the Israel/Lebanon war in 2006, which won an International Emmy. He received a second Emmy in 2013 for the BBC's coverage of the civil war in Syria. Jon served as UK News Editor during the 7/7 terror attacks on the London transport network and as Deputy Editor of the BBC's *Six O'Clock News* on 9/11. In 2017, he earned his third Emmy for ABC's coverage of the Syria refugee crisis.



Breda O'Keeffe

Chief Financial Officer

Breda was appointed Chief Financial Officer in 2012. A native of Kilkenny, she studied at Waterford Institute of Technology and is a fellow of the Institute of Chartered Accountants in Ireland. Before joining RTÉ, she held senior finance positions in GPA, GE Capital Aviation Services, JetPhone, GE Insurance Services and Halifax Bank of Scotland. She was instrumental in setting up GE Insurance Services and Halifax Insurance Ireland in Shannon.

Breda joined RTÉ in 2002. In 2003, she was appointed Finance Director of RTÉ Television and was also a member of the Television Programme Strategy Group. During 2012, Breda was appointed a director of RTÉ Commercial Enterprises DAC and in 2013 she was appointed as a director of RTÉ Transmission Network DAC.

Breda left RTÉ in March 2020.



Corporate Governance

For the year ended 31 December 2019

Members of the Board of RTÉ are committed to maintaining the highest standards of corporate governance and business conduct. The *Broadcasting Act 2009* requires members to have experience of, or capacity in, matters relevant to the oversight of a public-service broadcaster (Section 82). Each member of the Board must also perform his or her functions in such a manner as to ensure that the activities of RTÉ, in pursuance of its statutory objects, are performed efficiently and effectively (Section 87).

RTÉ complies with the *Code of Practice for the Governance of State Bodies* ("Code of Practice").

The Code of Practice sets out principles of corporate governance which Boards of State Bodies are required to observe. This includes governance practices and procedures in a broad range of areas such as the role of the Board; codes of conduct and disclosure of interests; business and financial reporting; risk management and internal control; relations with the Oireachtas and parent department; and a range of other specific control procedures. Further information on these areas is set out in the remainder of this section of the Annual Report.

The Chair of the Board is required to confirm annually to the Minister for Communications, Climate Action and Environment that the governance practices and procedures in RTÉ are in compliance with the Code of Practice.

RTÉ complies with the corporate governance and other obligations imposed by the *Ethics in Public Office Act, 1995*, the *Standards in Public Office Act, 2001* and the *Criminal Justice (Corruption Offences) Act, 2018*.

The Board has also adopted its own Code of Conduct, which sets out its approach to responsible and ethical business behaviour.

The Board of RTÉ

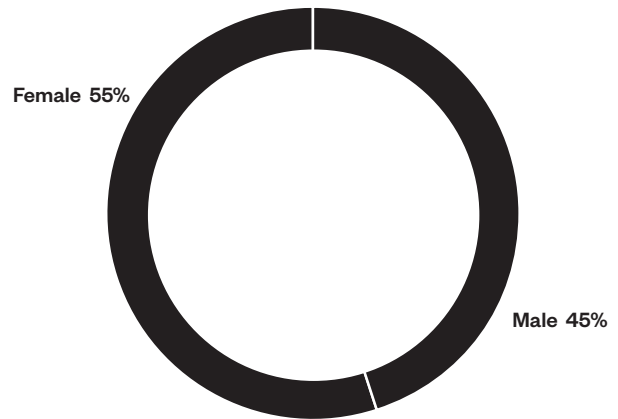
Composition

Members of the Board of RTÉ are appointed under Section 81 of the *Broadcasting Act 2009* for a period not exceeding five years. The Act provides for a 12-member Board, to be appointed by the Government as follows:

- Six members are appointed on the nomination of the Minister for Communications, Climate Action and Environment;
- The Oireachtas Joint Committee on Communications, Climate Action and Environment proposes four members to the Minister;
- The Director-General of RTÉ is an *ex officio* member; and
- One member of RTÉ staff is appointed following election.

The Government appoints one of the members to act as Chair. The *Broadcasting Act 2009* also provides for gender balance in the composition of the Board by requiring that its members include no fewer than five men and five women. At 31 December 2019, there are six women and five men on the Board of RTÉ.

Board Diversity by Gender

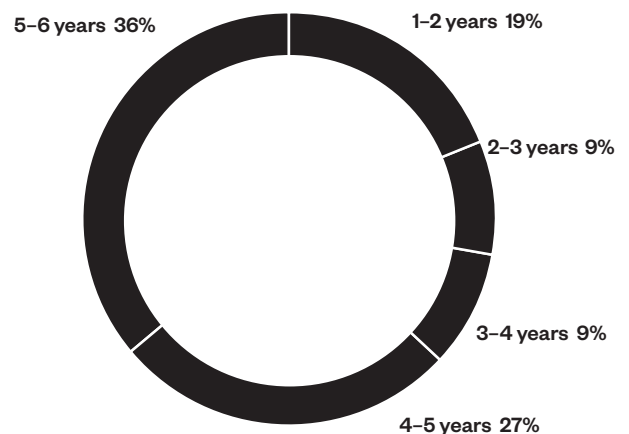


Frank Hannigan resigned as a member of the Board on 18 June 2019, in advance of the scheduled end of his term of office (in November 2019). At the end of 2019, the Department of Communications, Climate Action and Environment was in the process of filling this Board vacancy, via the State Boards Division of the Public Appointments Service.

There were no other changes to the membership of the Board of RTÉ during the year.

Biographical details of the 11 members of the Board in office at 31 December 2019, including details of their terms of office, are set out on pages 74 to 76.

Board Diversity by Tenure



Role

The duties of Board members are set out in Section 87 of the *Broadcasting Act 2009*. In summary, Board members guide the corporate direction and strategy of RTÉ and represent the interests of viewers and listeners, ensuring that RTÉ fulfils its statutory responsibilities in an efficient and effective manner. Each member brings independent judgement to bear by constructively challenging the Executive and by helping to develop RTÉ's strategic objectives.

Board members have varied backgrounds, skills and experience in a broad range of business areas relevant to the oversight of a public-service broadcaster. The criteria for Board membership are set out in Section 82 of the *Broadcasting Act 2009*. The criteria include matters such as: media affairs, public-service broadcasting, broadcast content production, digital media technologies, business or commercial affairs, legal or regulatory affairs and matters pertaining to the development of the Irish language.

There is a clear division of responsibilities between the position of Chair of the Board, who is non-executive, and the Director-General.

The Director-General, in conjunction with executive management, takes responsibility for RTÉ's day-to-day operations. The Chair's responsibilities include leading the Board, determining its agenda, ensuring its effectiveness and facilitating full participation by each Board member.

The Chair of the Board and executive management meet frequently with the Department of Communications, Climate Action and Environment to discuss RTÉ's operating and financial performance.

The Board keeps its own structures and performance under ongoing review. During 2019 it considered the number, operation and membership of its permanent committees. Subsequent to the year-end, the Board commenced a process to carry out a formal evaluation of its performance.

Board Procedures

On appointment, all Board members are provided with briefing documents on RTÉ and its operations. The Board meets in accordance with a regular schedule of meetings and may also meet on other occasions as deemed necessary. All Board members have full and timely access to the information necessary to enable them to discharge their duties. Board papers are sent to each Board member in sufficient time before Board meetings and any further papers or information are readily available to all Board members on request.

The Board papers sent to Board members include the minutes of committee meetings that have been held since the previous Board meeting or, if minutes are not available at the time the papers are circulated, a verbal update is provided at the Board meeting.

Board members have access to advice and the services of the RTÉ Group Secretary, who is responsible for ensuring the Board procedures are followed and that applicable rules and regulations are complied with. RTÉ's professional advisors are available for consultation with the Board as required. Individual Board members may take independent professional advice and training, if necessary, at the expense of RTÉ. The Board has an insurance policy in place which indemnifies Board members in the event of legal actions taken against them in the course of their duties as Board members.

There is a formal schedule of matters reserved for consideration and decision by the Board. The schedule covers key areas of RTÉ's business:

- Approval of strategic plans, the annual budget and the annual financial statements;
- Approval of major investments, capital projects and borrowings;
- Significant acquisitions, disposals or retirement of assets;
- Reviewing financial and operational performance;
- Treasury policy and risk-management policies;
- Delegated authority levels, including the approval of major contracts;
- Appointment of the Director-General (in accordance with Section 89 of the *Broadcasting Act 2009*) and the Group Secretary;
- Appointment of Chair/Directors/Trustees of the RTÉ Subsidiary Companies and Pension Schemes; and
- Reviewing the system of internal control.

Certain other matters are delegated to Board committees, as set out in further detail below.

The Chair of each committee is available to report and answer any questions on the committee's proceedings at Board meetings, as required.

Board Committees

At 31 December 2019, the Board has established five permanent sub-committees to assist in the execution of its responsibilities. These are the Audit and Risk Committee, the Remuneration and Management Development Committee, the Programme Committee, the Strategy Committee and the Fair Trading Committee.

The membership of each committee, together with details of attendance at meetings held in 2019, is set out on page 77. The RTÉ Group Secretary acts as Secretary of each Committee.

Temporary committees may be formed from time to time to deal with specific matters under defined terms of reference. No temporary committees were formed in 2019.

Audit and Risk Committee

The Audit and Risk Committee comprises four Board members, three of whom are considered independent. Shane Naughton and Eoin McVey are the committee members with recent financial experience. The committee's terms of reference are available on the RTÉ website.

The Chief Financial Officer and the Head of Internal Audit attend meetings of the committee, while the external auditors attend as required. The terms of reference of the committee provide that other Board members, executives and others may also be invited to attend all or part of any meeting(s). Both the Head of Internal Audit and the external auditors have full and unrestricted direct access to the committee Chair at all times. In addition, the Audit and Risk Committee has a discussion with the external and internal auditors at least once a year, without executive management present, to ensure there are no outstanding issues of concern.

Corporate Governance

For the year ended 31 December 2019 (continued)

During 2019, the Audit and Risk Committee reviewed the following matters:

Financial reporting

- The group's annual financial statements, prior to formal submission to the Board. The committee's review focused, in particular, on accounting policies, judgemental areas, the clarity of disclosures and compliance with applicable accounting and legal standards
- The Independent Productions annual report, prior to formal submission to the Board

Budgeting and financial affairs

- The RTÉ Group's annual budget, prior to formal submission to the Board
- Regular updates on the financial performance of the Group, including pensions and the risk management of movements in foreign exchange rates
- RTÉ's banking arrangements and facilities, including treasury mandates
- Updates on the project to implement a new Enterprise Resource Planning (ERP) solution

Internal control and risk management

- Quarterly risk reports and movements in the key corporate risks during the year
- Risk briefings from the Executive Sponsors of a selection of the key corporate risks
- The effectiveness of the system of internal control and reporting the results to the Board
- Brexit contingency planning
- The management and update of business continuity plans

Regulation and compliance

- Corporate governance compliance, to include reviewing compliance with the *Code of Practice for the Governance of State Bodies*
- Regular updates on GDPR
- Freedom of Information requests
- Arrangements for raising concerns confidentially (whistleblowing)

Internal audit

- The Internal Audit Plan for 2019
- Internal audit reports and progress in implementing actions identified in the reports. The Head of Internal Audit presents a report at each Audit and Risk Committee meeting, summarising work completed since the previous meeting and the findings, together with the areas of focus in the forthcoming period

External audit

- The external audit plan, the scope of the audit, as set out in the Engagement Letter, and the effectiveness of the audit process
- Report from the external auditor following its audit of the financial statements and discussion of matters arising

During 2019, the Audit and Risk Committee also received briefings on developments in the areas of corporate governance, risk management and accounting standards.

The Audit and Risk Committee has put in place safeguards to ensure that the independence and objectivity of the external audit function are not compromised. These safeguards are reviewed at regular intervals. In addition, the external auditors have confirmed to the Audit and Risk Committee that they continue to operate procedures to safeguard against the possibility that their objectivity and independence could be compromised.

The level of non-audit-related services provided by the external auditors, and the associated fees, is considered annually by the Audit and Risk Committee in the context of the external auditors' independence, as part of the committee's review of the adequacy and objectivity of the external audit process. Details of the nature of non-audit services in the current/prior years and the related fees are set out in note 5 to the financial statements.

Programme Committee

The Programme Committee comprises four Board members, three of whom are considered independent. The committee considers key developments and plans in respect of RTÉ content and schedules. At each of its meetings, the committee meets with the executives responsible for content/output and their senior management colleagues (including in-house and external independent programme-makers, as necessary) to review programme output and upcoming strategy and plans.

In the area of editorial risk, the Programme Committee and the Audit and Risk Committee align their respective programmes of work to ensure effective oversight and management of editorial risk. Editorial risk is considered by the Board in the context of risk generally, as explained in further detail in the internal control and risk-management section below.

Strategy Committee

The Strategy Committee comprises six Board members, all of whom are considered independent.

The committee was re-established during 2019 to oversee the development of the revised RTÉ strategy 2020-2024 and to consider the risks and opportunities inherent in the plan, working closely with the Director-General and the members of the Executive.

The committee's role is also to measure and monitor RTÉ's progress and achievement against the strategy by identifying relevant targets and indicators.

Remuneration and Management Development Committee

The Remuneration and Management Development Committee comprises three Board members, all of whom are considered independent. The committee's terms of reference are available on the RTÉ website. The committee's role and responsibilities include:

- Considering the appointment, targets, performance and remuneration of the Director-General and making recommendations to the Board prior to seeking Government approval thereon. Such consideration takes place in the context of relevant Government policy. (The committee's terms of reference also provide for consideration, as deemed necessary, of the role of the Director-General's deputy or any person temporarily appointed to the position of Director-General in accordance with Section 89 (8) of the *Broadcasting Act 2009*);
- Consulting with the Director-General in relation to the remuneration package of executive management, having regard to Government policy in relation to remuneration of senior management of commercial State bodies;
- Consulting with the Director-General in relation to "top talent" contractor contracts; and
- Considering the remuneration of any non-Government appointed members of Boards of RTÉ subsidiary companies.

The committee is assisted, as necessary, by a nominee from the Department of Communications, Climate Action and Environment. The remuneration of Board members is determined by Government policy and, as such, is not a specific consideration of this Committee.

Fair Trading Committee

The Fair Trading Committee is responsible for the oversight of RTÉ's Fair Trading Policy. The committee comprises two Board members and all members of the committee are considered independent. The committee's functions are to:

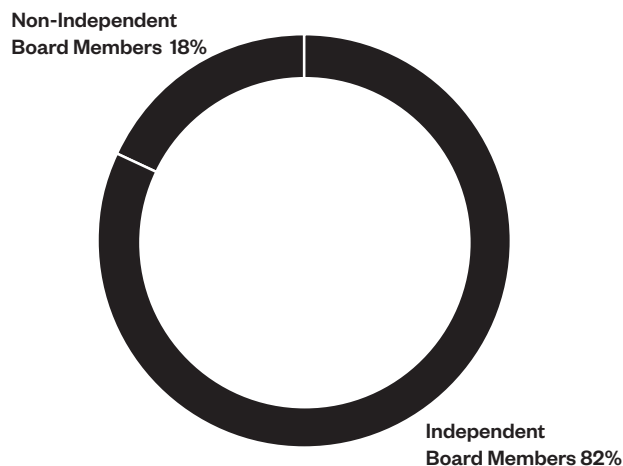
- Review reports from the Fair Trading Officer;
- Oversee and, where necessary, review internal practices and procedures including complaints procedure; and
- Commission periodic reviews of RTÉ fair trading practice.

RTÉ has a Fair Trading Policy and Procedures and a Fair Trading Complaints Procedure, both available on the RTÉ.ie website. During the year the Fair Trading Committee was responsible for oversight of the policy. In compliance with the policy, the committee has approved a report on the Fair Trading Policy and its implementation, which is on page 160.

Independence of Members of the Board

Each Board member brings independent judgement, challenge and rigour to the Board's deliberations. The Board has completed an evaluation of the independence of its members using the independence criteria as set out in the UK Corporate Governance Code, the Corporate Governance code which is applicable to companies listed on Euronext Dublin.

Board Diversity by Independence



Having regard for the integrity, strength of character and objectivity of Board members, all members are considered independent under those criteria. However, Dee Forbes and Robert Shortt are RTÉ employees and therefore cannot, for that reason alone, be considered as independent members of the Board at 31 December 2019 as per the criteria of the UK Corporate Governance Code.

As disclosed in further detail in note 26 (Related Party Transactions), business transactions took place between RTÉ and certain Board members, or their close family members, in the normal course of business, during the year ended 31 December 2019. Notwithstanding these transactions, the Board has determined that these Board members remain independent in character and judgement. In reaching that conclusion, the Board has considered the following:

In the case of one Board member, RTÉ commissioned programmes from a production company owned/controlled by a close family member of the Board member. In these cases, the Board took account of the existence of formal and transparent Commissioning Procedures and Guidelines, which are published on the RTÉ website and are applied consistently for all commissions. In addition, all decisions on individual commissions are the responsibility of executive management, assessed using clear evaluation criteria, with contracts awarded in line with normal commercial terms and conditions in all cases. Decisions on individual programme commissions are not a matter for consideration and decision by the Board. To demonstrate transparency, an independent review of specific commissioning procedures is also carried out on an annual basis and an Independent Productions annual report is submitted to the Minister for Communications, Climate Action and Environment in accordance with Section 116 (9) of the *Broadcasting Act 2009*.

The Board also considered the matter of a Board member, or their close family members, being engaged by RTÉ under an artist contract in respect of a programme contribution. The decision to engage a programme contributor or presenter is undertaken by editorial

Corporate Governance

For the year ended 31 December 2019 (continued)

line management having due regard for the requirements of the programme and the skills and experience of the individual being engaged. The Board also noted that contracts are entered into on normal commercial terms and in line with RTÉ's policy for engaging personnel. There were no applicable engagements in 2019.

Internal Control and Risk Management

The Board has overall responsibility for the Group's systems of internal control and for reviewing their effectiveness. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that an ongoing process for identifying, evaluating and managing RTÉ's significant risks has operated throughout the year and up to the date of approval of the financial statements. This process is in accordance with the Financial Reporting Council's *Guidance on Risk Management, Internal Control and Related Financial and Business Reporting* and the *Code of Practice for the Governance of State Bodies*. The process is overseen by the Audit and Risk Committee.

The Audit and Risk Committee considers risk management to be an integral part of its agenda and is committed to successfully managing RTÉ's exposure to risk and minimising its impact on the achievement of business objectives.

Risk Management Framework

RTÉ has established a risk-management framework which consists of structures; the assignment of risk responsibilities; procedures and systems for risk identification, assessment and reporting; and monitoring the effectiveness of mitigation actions. The risk-management framework is overseen by the Director of Strategy, reporting to the Director-General.

Throughout the year, RTÉ operated a risk-management process designed to identify the key risks facing the business and to report to the Audit and Risk Committee and the Board on how these risks are being managed. The Board focuses primarily on those risks capable

of undermining the RTÉ strategy, or risks which could adversely affect the long-term viability or reputation of RTÉ. As explained in further detail below, the risk-management process comprises two phases – a strategic risk-assessment undertaken by the Executive and a local risk assessment exercise carried out by line management in the divisions.

The members of the RTÉ Executive determine the risks impacting the successful delivery of the RTÉ strategy. Those risks designated as key risks are assigned an Executive Sponsor and Risk Owner and are subject to ongoing review and monitoring during the year. The Risk Owners track the drivers of each risk and document the controls in place to mitigate the risk. In addition, risk indicators are identified to assist in monitoring changes in the likelihood of the occurrence of a risk. This exercise is summarised in a consolidated strategic risks document. This work is overseen and reviewed by a risk function and is linked to the broader strategic planning process. The strategic risks document is presented to the Audit and Risk Committee and to the Board as part of its review of the effectiveness of the system of internal control. During the year, the Audit and Risk Committee also receives quarterly updates on the status of risks, changes in risk indicators and updates on mitigating actions.

Aligned with the strategic risk-assessment process explained above, local risk registers are maintained to consider key risks, evaluate the probability of those risks occurring and assess the likely impact should the risks materialise. The actions taken to manage each risk are recorded.

Principal Risks and Uncertainties

As part of the risk identification process explained above, the principal areas of risk that could materially adversely affect the Group's business, financial condition or results have been identified. A summary of these risks and the mitigation actions are set out below. This is not intended to be an exhaustive analysis of all the risks that may arise in the ordinary course of business. These key risks are assessed on a continuous basis and management report significant changes in the risks identified, or the materiality of risks, to the Audit and Risk Committee.

Description of Risk	Mitigation Actions
Compliance	
Editorial	
Damage to RTÉ's reputation arising from a serious failure to comply with editorial standards and obligations to fairness, impartiality and privacy could affect audience trust levels, damage our brand or lead to legal exposure.	<ul style="list-style-type: none"> • RTÉ Journalism & Content Guidelines • Defined editorial management chain and editorial structures • Training for staff • Access to legal advice as necessary • Statutory Complaints Process
Changes in Legislation/Regulation and Compliance	
Any changes to regulation or to Irish or EU law which could impact on RTÉ's operations including inter alia broadcasting legislation, advertising standards, licence fee, data protection, financial codes of practice and any damage to RTÉ's reputation arising from non-compliance with the broad range of legal and regulatory requirements	<ul style="list-style-type: none"> • Engagement with key stakeholders and submissions to consulting processes • Submissions to relevant bodies making the case for RTÉ on the effect of legislative and regulatory change • Updated guidelines and implementation of policies • Regular staff communication and training • Defined corporate governance structures and operational controls • Corporate clearance committees for commercial activity • Defined legal management chain

Description of Risk

Mitigation Actions

Finance

Financial Resources

Risks associated with the strategic allocation and management of financial resources, in order to optimise investment in indigenous content/new improved services and capital (the business); control and reduce operating costs and deliver ongoing value for money across all our services.

This also includes the ongoing management of cash reserves and bank funding to provide adequate financing for ongoing operational cash needs, while also investing in the business.

- Annual budgeting process in place.
- Monthly management accounts and forecasting, which includes the reporting of revenues and costs against budget.
- Capital budgeting process and a dedicated Capital Committee.
- Cash management and treasury function which operate within an approved treasury policy
- Multiyear medium-term financial projections in place, with ongoing revisions in light of Covid-19.
- Managerial and financial authority approval limits in place for all expenditure.

Commercial Income

Failure to grow commercial revenue and respond to the changing demands from agencies and advertisers.

- Audience measurement and tracking
- Monitoring of revenue performance and three-month rolling revenue forecasting: RTÉ Executive monitors fortnightly revenue reports, including market and economic commentary;
- Monitoring and assessment of Covid-19, Brexit and other external economic factors on RTÉ's financial position
- Timely, responsive sales and cross-media initiatives and actions to address any revenue decline, including responses to address the Covid-19 pandemic.
- Restructured commercial department to address changing advertiser requirements and develop new revenue sources

Strategic

Public Funding

Inadequate levels of public funding and lack of funding reform, limiting RTÉ's capacity to deliver its public-service objects as set out in legislation.

- Meet and present to key decision makers
- Secure economic and legal advice, or commission reports / benchmarking analysis, as required
- Monitoring of the licence fee collection targets, household statistics and evasion rates
- Ongoing collaboration with An Post and DCCAE on licence fee collection and related matters

Delivery of Change Programme

This is the risk that RTÉ will not effectively manage the radical transformation of the organisation to achieve the revised strategy & business operating model; and a proportionate cost base.

- Enabling the RTÉ strategy – implementing the change programme
- Changes made to work practices to promote improved teamwork, flexibility, mobility and efficiency
- Review of and changes to the organisation structure on an ongoing basis

Distribution

Failure to deliver access to content on relevant platforms or to invest in the next trends in technology and content consumption, could threaten RTÉ's connection with the audience and the achievement of audience targets.

- Ongoing monitoring and analysis of technological developments and audience behaviour in the marketplace
- Distribution and content rights strategy in place
- Meet and present to key decision makers

Brand & Reputation

Failure to manage the RTÉ brand could impact on stakeholder perceptions, affecting trust levels and potentially impacting the current and future demand for RTÉ's services.
A materialisation of any of RTÉ's key risks could also damage RTÉ's reputation and undermine support for RTÉ's strategy.

- Clearly expressed guidelines and adherence to policies
- Ensuring RTÉ and external agencies use brand safety controls.
- New brand positioning and creative expression for RTÉ
- Investment in marketing initiatives to promote offering and demonstrate value
- Escalation process and Crisis Management planning

Corporate Governance

For the year ended 31 December 2019 (continued)

Description of Risk	Mitigation Actions
Operational	
<p>Content</p> <p>Failure to identify and develop sufficiently relevant and compelling content, particularly for young and under-served audiences groups – the need to take creative risks.</p>	<ul style="list-style-type: none"> • Audience measurement and tracking • Responsive content initiatives • Examine co-funding opportunities and other sources of funding which leverage RTÉ's investment and achieve a greater impact for a lower investment • Strong independent production sector
<p>People/Skills</p> <p>The risk of a deficit in the experience and skills needed across all disciplines, to deliver RTÉ's strategic plan.</p> <p>The risk includes the ability to attract, retain and develop staff members, especially for specialist roles; and a lack of diversity.</p>	<ul style="list-style-type: none"> • Five-year strategy planning, including integral HR strategy • Diversity action plan to encourage staff diversity and retention • Succession planning • Organisational learning and development strategy
<p>Covid-19 Business Continuity Planning & Disaster Recovery</p> <p>A significant failure in critical technology, other infrastructure, security or the actions of third parties (e.g. via a cyber/viral attack) or a force majeure event (Covid-19), disrupting business continuity and broadcasting output.</p>	<ul style="list-style-type: none"> • Refreshed business continuity and crisis management plans • Resilience and redundancy built into business processes: IT back-up procedures; mirrored servers; redundancy in national broadcast transmission system; etc. • Senior Covid-19 crisis management team in place with regular meetings • Training

Internal Control

In addition to the risk-management process outlined above, a strong internal control framework is in place to provide effective internal control, including:

- A clearly defined organisation structure, with formally defined authority limits and reporting mechanisms to higher levels of management and to the Board;
- A statement of decisions reserved to the Board for consideration and decision;
- Codes of business conduct for Board members and employees, setting out the ethical standards expected in the conduct of business;
- Established procedures to identify, control and report on key risks impacting the business;
- Comprehensive budgeting systems, with annual financial budgets approved by the Board;
- A planning process for each division, with long-term strategic plans approved by the Board;
- Timely financial reporting systems, with actual results reported against budget and considered by the Board on a monthly basis;
- A Good Faith Reporting (Whistleblowing) Policy, which provides staff with a confidential and, if required, anonymous means to report a matter of concern; and
- Comprehensive policies and procedures relating to operational and financial controls, including commitments and capital expenditure. Large capital projects require the approval of the Board.

These controls are reviewed systematically by Internal Audit, on a risk-based approach. The Board confirms that, through the Audit and Risk Committee, it has conducted a review of the effectiveness of the system of internal control up to and including the date of approval of the financial statements.

The process adopted by the Board to undertake the review of the effectiveness of the system of internal controls included:

- Consideration of the authority, resources and coordination of those involved in the identification, assessment and management of significant risks faced by RTÉ;
- Review and consideration of the output of the risk assessment and management process;
- Monitoring of risk reports from management;
- Review of the programme of internal audit and consideration of major findings; and
- Review of the report of the external auditors, who, as part of their normal procedures, test aspects of the systems of internal control and report any significant weaknesses to the Audit and Risk Committee.

Going Concern

The members of the Board considered the Group's cash flows, liquidity and business activities. They reviewed the Group's forecasted cash flows for the foreseeable future, which incorporate the expected cash flow impact of Covid-19, and assessed possible variances in those forecasts. After making those enquiries, the members of the Board are satisfied that RTÉ has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Refer to Note 1 (iv) to the financial statements for further details.

Board Members' Fees¹

RTÉ complies with Government policy on the payment of fees to chairs and directors of State bodies, as determined by the Minister for Public Expenditure and Reform and the Minister for Communications, Climate Action and Environment.

	2019 €'000	2018 €'000
Board members at 31 December 2019		
Moya Doherty	19	24
Dee Forbes	-	-
Frank Hannigan	8	16
Ian Kehoe	16	4
Deborah Kelleher ⁴	-	-
Dr P.J. Mathews ⁴	-	-
Eoin McVey	16	16
Shane Naughton	16	16
Anne O'Leary	16	16
Fionnuala Sheehan	16	16
Robert Shortt ²	16	9
Margaret E. Ward	16	16

Payments to former Board members

Payments to former Board members ³	-	4
	139	137

- All members of the Board are non-executive, with the exception of the Director-General, Dee Forbes, serving in an ex officio capacity
- In addition to Board fees, Robert Shortt was paid as an employee of RTÉ
- Relates to fees paid to Aengus Mac Grianna. His Board term of office ended on 1 April 2018
- In accordance with the "one person one salary" principle, public servants who sit on state boards are not entitled to additional board fees

The annual fee payable to Board members for their services as members of the Board of RTÉ remained unchanged between 2018 and 2019. Differences in fee levels arise due to timing reasons.

In November 2019, in the context of cost reduction initiatives identified as part of the revised RTÉ strategy 2020-2024, the Board members announced their intention to waive their fees, effective 1 January 2020.

Expenses of Board members¹

In compliance with the *Code of Practice for the Governance of State Bodies*, the following disclosure is required of the expenses paid to Board members:

	2019 €'000	2018 €'000
Travel – mileage	9	15
Subsistence allowances	17	9
	26	24

- The expenses of Board members above relate to their Board services only and do not include expenses of members in their capacity as RTÉ employees.

Remuneration of Director-General

The remuneration of the Director-General conforms to Government policy for determining the remuneration of chief executive officers of commercial State bodies, issued by the Department of Public Expenditure and Reform, and is approved by the Minister for Communications, Climate Action and Environment. In compliance with the disclosure requirement in the *Code of Practice for the Governance of State Bodies* and in Section 305 of the *Companies Act 2014*, the remuneration of the Director-General comprises:

	2019 €'000	2018 €'000
Emoluments:		
– Basic salary	250	250
– Car allowance	25	25
Total Emoluments	275	275
Retirement Benefit Contributions¹	63	63
	338	338

- The amount paid by RTÉ to a defined contribution pension scheme.

Expenses amounting to €4,871 (2018: €3,368) were incurred by Dee Forbes in the conduct of the duties of the post of Director-General.

No performance-related pay was awarded or paid in respect of 2019 or 2018.

Board Members' Report

For the year ended 31 December 2019

The members of the Board of RTÉ present their annual report together with the audited Group financial statements for the year ended 31 December 2019.

Principal Activities

RTÉ is Ireland's public-service broadcaster offering free-to-air television and radio services to its audience. RTÉ also publishes the *RTÉ Guide*, operates a teletext service and provides an extensive range of free web-based online services. Through its wholly owned subsidiary, RTÉ Transmission Network DAC (trading as 2m), RTÉ provides analogue and digital network transmission and tower facilities to broadcasters and other users. In addition, RTÉ operates the RTÉ National Symphony Orchestra and the RTÉ Concert Orchestra, together with other performing groups.

Business Review

Detailed reviews of the performance during 2019 and future developments are set out in the Operational Review on pages 32 to 72 and in the Financial Review on pages 22 to 30. These reviews encompass the principal risks and uncertainties faced by the Group and an analysis of its key performance indicators, financial and non-financial. RTÉ's performance in meeting its annual commitments to its viewers and listeners, as set out in its Annual Statement of Performance Commitments 2019, are reviewed on pages 155 to 159.

Results for the Year

The results of the Group for the year are set out in the Income Statement on page 92 and in the related notes.

Members of the Board

The names of the persons who served as members of the Board as at 31 December 2019 are set out on pages 74 to 76.

Corporate Governance

RTÉ's corporate governance arrangements are set out in the annual report as follows:

- Corporate governance pages 80 to 87
- Board members' profiles pages 74 to 76
- Statement of Board members' responsibilities page 89

Directors' Compliance

The *Companies Act 2014*, which applies to RTÉ subsidiary companies, introduces a requirement for directors to secure a company's compliance with its relevant obligations (as defined in Section 225(1) of the Act), if the company meets specific size criteria specified in the Act.

RTÉ has implemented actions to ensure that, where applicable, its subsidiaries comply with the *Companies Act 2014* requirements for directors' compliance statements.

Accounting Records

The RTÉ Board members are responsible for ensuring that adequate accounting records are maintained. The measures taken in this

regard include the use of appropriate systems and procedures, the employment of professionally qualified accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The Group's accounting records are kept at Donnybrook, Dublin 4.

Payment of Accounts

The members of the Board acknowledge their responsibility for ensuring compliance in all material respects with the provisions of the *European Communities (Late Payment in Commercial Transactions) Regulations 2012* ("the Regulations"). Procedures have been implemented to identify the dates upon which invoices fall due for payment and to ensure that payments are made by such dates. Such procedures provide reasonable assurance against material non-compliance with the Regulations. The payment policy during the year under review was to comply with the requirements of the Regulations.

Group Companies

Information relating to subsidiary and associated undertakings is included in note 20 to the financial statements.

Financial Instruments

The Group has exposure to financial risks relating to credit, liquidity, foreign exchange, interest rate and operational risk. The Group has detailed procedures for monitoring and managing these risks which are set out in note 23 to the financial statements.

Auditor

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, will continue in office in accordance with Section 383 (2) of the *Companies Act 2014*.

Political Donations

With reference to the *Electoral Act, 1997*, RTÉ does not make any political donations.

Relevant Audit Information

The Board members believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

Subsequent Events

Details of important events affecting the Group which have taken place since the end of the financial year are given in note 28 to the financial statements.

On behalf of the Board

Moya Doherty
Chair

Anne O'Leary
Board Member and
Chair of the Audit and
Risk Committee

Dee Forbes
Director-General

16 July 2020

Statement of Board Members' Responsibilities

For the year ended 31 December 2019

The members of the Board of RTÉ (the "RTÉ Board") are responsible for preparing the Annual Report and the Group and RTÉ financial statements in accordance with applicable law and regulations.

The *Broadcasting Act 2009* ("broadcasting legislation") requires the RTÉ Board to prepare Group and RTÉ financial statements for each financial year. Under that legislation, the RTÉ Board has elected to prepare the Group and RTÉ financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and as applied in accordance with the provisions of the broadcasting legislation and the relevant provisions of the *Companies Act 2014*.

The RTÉ Board does not approve the Group and RTÉ financial statements unless it is satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and RTÉ and of the Group's profit or loss for that year. In preparing each of the Group and RTÉ financial statements, the RTÉ Board:

- Selects suitable accounting policies and then applies them consistently;
- Makes judgements and estimates that are reasonable and prudent;
- States whether the financial statements have been prepared in accordance with IFRS as adopted by the EU and as applied in accordance with the provisions of the broadcasting legislation; and
- Prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Group and RTÉ will continue in business.

The RTÉ Board is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Group and RTÉ and which enable them to ensure that the financial statements of the Group and RTÉ are prepared in accordance with applicable IFRS, as adopted by the EU, and comply with the provisions of the broadcasting legislation and the relevant provisions of the *Companies Act 2014*. The RTÉ Board have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and RTÉ and to prevent and detect fraud and other irregularities. The RTÉ Board is also responsible for preparing a Board Members' Report that complies with the relevant provisions of the *Companies Act 2014*.

The RTÉ Board members are responsible for ensuring that the corporate governance statement on pages 80 to 87 reflects the Group's compliance with the *Code of Practice for the Governance of State Bodies*.

The RTÉ Board members are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Moya Doherty
Chair

Anne O'Leary
Board Member and
Chair of the Audit and
Risk Committee

Dee Forbes
Director-General

16 July 2020

Independent Auditor's Report to the Members of the Board of RTÉ

Report on the audit of the financial statements

Opinion on the financial statements of RTÉ

In our opinion the RTÉ Group (the Group) and the RTÉ Entity (the Entity) financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Group and the Entity as at 31 December 2019 and of the loss of the Group for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the *Broadcasting Act 2009*.

The financial statements we have audited comprise:

The Group financial statements:

- the Group Income Statement;
- the Group Statement of Comprehensive Income;
- the Group Statement of Financial Position;
- the Group Statement of Changes in Equity;
- the Group Cash Flow Statement; and
- the related notes 1 to 29, including a summary of significant accounting policies as set out in note 1.

The Entity financial statements:

- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Cash Flow Statement;
- the related notes 1 to 29, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the Group and Entity financial statements is the *Broadcasting Act 2009* and International Financial Reporting Standards (IFRS) as adopted by the European Union (IFRSs as adopted by the EU) ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Group and the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Entity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report & Group Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Statement of Board Member's Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the *Broadcasting Act 2009*, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity or where relevant, the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the consolidated financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

This report is made solely to the Members of the Board of RTÉ in accordance with the *Broadcasting Act 2009*. Our audit work has been undertaken so that we might state to the Members of the Board of RTÉ those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members of the Board of RTÉ, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Matters on which we are required to report by exception

Under the *Code of Practice for the Governance of State Bodies* (August 2016) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Corporate Governance Statement does not reflect the Group's compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.



Richard Howard

For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

16 July 2020

Group Income Statement

for the year ended 31 December 2019

	Notes	2019 €'000	2018 €'000
Continuing Operations			
Revenue	2	342,085	339,105
Operating costs (before depreciation, amortisation, gain on disposal of assets and exceptional items)	3	(337,773)	(339,803)
EBITDA¹ before gain on disposal of assets and exceptional items		4,312	(698)
Net depreciation and amortisation	5	(13,803)	(12,417)
Gain on disposal of assets	5	288	5
Exceptional items ²	6	256	(548)
Loss from Operating Activities		(8,947)	(13,658)
Finance income	4	1,283	2,108
Finance expense	4	(1,226)	(1,588)
Deficit before Income Tax		(8,890)	(13,138)
Income tax credit	8	1,689	135
Deficit for the Year		(7,201)	(13,003)

1 EBITDA: Earnings (operating profit) before interest, tax, depreciation and amortisation

2 Exceptional items: Sales-enabling project costs relating to the disposal of land, restructuring and other charges

Group Statement of Comprehensive Income

for the year ended 31 December 2019

	Notes	2019 €'000	2018 €'000
Deficit for the Year		(7,201)	(13,003)
Other Comprehensive Income			
Items that will never be reclassified to profit or loss			
Re-measurement gain/(loss) of the defined benefit pension scheme	21	60,296	(1,219)
Re-measurement gain of the "50/50" risk-sharing pension scheme	21	397	301
Related deferred tax on pension assets	22	(7,606)	169
		53,087	(749)
Items that are or may be reclassified to profit or loss			
Cash flow hedge – effective portion of changes in fair value		-	(24)
Cash flow hedge – reclassified to Income Statement	4	104	218
Fair value gain on cash flow hedge	19	104	194
Deferred tax on cash flow hedge	22	(13)	(24)
Deferred tax on losses	22	13,801	-
		13,892	170
Total other comprehensive surplus/(deficit) for the year		66,979	(579)
Total comprehensive surplus/(deficit) for the year		59,778	(13,582)

Group Statement of Financial Position

at 31 December 2019

	Notes	2019 €'000	2018 €'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	9	71,028	67,846
Intangible assets	10	6,311	5,695
Financial Assets	20	346	-
Pension asset	21	110,404	49,556
Total Non-Current Assets		188,089	123,097
Current Assets			
Inventories	11	27,689	31,245
Receivables and prepayments	12	62,839	59,730
Liquid investments	13	29,000	-
Cash and cash equivalents	14	40,149	66,961
Derivative financial instruments	23	326	516
Total Current Assets		160,003	158,452
Total Assets		348,092	281,549
EQUITY			
Retained earnings		155,308	95,621
Cash flow hedge reserve	19	-	(91)
		155,308	95,530
LIABILITIES			
Non-Current Liabilities			
Interest-bearing loans and borrowings	15	60,000	-
Employee benefits	18	11,557	12,941
Trade and other payables	16	2,533	4,617
Deferred tax liabilities	22	2,230	8,509
Capital grants	25	4,518	7,925
Lease Liability	27	2,688	-
Derivative financial instruments	23	10	11
Total Non-Current Liabilities		83,536	34,003
Current Liabilities			
Interest-bearing loans and borrowings	15	-	50,000
Trade and other payables	16	85,230	80,006
Taxation and social welfare	17	9,541	9,347
Capital grants	25	3,386	21
Lease Liability	27	436	-
Employee benefits	18	10,655	12,538
Derivative financial instruments	23	-	104
Total Current Liabilities		109,248	152,016
Total Liabilities		192,784	186,019
Total Equity and Liabilities		348,092	281,549

On behalf of the Board

Moya Doherty
Chair

Anne O'Leary
Board Member and Chair of
the Audit and Risk Committee

Dee Forbes
Director-General

16 July 2020

Group Statement of Changes in Equity at 31 December 2019

	Retained earnings €'000	Cash flow hedge reserve €'000 (Note 19)	Total equity €'000
Balance at 1 January 2019	95,621	(91)	95,530
Deficit for the year	(7,201)	-	(7,201)
Other comprehensive surplus	66,888	91	66,979
Total comprehensive surplus	59,687	91	59,778
Balance at 31 December 2019	155,308	-	155,308
Balance at 1 January 2018	109,373	(261)	109,112
Deficit for the year	(13,003)	-	(13,003)
Other comprehensive (deficit)/surplus	(749)	170	(579)
Total comprehensive (deficit)/surplus	(13,752)	170	(13,582)
Balance at 31 December 2018	95,621	(91)	95,530

RTÉ Statement of Changes in Equity at 31 December 2019

	2019 €'000	2018 €'000
Retained earnings		
Balance at 1 January	(5,861)	13,995
Deficit for the year	(13,900)	(19,107)
Other comprehensive surplus/(deficit)	66,888	(749)
Total comprehensive surplus/(deficit)	52,988	(19,856)
Balance at 31 December	47,127	(5,861)

Group Cash Flow Statement

for the year ended 31 December 2019

	Notes	2019 €'000	2018 €'000
Cash Flows from Operating Activities			
Deficit for the year		(7,201)	(13,003)
Adjustments for:			
Depreciation of property, plant and equipment	9	12,670	11,675
Amortisation of intangible assets	10	1,133	742
Gain on disposal of property, plant and equipment		(288)	(5)
Exceptional items		(256)	548
Difference between pension credit and cash contributions		839	1,404
Net finance expense/(income)		232	(464)
Income tax (credit)	8	(1,689)	(135)
		5,440	762
Change in inventories and related inventory payables		363	4,743
Change in receivables and prepayments		(3,436)	(28)
Change in trade and other payables		7,215	291
Change in taxation and social welfare		1,786	(22,054)
Change in employee benefits and restructuring and other costs		(3,343)	(4,870)
Net Cash generated/(absorbed) from Operating Activities		8,025	(21,156)
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		305	17
Capital grant		(41)	(21)
Acquisition of property, plant and equipment		(11,256)	(16,323)
Acquisition of intangible assets		(3,031)	(1,882)
Net Cash absorbed by Investing Activities		(14,023)	(18,209)
Cash Flows from Financing Activities			
Proceeds from borrowings	15	10,000	500
Interest paid		(1,046)	(1,293)
Cash payments for the principle portion of the lease liability		(708)	-
Cash payments for the interest portion of the lease liability		(60)	-
(Increase)/decrease in liquid investments	13	(29,000)	36,993
Net Cash (absorbed)/generated by Financial Activities		(20,814)	36,200
Net decrease in cash and cash equivalents		(26,812)	(3,165)
Cash and cash equivalents at 1 January		66,961	70,126
Cash and Cash Equivalents at 31 December	14	40,149	66,961

On behalf of the Board

Moya Doherty
Chair

Anne O'Leary
Board Member and Chair of
the Audit and Risk Committee

Dee Forbes
Director-General

16 July 2020

RTÉ Statement of Financial Position at 31 December 2019

	Notes	2019 €'000	2018 €'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	9	20,311	17,186
Intangible assets	10	6,298	5,668
Investments in subsidiaries	20	65,827	65,827
Pension asset	21	110,404	49,556
Deferred tax asset	22	1,090	-
Total Non-Current Assets		203,930	138,237
Current Assets			
Inventories	11	27,580	31,099
Receivables and prepayments	12	53,767	50,800
Liquid investments	13	29,000	-
Cash and cash equivalents	14	33,194	60,381
Derivative financial instruments	23	326	516
Total Current Assets		143,867	142,796
Total Assets		347,797	281,033
EQUITY			
Retained earnings		47,127	(5,861)
LIABILITIES			
Non-Current Liabilities			
Employee benefits	18	11,413	12,723
Interest-bearing loans and borrowings	15	5,000	-
Trade and other payables	16	2,533	4,617
Lease liability	27	1,146	-
Deferred tax liabilities	22	-	5,048
Derivative financial instruments	23	10	11
Total Non-Current Liabilities		20,102	22,399
Current Liabilities			
Interest-bearing loans and borrowings	15	-	5,000
Trade and other payables	16	261,200	238,650
Lease liability	27	214	-
Taxation and social welfare	17	8,541	8,381
Employee benefits	18	10,613	12,464
Total Current Liabilities		280,568	264,495
Total Liabilities		300,670	286,894
Total Equity and Liabilities		347,797	281,033

On behalf of the Board

Moya Doherty
Chair

Anne O'Leary
Board Member and Chair of
the Audit and Risk Committee

Dee Forbes
Director-General

16 July 2020

RTÉ Cash Flow Statement

for the year ended 31 December 2019

	Notes	2019 €'000	2018 €'000
Cash Flows from Operating Activities			
Deficit for the year after tax		(13,900)	(19,107)
Adjustments for:			
Depreciation of property, plant and equipment	9	6,340	5,183
Amortisation of intangible assets	10	1,119	729
Gain on disposal of property, plant and equipment		(304)	(2)
Exceptional items		(256)	548
Difference between pension credit and cash contributions		839	1,404
Net finance (income)		(452)	(1,747)
Income tax (credit)		(1,536)	(211)
		(8,150)	(13,203)
Change in inventories and related inventory payables		326	4,726
Change in receivables and prepayments		(3,119)	1,193
Change in provisions and trade and other payables		24,991	4,221
Change in taxation and social welfare		1,753	(20,580)
Change in employee benefits and restructuring and other costs		(3,235)	(4,839)
Net Cash generated/(absorbed) from Operating Activities		12,566	(28,482)
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		304	2
Acquisition of property, plant and equipment		(7,313)	(10,061)
Acquisition of intangible assets		(3,031)	(1,882)
Net Cash absorbed by Investing Activities		(10,040)	(11,941)
Cash Flows from Financing Activities			
Proceeds of borrowings	15	-	5,000
Interest paid		(231)	(197)
Cash payments for the principle portion of the lease liability		(457)	-
Cash payments for the interest portion of the lease liability		(25)	-
(Increase)/decrease in liquid investments	13	(29,000)	36,993
Net Cash (absorbed)/generated by Financial Activities		(29,713)	41,796
Net (decrease)/increase in cash and cash equivalents		(27,187)	1,373
Cash and cash equivalents at 1 January		60,381	59,008
Cash and Cash Equivalents at 31 December	14	33,194	60,381

On behalf of the Board

Moya Doherty
Chair

Anne O'Leary
Board Member and Chair of
the Audit and Risk Committee

Dee Forbes
Director-General

16 July 2020

Notes forming part of the Group Financial Statements

1. Summary of Significant Accounting Policies

(a) Basis of accounting

Below we set out our key accounting policies. A full list of accounting policies can be found in the appendix to the Group Financial Statements on pages 147 to 152. The accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group and RTÉ financial statements except for the new standards and amendments to standards outlined in the appendix to the Group Financial Statements.

(i) Reporting entity

RTÉ is a statutory corporation established under the *Broadcasting Authority Act, 1960* and is domiciled in Ireland. The consolidated financial statements of RTÉ as at and for the year ended 31 December 2019 comprise the statutory corporation and all entities controlled by it (together referred to as the 'Group').

(ii) Statement of compliance

The RTÉ and Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) that are effective for the year ended 31 December 2019 and are applied in accordance with the provisions of broadcasting legislation. The Group has also elected to present both its consolidated and RTÉ parent entity financial statements in accordance with the provisions of the *Companies Act 2014* in so far as it provides additional information. Accordingly, RTÉ's parent statement of financial position, statement of cash flows and statement of changes in equity have also been presented with the consolidated financial statements as would ordinarily be required by the *Companies Act 2014*. RTÉ's Group Income Statement has been adapted as permitted by *Companies Act 2014*, Schedule 3 Part II, Section A4(5).

(iii) Basis of preparation

The RTÉ and Group financial statements have been prepared on the historical cost basis as modified by the measurement at fair value of derivative financial instruments and retirement benefit obligations.

The Group financial statements are prepared in euro, rounded to the nearest thousand (€000), which is the functional currency of all subsidiaries in the Group.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The key areas involving significant judgement or complexity, or areas where assumptions and estimates are significant to the Group's financial statements, relate primarily to the valuation of the defined benefit pension scheme and financial instruments and are documented in the relevant accounting policies and in the related notes.

(iv) Going Concern

In assessing the going concern position of the Group for the Consolidated Financial Statements for the year ended 31 December 2019, the Board members have considered the Group's cash flows, liquidity and business activities. At 31 December 2019, the Group had cash and liquid investments balances of €69 million and undrawn financing facilities of €20 million available.

Based on the Group's forecasts for the foreseeable future, which include the expected cash flow impact of Covid-19, the Board members have adopted the going concern basis in preparing the Financial Statements. They have made this assessment after consideration of the Group's forecasted cash flows for the foreseeable future, including the assessment of possible variances in those forecasts. The Board members believe that combined with existing cash resources and its banking facilities, the Group will have sufficient cash resources available to meet its liabilities as they fall due.

(v) Adoption of new and revised standards

In preparing the Group financial statements for the current year, the Group has adopted a number of new amendments to standards which have not had a material impact on disclosures to the financial statements. The Group also adopted IFRS 16 *Leases* and further details on the impact of this standard are provided in an appendix to the Annual Report.

(vi) Standards in issue but not yet effective

A complete list of standards that are in issue but not effective until 2020 or beyond is included within our full accounting policies in an appendix to the Annual Report. The directors do not expect that the adoption of the new standards will have a material impact on the financial statements of the Group in future periods.

Notes Forming Part of the Group Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Key Accounting Policies

(b) Revenue recognition

Revenue, which excludes VAT and transactions between companies in the Group, comprises income arising from licence fees; advertising sales; sponsorship; the use of the Group's facilities and transmission network; circulation and events income; and content, merchandising and related income. Revenue is stated net of any settlement and volume discounts.

IFRS 15 applies to all the Group's revenue streams apart from licence fee revenue which is accounted for under IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*. The other revenue streams, as outlined below, are recognised upon transfer of the promised services or goods to the customers. The Group has adopted the five-step approach to the timing of revenue recognition based on performance obligations in customer contracts. This involves identifying the contract with customers, identifying the performance obligations, determining the transaction price, allocating the price to the performance obligations within the contract and recognising revenue when the performance obligations are satisfied.

(i) Licence fee revenue

The Department of Communications, Climate Action and Environment (DCCAE) has nominated An Post to be the collection agent for the TV licence fee. Licence fee revenue is collected by An Post and paid over to the DCCAE, net of collection costs. In addition, licence fee revenue is payable by the Department of Employment Affairs and Social Protection (DEASP) on behalf of individuals eligible for a "free" television licence. This revenue has been subject to a cap since 2011 and is paid monthly by the DEASP to the DCCAE.

The DCCAE makes a non-repayable "grant-in-aid" to RTÉ from these licence fees collected, as provided in Section 123 of the *Broadcasting Act 2009* as amended by section 69 of the *Communications Regulation (Postal Services) Act 2011*. This equates to the amounts paid to it by the DEASP, together with the amounts collected by An Post net of collection costs and a 7% levy to the Broadcasting Fund as determined by the Minister for Communications, Climate Action and Environment.

Licence fee revenue payable by the DEASP is recognised upon receipt. All other licence fee income is recognised upon notification by An Post of the number of licences sold in the period.

(ii) Advertising and sponsorship income

Television advertising income is recognised on delivery of a campaign. All other advertising income is recognised on transmission/publication. Advertising income is stated net of agency commissions. Sponsorship income is recognised evenly over the life of the sponsored programme, publication, etc.

(iii) Transmission and facilities income

Transmission and facilities income arise from the use of and access to the Group's transmission, distribution and multiplexing network and studio facilities provided to third parties. Amounts are recognised as the facilities are made available to third parties.

(iv) Circulation and events income

Circulation income arises from the publication and circulation of the *RTÉ Guide* and is stated gross. Revenue is recognised on the basis of the net copies sold at the end of the sales cut-off period for each issue.

Events income arises from public events organised by RTÉ Orchestras. It is recognised as the events are held and amounts fall due.

1. Summary of Significant Accounting Policies (continued)

(v) Content, merchandising and related income

Content, merchandising and related income represents amounts generated from RTÉ content and services provided to third parties. Revenue is recognised as the service is provided or upon delivery of goods to the third party.

(c) Segment reporting

Segmental analysis, prepared in accordance with *IFRS 8 Operating segments*, is set out in note 2(d). RTÉ's primary reporting segments are its divisions. Other segmental analysis as required by the *Broadcasting Act 2009* is set out in note 2(e).

In note 2(d), commercial revenues are mainly reported in the Commercial division. 2rn revenues are reported in the Network division. Archive and library sales revenues are reported in the Content division. Revenues from the provision of multiplexing services and some other minor revenues are reported under other segments. The reporting of licence fee revenue within each division is a function of the licence fee attributed to each individual channel and service.

Costs directly incurred by and for a division are reported within that division. An appropriate full-cost absorption/usage allocation basis is used to apply a fair and reasonable cost to inter-divisional and central shared services consumed by those divisions. The allocations are based upon consistently applied and objectively justifiable cost accounting principles.

Costs of production, commissioning and acquisition of television and radio programmes are incurred primarily for the purpose of providing RTÉ's free-to-air television and radio channels. These costs are charged to the Content and News & Current Affairs divisions as appropriate. In order to fairly reflect the true cost of providing RTÉ's free-to-air television and radio channels, these costs are not apportioned to the online services where further opportunities to access the content are provided. Where direct costs are incurred in the acquisition of online rights, the repurposing of content or the creation of content primarily for online, these are charged to online services. RTÉ is increasing its non-linear output with more programmes getting first transmission on digital platforms and a move towards a digital-first approach in news coverage. Reflecting this digital-first strategy, online services are allocated an appropriate proportion of the cost of common news-gathering infrastructure. Where content is sourced both for inclusion in broadcast programmes and used directly in online services, the cost of sourcing such content is allocated in line with the cost allocation principles set out above.

(d) Programme inventories

Programme inventories are valued at the lower of cost and net realisable value.

Indigenous programme inventories are programmes produced in-house by RTÉ or programmes commissioned by RTÉ from independent producers. Costs for in-house programme stock include direct programme costs, including production facilities and programme labour costs. Costs for commissioned programme stocks are based on the contract price. Indigenous programme inventories are charged to the Income Statement in full on first transmission.

Acquired programme inventories are programmes and films purchased by RTÉ from third-party studios and broadcasters. Costs for acquired programme inventories are defined as the third-party licence contract price which RTÉ pays the studio or broadcaster. Acquired programme inventories are charged to the Income Statement based on the expected value of each transmission as follows:

Features:	75% on first transmission
	25% on second transmission
Series:	99% on first transmission
	1% on second transmission

Sports rights inventories are the rights to broadcast sporting events. Costs for sports rights inventories are defined as the contract price agreed by the Group with the relevant sports body or rights holder. Where RTÉ sublicences sports rights to third parties, the associated income and costs are reflected on a net basis in the Income Statement. Sports rights inventories are charged to the Income Statement as the sporting events relating to the rights are broadcast.

Notes Forming Part of the Group Financial Statements (continued)

2. Principal Activities and Segmental Information

(a) Principal activities

RTÉ is a not-for-profit organisation. Its principal public-service activity is the broadcast of a comprehensive range of free-to-air television and radio channels, and online services. Further opportunities to access RTÉ's public-service content are provided via the RTÉ One+1, RTÉ2+1 and RTÉjr channels. These services serve all demographic categories in Irish society with a wide variety of output and genres, irrespective of commercial audience attraction, and with specific emphasis on indigenously produced programmes. RTÉ's other public-service activities include RTÉ Orchestras.

The cost of RTÉ's public-service activities is substantially in excess of the amount of public funding received in the form of licence fee revenue. Accordingly, RTÉ also engages in ancillary commercial activities to support its public-service activities. These include the sale of advertising and sponsorship, publication of the *RTÉ Guide* and other broadcast-related commercial activities.

As required by legislation, RTÉ provides digital terrestrial television (DTT) multiplexing services which it makes available to national broadcasters, including RTÉ's own services, in accordance with published regulated market tariffs. The management of this multiplexing service is separated within RTÉ from the management of the broadcast divisions. RTÉ Transmission Network DAC (trading as 2rn), a subsidiary of RTÉ, supplies transmission and distribution services to multiplex operators (including RTÉ) and national and quasi-national sound broadcasters, including RTÉ. 2rn also makes the transmission network available to local broadcasters and rents surplus tower/mast space to a variety of third-party non-broadcast users.

RTÉ is structured under the following divisions: Commercial, Content, News & Current Affairs, Audience, Channels and Marketing, Network and support divisions Operations & Production Services, Technology & Transformation, Human Resources and Finance. Network division, entirely located within 2rn, managed the transmission, distribution and related activities as described above. RTÉ's Commercial division manages all commercial activities other than: those carried on by 2rn, the provision of multiplexing services (see above) and sales of archive and library services managed by the Content division. The Commercial division was established further to the publication of RTÉ's updated Fair Trading Policy and Procedures to more clearly demonstrate the separation of RTÉ's public-service and commercial activities. For each division, the Director-General and the RTÉ Executive review internal management reports on a monthly basis. A detailed list of RTÉ's activities by division and legal entity is set out in note 20 to these financial statements.

In addition to the divisions, RTÉ operates Corporate HQ and Corporate division. Corporate HQ consists of general administrative and other activities that arise at the entity level relating to the governance of RTÉ as a public-service broadcaster. The Corporate division includes activities that are carried out centrally on behalf of the divisions, the cost of which is allocated in accordance with the cost allocation principles set out in note 1(c). The cost of the Corporate HQ is not allocated to divisions and is reported in All Other Segments.

(b) Segmental information and other analysis

Broadcast and transmission services including multiplex services are charged to the Audience, Channels and Marketing division on the basis of published tariffs. 2rn invoices RTÉ at the published regulated tariff for supply of transmission and distribution services as a multiplex operator and as a sound broadcaster. Costs incurred in support of RTÉ's television and radio channels are charged to those channels on the basis of the published regulated tariffs. Other elements of the tariff are reported as a reconciling item between the cost of reportable segments and the total cost. Other 2rn services are invoiced at appropriate market rates.

Transactions between activities in pursuit of RTÉ's public-service objects and activities to exploit commercial opportunities are effected at market rates.

The segmental information in note 2(d) presents information for the divisions above. Other segmental analysis as required by the *Broadcasting Act 2009* is set out in note 2(e).

2. Principal Activities and Segmental Information (continued)

Note 2(e) provides an analysis of gross/net cost of public-service activities and (deficit)/surplus by channel and service. In addition, gross costs of indigenous content by broadcasting genre are also provided. The analysis between public-service and non-public-service activities is reported in a manner that is consistent with the principles used to report revenues and costs set out above.

Audience, Channels and Marketing, Content and News & Current Affairs division costs are fully allocated to the relevant television and radio channels and online services in accordance with the cost allocation principles outlined in note 1(c). Other supporting division costs are allocated to the divisions they support using appropriate cost accounting principles.

The residual non-channel and non-service activities are aggregated together under the category "Other" and include 2rn, provision of multiplexing services, *RTÉ Guide* and non-channel activities.

(c) Licence fee attribution

Each RTÉ service has a detailed service description which clearly defines how the channel or service contributes to the delivery of RTÉ's public-service objects.

In line with common practice among public-service media organisations (PSMs) across the EU, RTÉ attributes public funding to individual services based on the net cost of the public service. Net cost of public service is the gross cost of delivering the public service after deducting the contribution from commercial activities.

The gross public-service cost of each of RTÉ's channels and services includes all costs incurred in the production and delivery of the service. It does not include any costs incurred in the exploitation of commercial opportunities arising from the provision of the service. These costs are allocated against the commercial revenue to which they relate, to calculate the commercial contribution. Surpluses on commercial activities not directly linked to channels or services are attributed to those public-service activities which have significant revenue-generating potential (RTÉ One, RTÉ2, RTÉ Radio 1, RTÉ 2fm, online services) in proportion to the gross cost of public services.

Licence fee revenue is firstly attributed to those public-service channels and services that have a limited capacity to generate commercial revenue in their own right and therefore are, of necessity, primarily funded by licence fee revenue in order to facilitate continued delivery of the public service. The services at issue comprise RTÉ Orchestras, RTÉ Raidió na Gaeltachta, RTÉ lyric fm, statutory provision of programming to TG4, supplementary DTT and digital audio broadcast (DAB) channels ("other channels"), Corporate HQ and financing costs.

The remaining licence fee is attributed between services with significant commercial revenue potential in proportion to the net cost of the public services. These services include: RTÉ One, RTÉ2, RTÉ Radio 1, RTÉ 2fm and online services. No licence fee revenue is attributed to 2rn, the provision of multiplexing services by RTÉ or any costs incurred in the exploitation of commercial opportunities.

Notes Forming Part of the Group Financial Statements (continued)

2. Principal Activities and Segmental Information (continued)

(d) Revenues, costs and deficit by Division (continuing operations), in line with RTÉ's organisation structure, year ended 31 December 2019

	REPORTABLE SEGMENTS					OTHER		
	Commercial Division €'000	Content Division €'000	News & Current Affairs Division €'000	ACM Division €'000	Network Division €'000	All Other Segments €'000	Consolidation Adjustments* €'000	Group Total €'000
Revenue								
Advertising income	101,404	-	-	-	-	-	(723)	100,681
Sponsorship income	11,738	-	-	-	-	-	-	11,738
Facilities income	2,987	-	-	-	-	22	(148)	2,861
Circulation and event income	5,701	-	-	-	-	-	-	5,701
Transmission, mast and towers income	-	-	-	-	27,283	-	(17,567)	9,716
Content, merchandising and related sales	10,722	466	-	-	-	-	-	11,188
Other commercial revenue	33	-	-	-	-	3,959	(40)	3,952
Commercial revenue	132,585	466	-	-	27,283	3,981	(18,478)	145,837
Licence fee revenue attribution	-	124,746	30,440	35,148	-	5,914	-	196,248
	132,585	125,212	30,440	35,148	27,283	9,895	(18,478)	342,085
Costs by output category**								
Programme and output costs - by source								
In-house productions	-	(137,560)	(53,296)	(415)	-	-	504	(190,767)
Commissioned programming	-	(43,222)	(55)	(1,100)	-	-	-	(44,377)
Indigenous programming	-	(180,782)	(53,351)	(1,515)	-	-	504	(235,144)
Acquired programmes - Ireland	-	(3,201)	-	(143)	-	-	-	(3,344)
Acquired programmes - Overseas	-	(22,214)	-	(1,158)	-	-	-	(23,372)
	-	(206,197)	(53,351)	(2,816)	-	-	504	(261,860)
General broadcast, transmission & other output costs	(8,127)	(4,525)	-	(43,010)	(19,089)	(385)	806	(74,330)
2rn transmission and power charges	-	-	-	(14,119)	-	(2,944)	17,063	-
Sales costs	(9,062)	-	-	-	-	-	64	(8,998)
	(17,189)	(210,722)	(53,351)	(59,945)	(19,089)	(3,329)	18,437	(345,188)
Unallocated revenues and costs								
Corporate HQ	-	-	-	-	-	(5,581)	2	(5,579)
DTT related	-	-	-	-	-	(1,279)	571	(708)
Interest payable	-	-	-	-	(691)	(355)	8	(1,038)
Disposal of assets	-	19	-	-	(17)	286	-	288
Divisional Surplus/(Deficit)	115,396	(85,491)	(22,911)	(24,797)	7,486	(363)	540	(10,140)
Net defined benefit pension related finance income	-	-	-	-	-	994	-	994
Exceptional Items	-	-	-	-	-	256	-	256
Surplus/(Deficit) before income tax	115,396	(85,491)	(22,911)	(24,797)	7,486	887	540	(8,890)
Income tax								1,689
Deficit for the year								(7,201)

* Elimination of intra-group revenue and costs at arm's length.

** Costs by output category include applicable depreciation, amortisation, net finance (expense)/income and exclude operating costs of Corporate HQ.

Additional Segmental Disclosures

Commercial revenue of:								
External customers	131,713	466	-	-	9,716	3,941	-	145,837
Revenue from other operating segments	872	-	-	-	17,567	40	(18,478)	-
	132,585	466	-	-	27,283	3,981	(18,478)	145,837

One customer of all the reporting segments represents €200 million of the Group's total revenue.

Material non-cash items included in the reportable segment costs include:

Depreciation and amortisation	233	4,093	1,331	1,441	6,914	363	(572)	13,803
Difference between pension charge and cash contributions	44	469	214	102	-	10	-	839

2. Principal Activities and Segmental Information (continued)

(d) Revenues, costs and deficit by Division (continuing operations), in line with RTÉ's organisation structure, year ended 31 December 2018

	REPORTABLE SEGMENTS					OTHER		
	Commercial Division €'000	Content Division €'000	News & Current Affairs Division €'000	ACM Division €'000	Network Division €'000	All Other Segments €'000	Consolidation Adjustments* €'000	Group Total €'000
Revenue								
Advertising income	104,696	-	-	-	-	-	(487)	104,209
Sponsorship income	10,756	-	-	-	-	-	-	10,756
Facilities income	3,038	-	-	-	-	22	(91)	2,969
Circulation and event income	5,505	-	-	-	-	-	-	5,505
Transmission, mast and towers income	-	-	-	-	27,807	-	(17,971)	9,836
Content, merchandising and related sales	11,738	437	-	-	-	-	-	12,175
Other commercial revenue	50	-	-	-	-	4,590	(40)	4,600
Commercial revenue	135,783	437	-	-	27,807	4,612	(18,589)	150,050
Licence fee revenue attribution	-	120,484	30,746	32,527	-	5,298	-	189,055
	135,783	120,921	30,746	32,527	27,807	9,910	(18,589)	339,105
Costs by output category**								
Programme and output costs - by source								
In-house productions	-	(136,970)	(55,377)	(272)	-	-	509	(192,110)
Commissioned programming	-	(43,341)	(56)	(350)	-	-	-	(43,747)
Indigenous programming	-	(180,311)	(55,433)	(622)	-	-	509	(235,857)
Acquired programmes - Ireland	-	(1,457)	-	-	-	-	-	(1,457)
Acquired programmes - Overseas	-	(23,341)	-	(1,387)	-	-	-	(24,728)
	-	(205,109)	(55,433)	(2,009)	-	-	509	(262,042)
General broadcast, transmission & other output costs	(8,660)	(4,340)	-	(41,355)	(19,790)	(485)	924	(73,706)
2rn transmission and power charges	-	-	-	(14,193)	-	(3,269)	17,462	-
Sales costs	(9,577)	-	-	-	-	-	69	(9,508)
	(18,237)	(209,449)	(55,433)	(57,557)	(19,790)	(3,754)	18,964	(345,256)
Other revenues and costs								
Corporate HQ	-	-	-	-	-	(5,004)	4	(5,000)
DTT Related	-	-	-	-	-	(994)	170	(824)
Interest payable	-	-	-	-	(1,285)	(303)	-	(1,588)
Disposal of assets	-	1	1	-	3	-	-	5
Divisional Surplus/(Deficit)	117,546	(88,527)	(24,686)	(25,030)	6,735	(145)	549	(13,558)
Net defined benefit pension related finance income	-	-	-	-	-	968	-	968
Exceptional Items	-	-	-	-	-	(548)	-	(548)
Surplus/(Deficit) before income tax	117,546	(88,527)	(24,686)	(25,030)	6,735	275	549	(13,138)
Income tax								135
Deficit for the year								(13,003)

* Elimination of intra-group revenue and costs at arm's length.

** Costs by output category include applicable depreciation, amortisation, net finance (expense)/income and exclude operating costs of Corporate HQ.

Additional Segmental Disclosures

Commercial revenue of:								
External customers	135,205	437	-	-	9,796	4,612	-	150,050
Revenue from other operating segments	578	-	-	-	18,011	-	(18,589)	-
	135,783	437	-	-	27,807	4,612	(18,589)	150,050

Material non-cash items included in the reportable segment costs include:

Depreciation and amortisation	127	2,676	1,451	1,426	7,053	234	(550)	12,417
Difference between pension charge and cash contributions	67	844	293	158	-	42	-	1,404

Notes Forming Part of the Group Financial Statements

(continued)

2. Principal Activities and Segmental Information (continued)

(e) Analysis of revenues, costs and (deficit)/surplus by channel, service and broadcasting genre and between public-service and non-public-service activities, year ended 31 December 2019

	RTÉ One €'000	RTÉ2 €'000	RTÉ Radio1 €'000	RTÉ 2fm €'000	RTÉ lyric fm €'000	RTÉ RnaG €'000	RTÉ Support €'000	RTÉ Orchestras €'000	Corporate HQ €'000	DTT Related €'000	Online Services €'000	Other Channels €'000	Other Adjustments €'000	Consolidation Adjustments €'000	Group Total €'000
PUBLIC-SERVICE ACTIVITIES															
Indigenous programme costs															
In-house productions	(76,707)	(36,055)	(27,570)	(5,190)	(4,886)	(9,998)	(5,542)	(15,403)	-	-	(9,177)	(943)	-	504	(190,767)
Commissioned programming	(29,095)	(8,423)	(1,014)	(30)	(123)	(76)	(2,056)	-	-	-	(1,302)	(2,258)	-	-	(44,377)
	(105,802)	(44,478)	(28,584)	(5,220)	(4,809)	(10,074)	(7,598)	(15,403)	-	-	(10,479)	(3,201)	-	504	(235,144)
Programme costs - by genre															
Arts	(889)	-	(1,797)	-	(236)	(60)	-	-	-	-	-	-	-	-	(2,982)
Education	-	-	(153)	-	-	(145)	-	-	-	-	-	-	-	-	(2,715)
Religious	(2,418)	-	(2,952)	-	(198)	(1,384)	(178)	-	-	-	(946)	-	-	52	(34,290)
Other factual	(23,014)	(5,670)	(4,902)	-	(434)	(1,589)	(178)	-	-	-	(946)	-	-	53	(39,987)
Drama	(22,491)	(189)	(615)	(2,815)	(444)	(502)	(274)	-	-	-	(132)	-	-	4	(32,704)
Entertainment	(20,959)	(754)	(3,265)	(1,318)	(3,210)	(1,808)	(1,983)	(15,403)	-	-	(2,033)	(943)	-	20	(25,495)
Music	(940)	(412)	(1,481)	(634)	(660)	(4,762)	(5,037)	-	-	-	(6,072)	-	-	407	(65,298)
News, Current Affairs and Weather	(33,585)	(44)	(14,911)	(453)	(61)	(1,194)	(73)	-	-	-	(1,296)	-	-	19	(43,124)
Sport	(1,304)	(35,413)	(3,410)	-	-	(216)	(53)	-	-	-	(2,258)	-	-	1	(4,785)
Young Peoples	(202)	(1,996)	-	-	-	-	-	-	-	-	-	-	-	-	(2,198)
Indigenous programming	(105,802)	(44,478)	(28,584)	(5,220)	(4,809)	(10,074)	(7,598)	(15,403)	-	-	(10,479)	(3,201)	-	504	(235,144)
Acquired programmes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Ireland	(1,985)	(1,152)	-	-	-	-	-	-	-	-	(143)	(64)	-	-	(3,344)
- Overseas	(12,797)	(8,932)	-	-	-	-	-	-	-	-	(1,158)	(485)	-	-	(23,372)
General broadcast, transmission and other output costs	(12,826)	(9,386)	(5,206)	(4,211)	(597)	(549)	(16)	(354)	(5,583)	(1,279)	(8,686)	(1,114)	(3,924)	655	(63,075)
2m transmission and power charges	(2,207)	(2,229)	(1,970)	(1,101)	(4,113)	(1,101)	-	-	(355)	-	-	(4,398)	-	-	(14,119)
Net interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(355)
Net defined benefit, pension related finance expense	-	-	-	-	-	-	-	-	994	-	-	-	-	-	994
Gross Cost of Public-Service Activities	(135,617)	(66,176)	(35,760)	(10,532)	(6,519)	(11,724)	(7,614)	(15,757)	(4,944)	(1,279)	(20,466)	(9,262)	(3,924)	1,159	(328,415)
Surplus on Commercial Activities	56,450	21,264	14,631	6,328	553	-	-	2,863	308	-	6,784	-	14,459	(619)	123,021
Distribution of Non-Channel Specific															
Contribution from Non-Public-Service															
Activities	7,303	3,563	1,925	567	-	-	-	-	-	-	1,102	-	(14,460)	-	-
Net Cost of Public-Service Activities															
Before Attribution of Public Funding	(71,864)	(41,349)	(19,204)	(3,637)	(5,966)	(11,724)	(7,614)	(12,894)	(4,636)	(1,279)	(12,580)	(9,262)	(3,925)	540	(205,394)
Public Funding	67,181	38,654	17,952	3,400	5,966	11,724	7,614	12,894	4,636	1,279	11,761	9,262	3,925	-	196,248
Licence fee revenue attribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	256
Exceptional item	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Deficit)/Surplus before income tax	(4,683)	(2,695)	(1,252)	(237)	-	-	-	-	-	-	(819)	-	256	540	(8,890)
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,689
(Deficit)/Surplus for the year	(4,683)	(2,695)	(1,252)	(237)	-	-	-	-	-	-	(819)	-	1,945	540	(7,201)

External commercial revenue includes €2.0 million from sales outside of the Republic of Ireland, primarily generated in the UK. Total non-current assets contain €0.6 million situated outside of the Republic of Ireland in 2019 (2018: €0.1 million), this increase is primarily due to the adoption of IFRS 16 Leases.

2. Principal Activities and Segmental Information (continued)

(e) Analysis of revenues, costs and surplus/(deficit) by channel, service and broadcasting genre and between public-service and non-public-service activities, year ended 31 December 2018

	RTÉ One €'000	RTÉ2 €'000	RTÉ Radio 1 €'000	RTÉ 2fm €'000	RTÉ lyric fm €'000	RTÉ RnaG €'000	RTÉ Support €'000	RTÉ Orchestras €'000	Corporate HQ €'000	DTT Related €'000	Online Services €'000	Other Channels €'000	Other Adjustments €'000	Consolidation Adjustments €'000	Group Total €'000
PUBLIC-SERVICE ACTIVITIES															
Indigenous programme costs															
In-house productions	(80,441)	(33,879)	(27,870)	(6,199)	(4,707)	(10,095)	(5,706)	(15,137)	-	-	(7,996)	(589)	-	509	(192,110)
Commissioned programming	(29,956)	(8,370)	(1,080)	(15)	(88)	(38)	(1,309)	-	-	-	(539)	(2,362)	-	-	(43,747)
	(110,397)	(42,249)	(28,950)	(6,214)	(4,795)	(10,133)	(7,015)	(15,137)	-	-	(8,535)	(2,941)	-	509	(235,857)
Programme costs - by genre															
Arts	(684)	-	(1,542)	-	(156)	(83)	-	-	-	-	-	-	-	-	(2,465)
Education	-	-	(314)	-	-	(159)	-	-	-	-	-	-	-	-	-
Religious	(2,473)	-	(814)	-	-	(159)	-	-	-	-	-	-	-	1	(2,945)
Other factual	(22,532)	(4,469)	(2,891)	-	(115)	(1,466)	(170)	-	-	-	(360)	-	-	53	(31,950)
Factual	(25,689)	(4,469)	(4,747)	-	(271)	(1,708)	(170)	-	-	-	(360)	-	-	54	(37,360)
Drama	(24,049)	(143)	(818)	-	-	(6)	(360)	-	-	-	(193)	-	-	3	(25,566)
Entertainment	(21,165)	(3,162)	(3,292)	(3,281)	(431)	(671)	(10)	-	-	-	(1,249)	-	-	3	(33,258)
Music	(816)	(336)	(980)	(1,611)	(3,328)	(1,782)	-	(15,137)	-	-	-	(589)	-	19	(24,560)
News, Current Affairs and Weather	(35,584)	(65)	(15,559)	(841)	(711)	(4,616)	(5,190)	-	-	-	(6,430)	-	-	403	(67,593)
Sport	(3,094)	(32,176)	(3,554)	(481)	-	(1,110)	(22)	-	-	-	(1,303)	-	-	26	(41,714)
Young People's	-	(1,898)	-	-	(54)	(240)	(1,263)	-	-	-	-	(2,362)	-	1	(5,806)
Indigenous programming	(110,397)	(42,249)	(28,950)	(6,214)	(4,795)	(10,133)	(7,015)	(15,137)	-	-	(8,535)	(2,941)	-	509	(235,857)
Acquired programmes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Ireland	(1,007)	(393)	-	-	-	-	-	-	-	-	-	(67)	-	-	(1,457)
- Overseas	(13,723)	(9,099)	-	-	-	-	-	-	-	-	(1,387)	(519)	-	-	(24,728)
General broadcast, transmission and other output costs	(12,514)	(9,512)	(4,630)	(4,166)	(693)	(648)	(14)	(524)	(5,004)	(994)	(7,724)	(913)	(3,734)	325	(50,745)
2m transmission and power charges	(2,554)	(2,696)	(1,970)	(1,131)	(1,144)	(1,130)	-	-	(303)	-	-	(3,566)	-	-	(14,193)
Net interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(303)
Net defined benefit pension related	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
finance expense	-	-	-	-	-	-	-	-	968	-	-	-	-	-	968
Gross Cost of Public-Service Activities	(140,195)	(63,949)	(35,550)	(11,511)	(6,632)	(11,911)	(7,029)	(15,661)	(4,339)	(994)	(17,646)	(7,998)	(3,734)	834	(326,315)
Surplus on Commercial Activities	57,863	21,978	15,731	5,718	641	-	-	2,910	36	-	4,772	(32)	15,338	(285)	124,670
Distribution of Non-Channel Specific															
Contribution from Non-Public-Service Activities	7,981	3,641	2,024	655	-	-	-	-	-	-	1,005	32	(15,338)	-	-
Net Cost of Public-Service Activities	(74,351)	(38,330)	(17,795)	(5,138)	(5,991)	(11,911)	(7,029)	(12,751)	(4,303)	(994)	(11,869)	(7,998)	(3,734)	549	(201,645)
Before Attribution of Public Funding	67,727	34,916	16,210	4,679	5,991	11,911	7,029	12,751	4,303	994	10,812	7,998	3,734	-	189,055
Public Funding	-	-	-	-	-	-	-	-	-	-	-	-	(548)	-	(548)
Licence fee revenue attribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exceptional item	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Deficit)/Surplus before income tax	(6,624)	(3,414)	(1,585)	(459)	-	-	-	-	-	-	(1,057)	-	(548)	549	(13,138)
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	135	-	135
(Deficit)/Surplus for the year	(6,624)	(3,414)	(1,585)	(459)	-	-	-	-	-	-	(1,057)	-	(413)	549	(13,003)

External commercial revenue includes €2.4 million from sales outside of the Republic of Ireland, primarily generated in the UK. Total non-current assets contain €0.1 million situated outside of the Republic of Ireland in 2018 (2017: €0.1 million).

Notes Forming Part of the Group Financial Statements (continued)

2. Principal Activities and Segmental Information (continued)

(f) Analysis of network charges to all RTÉ services

	2019 €'000	2018 €'000
RTÉ One	2,433	2,791
RTÉ2	2,229	2,696
RTÉ Radio 1	2,038	2,042
RTÉ 2fm	1,113	1,147
RTÉ lyric fm	1,122	1,153
RTÉ Raidió na Gaeltachta	1,191	1,224
Other	4,485	3,638
	14,611	14,691

3. Operating Costs (before depreciation, amortisation and gain on disposal of assets)

	2019 €'000	2018 €'000
Employee costs (note 7)	145,467	148,495
Other personnel-related costs (including contractors)	30,317	34,869
Personnel-Related Operating Costs	175,784	183,364
Direct commissioned programme costs	40,727	40,680
Direct acquired programme costs	27,427	27,145
Sports and other copyrights	21,391	20,556
Outside broadcast contracts	5,945	5,573
Communication circuits	3,162	2,881
RTÉ Guide printing and related costs	1,199	1,292
Network electricity	2,346	2,304
Music licences	8,131	7,769
Insurance policies	1,722	1,715
Staff travel and subsistence	2,874	3,015
Other third-party costs	47,065	43,509
Non-Personnel-Related Operating Costs before depreciation and amortisation	161,989	156,439
Total Operating Costs (before depreciation and amortisation and exceptional items)	337,773	339,803

4. Finance (Income)/Expense

	2019 €'000	2018 €'000
Investment in Joint Venture	(289)	(56)
Fair value gains on derivative financial instruments not designated as cash flow hedges	-	(1,084)
Finance Income	(289)	(1,140)
Interest income on scheme assets (note 21)	(18,978)	(18,952)
Interest cost on scheme liabilities (note 21)	17,984	17,984
Net defined benefit pension related finance income	(994)	(968)
Finance income recognised in Income Statement	(1,283)	(2,108)
Interest and finance costs on borrowings	800	1,184
Interest cost on bank deposits	-	97
Finance charge – leasing	60	-
Cash flow hedge – reclassified from Other Comprehensive Income	104	218
Unwind of discount on restructuring costs	74	89
Fair value losses on derivative financial instruments not designated as cash flow hedges	188	-
Finance expense recognised in Income Statement	1,226	1,588

5. Deficit before Income Tax

(a) The deficit before income tax includes the following amounts:

	2019 €'000	2018 €'000
Licence Fee Income		
- Grant in aid from the Department of Communications, Climate Action and Environment	196,248	189,055
Net depreciation and amortisation		
- Depreciation of property, plant and equipment	11,971	11,696
- Depreciation of right of use assets	764	-
- Amortisation of grant-aided assets and property provision	(65)	(21)
- Amortisation of intangible assets	1,133	742
	13,803	12,417
Operating costs		
- Gain on foreign exchange	(1,028)	(471)
- Operating lease rentals	-	542
- Expenses relating to short term and low value leases	-	-
- Other grant income received (note 25)	815	903
- Gain on disposal of property, plant and equipment and intangible assets	(288)	(5)

Notes Forming Part of the Group Financial Statements (continued)

5. Deficit Before Income Tax (continued)

(b) Auditors' remuneration:

	2019 €'000	2018 €'000
Group		
Audit of the financial statements (including expenses)	120	120
Other assurance services	70	70
	190	190

	2019 €'000	2018 €'000
RTÉ		
Audit of the financial statements (including expenses)	95	95
Other assurance services	40	40
	135	135

(c) Directors' remuneration:

	2019 €'000	2018 €'000
Fees¹	139	137
Other remuneration including retirement benefit contributions	338	338
	477	475

¹ In addition to Board fees, Robert Shortt was paid as an employees of RTÉ.

Further details on Board fees can be found in the Corporate Governance section.

6. Exceptional Items

Exceptional items are those items which, in the judgement of the Board, need to be disclosed separately by virtue of their scale and nature. These exceptional items, detailed below, could distort the understanding of the underlying performance for the year and comparability between periods and are therefore presented separately.

	2019 €'000	2018 €'000
Sales-enabling project (credits)/costs	(256)	638
Restructuring and other credits	-	(90)
	(256)	548

In July 2017, RTÉ concluded the sale of 8.64 acres of land at Donnybrook for €107,500,000 which, after direct transactional costs, gave rise to a gain on disposal of asset of €104,651,000. To deliver the lands unencumbered to the purchaser, a series of sales-enabling projects were required to be carried out, both pre-sale and subsequent to the sale. These infrastructural projects included the building of a new entrance to the RTÉ campus from the R138 and the relocation of existing activities to the Nutley end of the site. At 31 December 2019, a credit of €256,000 was recorded in the Income Statement relating to the sales-enabling projects (2018: cost €638,000).

As part of the overall restructuring to One RTÉ announced by the Director-General in 2017, and to reduce the operating cost base, RTÉ set a target to reduce overall staffing levels by between 200 and 300 people through a Voluntary Exit Programme. At 31 December 2019, no charge was recorded in the Income Statement (2018: gain of €90,000).

7. Employee Information

Group staff costs during the year amounted to:

	2019 €'000	2018 €'000
Wages and salaries	120,424	122,820
Social welfare costs	11,264	11,269
Pension costs and life assurance	13,779	14,406
	145,467	148,495

Notes Forming Part of the Group Financial Statements (continued)

7. Employee Information (continued)

The total number of full-time, part-time and casual employees of the Group at 31 December, and their full-time equivalent (FTE) were:

	No. of employees		FTEs	
	2019	2018	2019	2018
RTÉ Group	1,831	1,822	1,714	1,691

The average annual number of full-time, part-time and casual employees during the year was:

	2019	2018
Average full-time employees	1,588	1,565
Average part-time employees	138	125
Average casual employees	158	163
RTÉ Group	1,884	1,853

8. Income Tax

	2019 €'000	2018 €'000
Current Tax Credit		
Current year	-	(268)
Over-provision from prior year	(1,592)	-
Deferred Tax (Credit)/Expense		
Origination and reversal of temporary differences (note 22)	(97)	133
Total Income Tax Credit	(1,689)	(135)

8. Income Tax (continued)

Reconciliation of Effective Tax Rate

	2019 €'000	2018 €'000
Deficit before income tax	(8,890)	(13,138)
Deficit before income tax multiplied by the standard rate of corporation tax in Ireland of 12.5% (2018: 12.5%)	(1,111)	(1,642)
Effects of:		
Income taxable at a higher rate of tax	103	3
Non-recognition of deferred tax asset on current year tax losses	490	1,365
Withholding tax	1	2
Pension timing differences	(13)	61
Other differences	374	50
Prior year adjustment	(1,593)	-
Disallowed expenses	60	26
Total Income Tax Credit	(1,689)	(135)
Deferred Tax Recognised directly in Other Comprehensive Income		
Relating to pension asset (note 22)	(7,606)	169
Relating to losses (note 22)	13,801	-
Relating to cash flow hedge (note 22)	(13)	(24)
	6,182	145

Television licence fee income that RTÉ receives by way of “grant-in-aid” is subject to corporation tax with effect from 1 January 2007. The Group has trading losses forward for tax purposes of €651 million at 31 December 2019. Due to the uncertainty surrounding when these losses may ultimately be utilised, a deferred tax asset has only been recognised to offset the deferred tax liability on the pension asset.

Notes Forming Part of the Group Financial Statements (continued)

9. Property, Plant and Equipment

Group	Land and buildings €'000	Plant and equipment €'000	Fixtures and fittings €'000	Capital projects in progress €'000	Total €'000
Cost					
Balance at 1 January 2018	61,477	167,142	2,023	8,571	239,213
Additions	-	-	-	13,442	13,442
Reclassifications	445	3,621	-	(4,066)	-
Disposals and retirements	(68)	(1,255)	-	-	(1,323)
Balance at 31 December 2018	61,854	169,508	2,023	17,947	251,332
Balance at 1 January 2019	61,854	169,508	2,023	17,947	251,332
Additions	-	-	-	11,570	11,570
Adjustment on initial application of IFRS 16 Leases	4,502	-	-	-	4,502
Reclassifications	5,662	4,708	99	(10,469)	-
Transfer	(138)	-	-	-	(138)
Disposals and retirements	(121)	(5,174)	(13)	-	(5,308)
Balance at 31 December 2019	71,759	169,042	2,109	19,048	261,958
Depreciation					
Balance at 1 January 2018	51,895	119,337	1,868	-	173,100
Depreciation for the year	1,680	9,976	40	-	11,696
Disposals and retirements	(68)	(1,242)	-	-	(1,310)
Balance at 31 December 2018	53,507	128,071	1,908	-	183,486
Balance at 1 January 2019	53,507	128,071	1,908	-	183,486
Depreciation for the year	3,043	9,632	60	-	12,735
Disposals and retirements	(121)	(5,157)	(13)	-	(5,291)
Balance at 31 December 2019	56,429	132,546	1,955	-	190,930
Net Book Value					
At 31 December 2018	8,347	41,437	115	17,947	67,846
At 31 December 2019	15,330	36,496	154	19,048	71,028

Included in the above items are right-of-use Assets over the following:

	Cost	Accumulated depreciation	Net book value
Buildings	1,818	(467)	1,351
Land	2,684	(297)	2,387

The Group leases several assets including land & buildings. The average lease term is 8 Years (2018: 0).

During 2019, as part of RTE's property trade activities land costing €138,000 was transferred from Property, Plant and Equipment to Inventories, as Assets held for Resale.

9. Property, Plant and Equipment (continued)

RTÉ	Land and buildings €'000	Plant and equipment €'000	Fixtures and fittings €'000	Capital projects in progress €'000	Total €'000
Cost					
Balance at 1 January 2018	50,517	69,788	1,824	3,181	125,310
Additions	-	-	-	7,371	7,371
Reclassifications	241	1,537	-	(1,778)	-
Disposals and retirements	-	(88)	-	-	(88)
Transfers between entities	-	190	-	-	190
Balance at 31 December 2018	50,758	71,427	1,824	8,774	132,783
Balance at 1 January 2019	50,758	71,427	1,824	8,774	132,783
Additions	-	-	-	7,808	7,808
Adjustment on initial application of IFRS 16 Leases	1,818	-	-	-	1,818
Reclassifications	4,616	3,551	99	(8,266)	-
Disposals and retirements	(108)	(3,713)	(13)	-	(3,834)
Transfers	(138)	-	-	-	(138)
Balance at 31 December 2019	56,946	71,265	1,910	8,316	138,437
Depreciation					
Balance at 1 January 2018	46,376	62,149	1,781	-	110,306
Depreciation for the year	1,221	3,941	21	-	5,183
Disposals and retirements	-	(88)	-	-	(88)
Transfers between entities	-	195	-	-	195
Balance at 31 December 2018	47,597	66,197	1,802	-	115,596
Balance at 1 January 2019	47,597	66,197	1,802	-	115,596
Depreciation for the year	2,334	3,990	40	-	6,364
Disposals and retirements	(108)	(3,713)	(13)	-	(3,834)
Balance at 31 December 2019	49,823	66,474	1,829	-	118,126
Net Book Value					
At 31 December 2018	3,160	5,230	22	8,774	17,186
At 31 December 2019	7,123	4,791	81	8,316	20,311

Included in the above items are right-of-use Assets over the following:

	Cost	Accumulated depreciation	Net book value
Buildings	1,818	(467)	1,351
Land	-	-	-

RTÉ leases several assets including various buildings. The average lease term is 4 Years (2018: 0).

During 2019, as part of RTÉ's property trade activities land costing €138,000 was transferred from Property, Plant and Equipment to Inventories, as Assets held for Resale.

Notes Forming Part of the Group Financial Statements (continued)

10. Intangible Assets

Group	Software €'000	Software projects in progress €'000	Total €'000
Cost			
Balance at 1 January 2018	12,099	1,608	13,707
Additions	-	3,225	3,225
Reclassifications	1,629	(1,629)	-
Disposals and retirements	-	-	-
Balance at 31 December 2018	13,728	3,204	16,932
Balance at 1 January 2019	13,728	3,204	16,932
Additions	-	1,749	1,749
Reclassifications	701	(701)	-
Disposals and retirements	(190)	-	(190)
Balance at 31 December 2019	14,239	4,252	18,491
Amortisation and impairment losses			
Balance at 1 January 2018	10,495	-	10,495
Amortisation for the year	742	-	742
Disposals and retirements	-	-	-
Balance at 31 December 2018	11,237	-	11,237
Balance at 1 January 2019	11,237	-	11,237
Amortisation for the year	1,133	-	1,133
Disposals and retirements	(190)	-	(190)
Balance at 31 December 2019	12,180	-	12,180
Net Book Value			
At 31 December 2018	2,491	3,204	5,695
At 31 December 2019	2,059	4,252	6,311

10. Intangible Assets (continued)

RTÉ	Software €'000	Software projects in progress €'000	Total €'000
Cost			
Balance at 1 January 2018	10,905	1,608	12,513
Additions	-	3,225	3,225
Reclassifications	1,629	(1,629)	-
Disposals and retirements	-	-	-
Transfers between entities	274		274
Balance at 31 December 2018	12,808	3,204	16,012
Balance at 1 January 2019	12,808	3,204	16,012
Additions	-	1,749	1,749
Reclassifications	701	(701)	-
Disposals and retirements	(190)	-	(190)
Balance at 31 December 2019	13,319	4,252	17,571
Amortisation and impairment losses			
Balance at 1 January 2018	9,341	-	9,341
Amortisation for the year	729	-	729
Disposals and retirements	-	-	-
Transfers between entities	274	-	274
Balance at 31 December 2018	10,344	-	10,344
Balance at 1 January 2019	10,344	-	10,344
Amortisation for the year	1,119	-	1,119
Disposals and retirements	(190)	-	(190)
Balance at 31 December 2019	11,273	-	11,273
Net Book Value			
At 31 December 2018	2,464	3,204	5,668
At 31 December 2019	2,046	4,252	6,298

Notes Forming Part of the Group Financial Statements (continued)

11. Inventories

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Work in progress				
In-house programmes	291	492	259	459
Commissioned programmes	15,522	13,543	15,522	13,543
Finished programmes				
Acquired programmes and films	11,448	13,229	11,448	13,229
In-house programmes	213	238	213	238
Commissioned programmes	-	3,630	-	3,630
Other inventories	77	113	-	-
Assets held for Resale	138	-	138	-
	27,689	31,245	27,580	31,099

Inventories consumed during the year ended 31 December 2019 total €81.46million (2018: €81.1 million).

Other inventories relate to printing paper held in respect of the *RTÉ Guide*.

12. Trade and Other Receivables, Prepayments and Accrued Income

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Current Assets				
Trade receivables	40,252	41,565	33,412	35,605
Corporation tax asset	232	232	232	232
Other receivables	31	84	31	84
Prepayments	19,919	14,960	19,667	14,479
Accrued income	2,405	2,889	425	400
	62,839	59,730	53,767	50,800

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in note 23.

13. Liquid Investments

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Liquid investments - term deposits	29,000	-	29,000	-
Weighted average interest rate on term deposits	0%	-	0%	-

The Group's exposure to interest rate risk, credit risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 23.

14. Cash and Cash Equivalents

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Current Assets				
Bank balances	40,149	37,961	33,194	31,381
Call deposits	-	29,000	-	29,000
Total cash and cash equivalents	40,149	66,961	33,194	60,381
Weighted average interest rate	0%	0%	0%	0%

Bank balances include €9.2 million (2018: €6.7 million) in respect of amounts held in the Independent Programmes account in accordance with Section 116 of the *Broadcasting Act 2009*.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 23.

15. Interest-Bearing Loans and Borrowings

	Interest rate %	Maturity	Group		RTÉ	
			2019 €'000	2018 €'000	2019 €'000	2018 €'000
Revolving credit facility	Lender cost of funds plus margin	5 December 2024	-	5,000	-	5,000
Amortising term loan facility	Lender cost of funds plus margin	5 December 2024	5,000	-	5,000	-
Project loan and term loan facility	EURIBOR plus margin	31 January 2026	55,000	45,000	-	-
			60,000	50,000	5,000	5,000
Analysed as follows:						
Non-Current			60,000	-	5,000	-
Current			-	50,000	-	5,000
			60,000	50,000	5,000	5,000

On 6 December 2019, RTÉ entered into a new facility agreement with Bank of Ireland (BOI) amounting to €20 million for working capital purposes. The agreement includes a €10 million revolving credit facility which was undrawn as at 31 December 2019 and a term loan facility of €10 million of which €5 million was drawn as at 31 December 2019. Under the previous revolving credit facility with BOI, €5 million was drawn as at 31 December 2018 and this was repaid during 2019.

On 1 February 2019, the Group entered into a project loan facility agreement, through its subsidiary 2rn, with Barclays Bank Ireland PLC and Bank of Ireland amounting to €60 million in aggregate, of which €55 million was drawn at 31 December 2019.

Notes Forming Part of the Group Financial Statements (continued)

15. Interest-Bearing Loans and Borrowings (continued)

Lender security – project loan facility

It was one of the conditions to the availability of the project loan facility that 2rn execute a security deed agreement and provide the lender security as follows:

- a) Lands of 13 main DTT transmission sites;
- b) All 2rn present and future fixtures and fittings on the DTT transmission sites;
- c) All 2rn rental income and occupational leases;
- d) Rights and benefits of 2rn insurance policies;
- e) The insurance proceeds account; and
- f) Deeds of Assignment creating security assignments in respect of certain commercial contracts and DTT Construction Contracts.

16. Trade and Other Payables

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Trade payables	6,567	4,150	6,239	3,318
Amounts owed to subsidiary entities	-	-	185,397	167,072
Accruals	74,179	72,684	69,210	68,816
Deferred income	7,017	7,789	2,887	4,061
	87,763	84,623	263,733	243,267
Analysed as follows:				
Non-current liabilities	2,533	4,617	2,533	4,617
Current liabilities	85,230	80,006	261,200	238,650
	87,763	84,623	263,733	243,267

The Group's exposure to currency risk related to trade and other payables is disclosed in note 23.

17. Taxation and Social Welfare

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
VAT	5,577	5,244	4,658	4,361
Payroll	3,964	4,103	3,883	4,020
	9,541	9,347	8,541	8,381

18. Employee Benefits

(a) Total employee benefits

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Restructuring costs (b)	14,332	16,675	14,286	16,619
Other payroll-related accruals (c)	7,880	8,804	7,740	8,568
Total employee benefits	22,212	25,479	22,026	25,187

Analysed as follows:

Non-current liabilities	11,557	12,941	11,413	12,723
Current liabilities	10,655	12,538	10,613	12,464
	22,212	25,479	22,026	25,187

(b) Restructuring costs

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Balance at beginning of year	16,675	23,055	16,619	22,990
Charged during the year	-	(90)	-	(90)
Utilised during the year	(2,417)	(6,379)	(2,407)	(6,370)
Interest charge (note 4)	74	89	74	89
Balance at end of year	14,332	16,675	14,286	16,619

Analysed as follows:

Non-current	8,911	9,021	8,875	8,975
Current	5,421	7,654	5,411	7,644
Balance at end of year	14,332	16,675	14,286	16,619

The restructuring costs at 31 December 2019 represent the discounted value of future payments required in respect of the Group's remaining obligations, which will be paid until 2026, under the various restructuring schemes.

(c) Other employee-related accruals

Other employee-related accruals consist of employee benefits such as employee remuneration and holiday leave provided for in accordance with IAS 19 *Employee benefits* (2011).

19. Cash Flow Hedge Reserve

Group	Note	2019 €'000	2018 €'000
Balance at 1 January		(91)	(261)
Effective portion of cash flow hedge		-	(24)
Reclassification of cash flow hedge reserve to Income Statement		104	218
Deferred tax on cash flow hedge	22	(13)	(24)
Balance at 31 December		-	(91)

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of the interest rate swap related to the Barclay's project loan facility. The cash flow hedge agreement matured in June 2019.

Notes Forming Part of the Group Financial Statements (continued)

20. Investments in Subsidiaries

RTÉ	Total €'000
Balance at 1 January 2019	65,827
Additions	-
Balance at 31 December 2019	65,827

RTÉ had the following subsidiaries at 31 December 2019:

Subsidiary companies	Share capital held	Class of business
RTÉ Commercial Enterprises DAC	100%	Publications, various commercial activities & other
RTÉ Music DAC	100%	Music publishing
RTÉ Transmission Network DAC (trading as 2rn)	100%	Management of transmission network assets
RTÉ Licence Collections Limited	100%	Dormant
DTT Network Company	100%	Dormant
Seirbhísí Theilifís na Gaeilge Teoranta	100%	Dormant

The Board has reviewed the carrying value of the Group's investments and is satisfied that there are no impairment indicators and the values are fairly stated. All subsidiaries operate in Ireland and have their registered offices at RTÉ, Donnybrook, Dublin 4. RTÉ Music DAC is a wholly owned subsidiary of RTÉ Commercial Enterprises DAC.

In December 2019, 2rn paid a €10 million dividend to RTÉ. This is recognised as income by RTÉ company.

RTÉ had the following joint venture at 31 December 2019:

Joint venture company	Share capital held	Class of business
Multiplex Broadcasting Services NI Limited	66.6%	Transmission of free-to-air digital television services in Northern Ireland and related multiplex services

The registered office of Multiplex Broadcasting Services NI Limited is at Murray House, Murray St, Belfast.

RTÉ Commercial Enterprises DAC had the following joint venture at 31 December 2019:

Joint venture company	Share capital held	Class of business
GAAGO Media DAC	50%	IPTV service broadcasting GAA matches internationally

The registered office of GAAGO Media DAC is at Croke Park Stadium, Jones' Road, Drumcondra, Dublin 3.

The above joint venture is accounted for using the equity method as set out in the accounting policies. The financial year end date of the joint venture is 31 December 2019. Summarised financial information is set out below. The joint venture was incorporated on 15 December 2017 and commenced trading on 1 January 2018.

	2019 €'000	2018 €'000
Current assets	1,187	414
Current liabilities	(573)	(296)
Equity attributable to the owners of the company	614	118
Non controlling interest	307	59
Revenue	1,916	1,332
Profit for the year	578	118
Carrying amount of the Group's interest in the joint venture	346	56

20. Investments in Subsidiaries (continued)

Classification of RTÉ Group activities by division and by legal entity as at 31 December 2019

	RTÉ	RTÉ Commercial Enterprises DAC	RTÉ Music DAC	RTÉ Transmission Network DAC
COMMERCIAL DIVISION				
Television advertising and sponsorship sales	•			
Radio advertising and sponsorship sales	•			
Sale of online banner advertising and sponsorship	•			
Sale of Aertel teletext advertising and sponsorship	•			
Hire of television production facilities to third parties		•		
Commercial telecoms revenue		•		
Programme merchandising sales		•		
Listing sales		•		
Provision of broadcast circuits and technical facilities to third parties		•		
Television programme sales		•		
Studio production of television advertisements for third parties		•		
Hire of radio production facilities to third parties		•		
Roadcaster mobile studio and promotional sales		•		
Studio production of radio advertisements		•		
Sale of music copyright			•	
Provision of international paid-for video-on-demand services		•		
Generation of revenue from Orchestra performances	•			
Production and publication of the <i>RTÉ Guide</i> magazine		•		
<i>RTÉ Guide</i> advertising sales		•		
Administration of Commercial Division	•			
AUDIENCE, CHANNELS AND MARKETING DIVISION				
Free-to-air broadcast of public-service television schedules and channels	•			
Free-to-air broadcast of public-service radio schedules and channels	•			
Promotion and marketing of services and channels	•			
Provision of RTÉ Aertel teletext services	•			
Provision of a range of free-to-public, public-service web-based online services	•			
Operation of the RTÉ Player and rte.ie to domestic and international audiences	•			
Incubation and development of new media technologies	•			
Provision of additional opportunities to access RTÉ's public-service news content via RTÉ News Now Online	•			
Administration of Audience, Channels and Marketing Division	•			

Notes Forming Part of the Group Financial Statements (continued)

20. Investments in Subsidiaries (continued)

	RTÉ	RTÉ Commercial Enterprises DAC	RTÉ Music DAC	RTÉ Transmission Network DAC
CONTENT DIVISION				
Commissioning and production of indigenous television and radio programmes	•			
Statutory commissioning of programme content from independent EU producers	•			
Acquisition of domestic/non-domestic television and radio programmes	•			
Statutory provision of non-news and current affairs programming to TG4	•			
Maintenance of television channel archives and news library	•			
Sale of library and archive material		•		
Maintenance of radio channel archives and library	•			
Orchestral and choir performances	•			
Commission, production, performance and recording of orchestral and choir music	•			
Administration of Content Division	•			
NEWS & CURRENT AFFAIRS DIVISION				
Provision of a national and international news-gathering service	•			
Production and coverage of television and radio news bulletins, events and programmes	•			
Commissioning and production of current affairs programmes	•			
Statutory provision of news and current affairs programming to TG4	•			
Provision of news and current affairs content to RTÉ's free-to-access public-service online services	•			
Administration of News & Current Affairs Division	•			
NETWORK DIVISION				
Provision of national analogue radio broadcast transmission services				•
Provision of national digital radio transmission services				•
Provision of multiplexing, transmission and distribution services to multiplex operators				•
Hire of ancillary mast and tower facilities				•
Administration of 2rn				•
OPERATIONS & PRODUCTION SERVICES DIVISION				
Provision of television, radio and online production services to Content and News & Current Affairs	•			
Provision of television, radio and online production services to Audience, Channels and Marketing	•			
Provision of site and related infrastructural support services	•			
Administration of Operations Division	•			
OTHER DIVISIONS				
Technology & Transformation, Human Resources and Finance Divisions	•			
Corporate Division including Corporate Communications, Legal and provision of DTT Multiplexing services to broadcasters (Saorview)	•			
CORPORATE HQ				
Holding of investments in broadcasting-related activities	•			
Direction and overall operation of public-service broadcaster	•			

21. Retirement Benefit Obligations (Group and RTÉ)

The Group is the principal sponsoring employer of:

- (a) the RTÉ Superannuation Scheme (a funded, contributory, final salary defined benefit pension scheme to which no new employees have been admitted since 1989);
- (b) the RTÉ “50/50” Risk-Sharing Pension Scheme (a funded, contributory pension scheme with a core defined benefit (DB) promise based on a capped salary level with a defined contribution (DC) arrangement for earnings above the cap); and
- (c) the RTÉ Defined Contribution Pension Scheme (a funded, contributory DC scheme) and also makes contributions to a number of other smaller defined contribution pension schemes on behalf of employees.

The schemes above are established as separate trust funds, each managed by a board of trustees who have responsibility for overseeing the schemes’ operations, including the investment of the schemes’ assets.

(i) Pension charge

The employer pension charge in respect of each year for the various schemes was:

	2019 €'000	2018 €'000
RTÉ Superannuation Scheme		
- current service cost	(1,528)	(2,104)
RTÉ “50/50” Risk-Sharing Pension Scheme (DB section)		
- current service cost	(1,571)	(1,664)
	(3,099)	(3,768)
RTÉ “50/50” Risk-Sharing Pension Scheme (DC section)	(411)	(393)
RTÉ Defined Contribution Pension Scheme	(9,520)	(9,283)
Other schemes	(23)	(20)

(ii) Defined benefit arrangements

As is required by the *Pensions Act, 1990*, independent actuarial valuation reports based on actuarially determined long-term funding assumptions are regularly carried out in respect of the RTÉ Superannuation Scheme. The most recent actuarial funding valuation report is dated 1 January 2020 and was completed subsequent to the 2019 year end by the actuaries, Mercer, who are neither officers nor employees of the Group. This actuarial funding valuation uses the “attained age” method of valuation to derive the future service cost. For this valuation the actuary has provided a surplus calculated on a total-service funding position. This compares total liabilities (past and future service) with the value of assets plus the value of future employee and employer contributions at standard rates. The total-service funding position at 1 January 2020 shows a surplus of €55 million. The equivalent surplus at 1 January 2019 was €43 million. The actuarial funding valuation report is not available for public inspection; however the results of valuations are advised to members.

The actuaries have also carried out a valuation in accordance with the minimum funding standard (MFS) as at 1 January 2020 and have reported a surplus on this basis of €204 million (1 January 2019: surplus of €134 million). An Actuarial Funding Certificate has been submitted on this basis. The scheme also met the funding standard reserve at 1 January 2020 and a certificate confirming this outcome has been submitted to the Pension Authority.

Notes Forming Part of the Group Financial Statements (continued)

21. Retirement Benefit Obligations (Group and RTÉ) (continued)

As required by the accounting standard IAS 19 (2011), the actuaries, Mercer, also prepare a report setting out the position of the RTÉ Superannuation Scheme using the accounting valuation methodology specified in IAS 19 (2011). The IAS 19 (2011) approach to defined benefit fund accounting valuation and reporting uses the projected unit credit method to derive annual future pension charges, values assets at current fair market value and discounts future liabilities (using high grade corporate bond rates of approximate duration to the estimated life of the liabilities of the scheme) to arrive at a net present value of the liabilities of the scheme. The difference between the asset and liability valuations at 31 December 2019 amounts to an asset of €107 million.

The Group expects to pay €0.4 million in contributions to the RTÉ Superannuation Scheme in 2020.

RTÉ “50/50” Risk-Sharing Pension Scheme:

The most recent actuarial funding valuation in respect of the RTÉ “50/50” Risk-Sharing Pension Scheme was carried out as at 1 January 2020 and was completed subsequent to the 2019 year end by the scheme actuary, Mercer. This actuarial funding valuation, which uses the “attained age” method of valuation to derive the future service cost, discloses the scheme to have a surplus of €6.4 million (1 January 2019: surplus €4.0 million). The actuarial funding valuation report is not available for public inspection; however the results of valuations are advised to members.

The employer contribution rate to the defined benefit section of the RTÉ “50/50” Risk-Sharing Pension Scheme for the year ended 31 December 2019 was 8.75% of employee members’ remuneration (defined as pensionable salary and allowances up to the cap, currently €48,000 p.a.). The actuaries have also carried out a valuation in accordance with the MFS provisions of the *Pensions Act, 1990* and have reported a surplus on this basis of €15 million (1 January 2019: surplus €10.9 million).

As for the RTÉ Superannuation Scheme, Mercer prepares a report setting out the position of the RTÉ “50/50” Risk-Sharing Pension Scheme using the accounting valuation methodology specified in IAS 19 (2011). For this scheme, the difference between the asset and liability valuation at 31 December 2019 amounts to an asset of €3.4 million.

The Group expects to pay €1.5 million in contributions to the RTÉ “50/50” Risk-Sharing Pension Scheme (DB section) in 2020.

Both schemes carry the normal investment and funding risks associated with defined benefit schemes, and short-term volatility in their financial position can be expected. The regulatory risk is, however, limited, as there is no statutory requirement in Ireland for employers to maintain defined benefit plans in existence or to meet any funding shortfalls should they wind up in deficit.

(iii) Net defined benefit asset

At 31 December 2019, the net defined benefit asset in relation to the two defined benefit arrangements is as follows:

Group and RTÉ	2019	2018
	€'000	€'000
Net pension asset in RTÉ Superannuation Scheme	107,024	46,592
Net pension asset in RTÉ “50/50” Risk-Sharing Pension Scheme	3,380	2,964
	110,404	49,556

21. Retirement Benefit Obligations (Group and RTÉ) (continued)

Movement in net defined benefit asset/(liability)

RTÉ Superannuation Scheme

	Defined benefit obligation		Fair value of plan assets		Net defined benefit asset/(liability)	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Balance at 1 January	(951,400)	(1,004,609)	997,992	1,052,706	46,592	48,097
Included in Income Statement						
Current service cost	(1,528)	(2,104)	-	-	(1,528)	(2,104)
Interest (cost)/income	(17,598)	(17,656)	18,492	18,536	894	880
	(19,126)	(19,760)	18,492	18,536	(634)	(1,224)
Included in OCI						
Remeasurements gain/(loss)						
Actuarial gain/(loss) arising from:						
Financial assumptions	(59,239)	24,161	-	-	(59,239)	24,161
Experience	840	2,288	-	-	840	2,288
Return on plan assets excluding interest income	-	-	118,695	(27,668)	118,695	(27,668)
	(58,399)	26,449	118,695	(27,668)	60,296	(1,219)
Other						
Employer contributions	-	-	770	938	770	938
Employee contributions	(642)	(784)	642	784	-	-
Benefits paid	45,988	47,304	(45,988)	(47,304)	-	-
	45,346	46,520	(44,576)	(45,582)	770	938
Balance at 31 December	(983,579)	(951,400)	1,090,603	997,992	107,024	46,592

Notes Forming Part of the Group Financial Statements (continued)

21. Retirement Benefit Obligations (Group and RTÉ) (continued)

RTÉ “50/50” Risk-Sharing Pension Scheme

	Defined benefit obligation		Fair value of plan assets		Net defined benefit asset	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Balance at 1 January	(15,432)	(14,250)	18,396	17,063	2,964	2,813
Included in Income Statement						
Current service cost	(1,571)	(1,664)	-	-	(1,571)	(1,664)
Interest (cost)/income	(386)	(328)	486	416	100	88
	(1,957)	(1,992)	486	416	(1,471)	(1,576)
Included in OCI						
Remeasurements gain/(loss)						
Actuarial gain/(loss) arising from:						
Financial assumptions	(2,845)	988	-	-	(2,845)	988
Experience	464	448	-	-	464	448
Return on plan assets excluding interest income	-	-	2,778	(1,135)	2,778	(1,135)
	(2,381)	1,436	2,778	(1,135)	397	301
Other						
Employer contributions	-	-	1,490	1,426	1,490	1,426
Employee contributions	(781)	(757)	781	757	-	-
Benefits paid	272	58	(272)	(58)	-	-
Insurance premium	80	73	(80)	(73)	-	-
	(429)	(626)	1,919	2,052	1,490	1,426
Balance at 31 December	(20,199)	(15,432)	23,579	18,396	3,380	2,964

21. Retirement Benefit Obligations (Group and RTÉ) (continued)

(iv) Scheme assets

The fair value of the assets at 31 December was:

	RTÉ Superannuation Scheme		RTÉ "50/50" Risk-Sharing Pension Scheme	
	2019 Fair value €'000	2018 Fair value €'000	2019 Fair value €'000	2018 Fair value €'000
Debt instruments:				
Government bonds	445,192	430,184	-	-
Corporate bonds	58,361	56,950	-	-
Total debt instruments	503,553	487,134	-	-
Derivatives	67	5	-	-
Investment funds:				
Equity	408,956	329,624	10,456	7,869
Bonds	-	-	11,602	9,462
Property	41,792	63,845	1,135	828
Hedge funds	58,414	53,501	-	-
Private equity	61,814	48,686	-	-
Total investment funds	570,976	495,656	23,193	18,159
Cash and cash equivalents:				
Cash	13,859	11,455	56	106
Other investment balances	2,148	3,742	330	131
Total cash and cash equivalents	16,007	15,197	386	237
Total fair value of assets	1,090,603	997,992	23,579	18,396

Equities are held as funds with underlying assets quoted in an active market. Debt instruments are held on a segregated basis (RTÉ Superannuation Scheme).

Notes Forming Part of the Group Financial Statements (continued)

21. Retirement Benefit Obligations (Group and RTÉ) (continued)

(v) Defined benefit obligation

(i) Actuarial assumptions

Below are the major assumptions used for the purposes of the IAS 19 (2011) based accounting valuation of the pension schemes.

	RTÉ Superannuation Scheme		RTÉ "50/50" Risk-Sharing Pension Scheme	
	2019	2018	2019	2018
Average projected rate of increase in salaries:				
Over the next two years	1.0%	1.5%	1.0%	1.5%
Over the following three years	1.0%	1.5%	1.0%	1.5%
Thereafter	1.25%	1.5%	1.25%	1.5%
Average projected rate of increase in pensions:				
Over the next two years	1.0%	1.0%	1.25%	1.5%
Thereafter	1.25%	1.5%	1.25%	1.5%
Discount rate	1.2%	1.9%	1.7%	2.5%
Inflation assumption	1.25%	1.5%	1.25%	1.5%
Mortality	Years	Years	Years	Years
Life expectancy future retirees				
Male of age 65 (born 1965)	25.3	25.2	25.3	25.2
Female of age 65 (born 1965)	27.4	27.3	27.4	27.3
Life expectancy existing pensioners				
Male of age 65 (Born 1955)	24.1	24.0	24.1	24.0
Female of age 65 (Born 1955)	26.2	26.1	26.2	26.1

At 31 December 2019, the weighted average duration of the defined benefit obligations were:

RTÉ Superannuation Scheme: 13.1 years

RTÉ "50/50" Risk-Sharing Pension Scheme: 32 years

21. Retirement Benefit Obligations (Group and RTÉ) (continued)

(ii) Sensitivity analysis

Consideration has been given to the impact on the defined benefit obligation of changes in the key underlying actuarial assumptions. The impact shown is as at the reporting date and in each case it is assumed that all other assumptions remain unchanged.

	RTÉ Superannuation Scheme		RTÉ "50/50" Risk-Sharing Pension Scheme	
	Assumption	Benefit obligation €000s	Assumption	Benefit obligation €000s
Discount rate				
Current rate	1.2%	983,579	1.7%	20,199
-0.25%	0.95%	1,016,343	1.45%	21,873
+0.25%	1.45%	952,288	1.95%	18,688
Salary & pension increases				
Current assumption (long term)	1.25%	983,579	1.25%	20,199
0.25% lower increases	1.0%	953,401	1.0%	18,689
0.25% higher increases	1.5%	1,015,211	1.5%	21,850
Mortality				
Current assumption (offset from standard table)	-1 year	983,579	-1 year	20,199
No offset	0 years	945,495	0 years	19,680
Two years offset	-2 years	1,022,147	-2 years	20,717

22. Deferred Tax

Group

Recognised deferred tax assets and liabilities

	Assets Gross		(Liabilities) Gross	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Property, plant and equipment	-	-	(2,230)	(2,327)
Pension asset	-	-	(13,801)	(6,195)
Tax losses	13,801	-	-	-
Derivatives – cash flow hedge	-	13	-	-
Gross Tax Assets/(Liabilities)	13,801	13	(16,031)	(8,522)

Net deferred tax liability 2019

	Opening balance net €'000	Recognised in income €'000	Recognised in other comprehensive income €'000	Closing balance net €'000
Property, plant and equipment	(2,327)	97	-	(2,230)
Pension asset	(6,195)	-	(7,606)	(13,801)
Tax losses	-	-	13,801	13,801
Derivatives – cash flow hedge	13	-	(13)	-
Net Tax Assets/(Liabilities)	(8,509)	97	6,182	(2,230)

Notes Forming Part of the Group Financial Statements (continued)

22. Deferred Tax (continued)

Group

Net deferred tax liability 2018

	Opening balance net €'000	Recognised in income €'000	Recognised in other comprehensive income €'000	Closing balance net €'000
Property, plant and equipment	(2,194)	(133)	-	(2,327)
Pension asset	(6,364)	-	169	(6,195)
Derivatives – cash flow hedge	37	-	(24)	13
Net Tax Assets/(Liabilities)	(8,521)	(133)	145	(8,509)

RTÉ

Recognised deferred tax assets and liabilities

	Assets Gross		(Liabilities) Gross	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Property, plant and equipment	1,090	1,147	-	-
Pension asset	-	-	(13,801)	(6,195)
Tax losses	13,801	-	-	-
Gross Tax Assets/(Liabilities)	14,891	1,147	(13,801)	(6,195)

Net deferred tax liability 2019

	Opening balance net €'000	Recognised in income €'000	Recognised in other comprehensive income €'000	Closing balance net €'000
Property, plant and equipment	1,147	(57)	-	1,090
Pension asset	(6,195)	-	(7,606)	(13,801)
Tax losses	-	-	13,801	13,801
Net Tax Assets/(Liabilities)	(5,048)	(57)	6,195	1,090

22. Deferred Tax (continued)

RTÉ

Net deferred tax liability 2018

	Opening balance Net €'000	Recognised in income €'000	Recognised in other comprehensive income €'000	Closing balance Net €'000
Property, plant and equipment	1,203	(56)	-	1,147
Pension asset	(6,364)	-	169	(6,195)
Net Tax Assets/(Liabilities)	(5,161)	(56)	169	(5,048)

Unrecognised deferred tax assets (Group and RTÉ)

Television licence fee income that RTÉ receives by way of “grant-in-aid” is subject to corporation tax with effect from 1 January 2007. The Group has trading losses forward for tax purposes of €651 million at 31 December 2019. Due to the uncertainty surrounding when the losses may ultimately be utilised, a deferred tax asset has only been recognised to offset the deferred tax liability on the pension asset.

23. Financial Instruments and Financial Risk Management (Group and RTÉ)

(a) Overview of financial risk management

(i) Risk environment

The Group has exposure to the financial risks relating to credit, liquidity, foreign exchange, interest rate and operational risk.

The Board of RTÉ has overall responsibility for the establishment and oversight of the Group's risk-management framework and has approved policies for the main areas of financial risk faced by the Group. Group Treasury is responsible for managing all treasury activities, in accordance with the treasury policies, including cash management, interest rate risk, liquidity risk, foreign exchange risk and counterparty credit risk.

The majority of RTÉ's business is transacted in Ireland. Consequently, operating and investing cash flows are substantially denominated in euro. Foreign currency exposures arise primarily from payments for acquired programmes in US dollar and sterling. RTÉ's policy is to have the majority of its committed principal foreign currency exposures commercially hedged at the beginning of each financial year by entering into US dollar and sterling forward contracts. All foreign currency forward contracts have a maturity date of less than 18 months from the 31 December 2019. These foreign currency forward contracts are not specifically designated into hedge relationships from an accounting perspective, but are nevertheless valid economic hedges.

2rn refinanced variable rate borrowings in 2014 and entered a derivative contract in order to hedge exposures arising from fluctuations in the interest rate in 2016. The contract matured in June 2019.

Financial instruments are derecognised on settlement or sale.

Notes Forming Part of the Group Financial Statements (continued)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

(ii) Financial instruments classification

All financial assets and liabilities, excluding provisions and employee-related liabilities, are financial instruments carried at amortised cost, with the exception of the derivative assets/(liabilities), which are categorised as follows:

GROUP	Derivative financial instruments at fair value through Income Statement		Derivative financial instruments with hedging relationship		Assets/(liabilities) held at amortised cost		Total	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Non-Current Financial Assets								
Financial assets	-	-	-	-	346	-	346	-
Total Non-Current Financial Assets	-	-	-	-	346	-	346	-
Current Financial Assets								
Trade and other receivables	-	-	-	-	40,515	41,881	40,515	41,881
Accrued income	-	-	-	-	2,405	2,889	2,405	2,889
Liquid investments	-	-	-	-	29,000	-	29,000	-
Cash and cash equivalents	-	-	-	-	40,149	66,961	40,149	66,961
Derivative financial instruments	326	516	-	-	-	-	326	516
Total Current Financial Assets	326	516	-	-	112,069	111,731	112,395	112,247
Total Financial Assets	326	516	-	-	112,415	111,731	112,741	112,247
Non-Current Financial Liabilities								
Interest-bearing loans and borrowings	-	-	-	-	(60,000)	-	(60,000)	-
Employee benefits	-	-	-	-	(11,557)	(12,941)	(11,557)	(12,941)
Capital grants	-	-	-	-	(4,518)	(7,925)	(4,518)	(7,925)
Lease Liability	-	-	-	-	(2,688)	-	(2,688)	-
Trade and other payables	-	-	-	-	(2,533)	(4,617)	(2,533)	(4,617)
Derivative financial instruments	(10)	(11)	-	-	-	-	(10)	(11)
Total Non-Current Financial Liabilities	(10)	(11)	-	-	(81,296)	(25,483)	(81,306)	(25,494)
Current Financial Liabilities								
Trade and other payables	-	-	-	-	(85,230)	(80,006)	(85,230)	(80,006)
Interest-bearing loans and borrowings	-	-	-	-	-	(50,000)	-	(50,000)
Employee benefits	-	-	-	-	(10,655)	(12,538)	(10,655)	(12,538)
Capital grants	-	-	-	-	(3,386)	(21)	(3,386)	(21)
Lease Liability	-	-	-	-	(436)	-	(436)	-
Derivative financial instruments	-	-	-	(104)	-	-	-	(104)
Total Current Financial Liabilities	-	-	-	(104)	(99,707)	(142,565)	(99,707)	(142,669)
Total Financial Liabilities	(10)	(11)	-	(104)	(181,003)	(168,048)	(181,013)	(168,163)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

RTÉ	Derivative financial instruments at fair value through Income Statement		Derivative financial instruments with hedging relationship		Assets/(liabilities) held at amortised cost		Total	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Current Financial Assets								
Trade and other receivables	-	-	-	-	33,674	35,921	33,674	35,921
Accrued income	-	-	-	-	425	400	425	400
Liquid investments	-	-	-	-	29,000	-	29,000	-
Cash and cash equivalents	-	-	-	-	33,194	60,381	33,194	60,381
Derivative financial instruments	326	516	-	-	-	-	326	516
Total Current Financial Assets	326	516	-	-	96,293	96,702	96,619	97,218
Total Financial Assets	326	516	-	-	96,293	96,702	96,619	97,218
Non-Current Financial Liabilities								
Interest-bearing loans and borrowings	-	-	-	-	(5,000)	-	(5,000)	-
Employee benefits	-	-	-	-	(11,413)	(12,723)	(11,413)	(12,723)
Lease Liability	-	-	-	-	(1,146)	-	(1,146)	-
Trade and other payables	-	-	-	-	(2,533)	(4,617)	(2,533)	(4,617)
Derivative financial instruments	(10)	(11)	-	-	-	-	(10)	(11)
Total Non-Current Financial Liabilities	(10)	(11)	-	-	(20,092)	(17,340)	(20,102)	(17,351)
Current Financial Liabilities								
Trade and other payables	-	-	-	-	(261,200)	(238,650)	(261,200)	(238,650)
Interest-bearing loans and borrowings	-	-	-	-	-	(5,000)	-	(5,000)
Employee benefits	-	-	-	-	(10,613)	(12,464)	(10,613)	(12,464)
Lease Liability	-	-	-	-	(214)	-	(214)	-
Total Current Financial Liabilities	-	-	-	-	(272,027)	(256,114)	(272,027)	(256,114)
Total Financial Liabilities	(10)	(11)	-	-	(292,119)	(273,454)	(292,129)	(273,465)

The foreign exchange forward contracts are financial instruments measured at fair value through the surplus or deficit. The interest rate swap is a derivative designated as a cash flow hedge.

Notes Forming Part of the Group Financial Statements (continued)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

(b) Credit risk

Overview

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Notes	Group carrying amount		RTÉ carrying amount	
		2019	2018	2019	2018
		€'000	€'000	€'000	€'000
Trade receivables	12	40,252	41,565	33,410	35,605
Liquid investments	13	29,000	-	29,000	-
Cash and cash equivalents	14	40,149	66,961	33,194	60,381
Accrued income		2,405	2,889	425	400
Derivative financial instruments		326	516	326	516
		112,132	111,931	96,355	96,902

The Group has detailed procedures for monitoring and managing the credit risk related to its financial assets as outlined below.

Treasury-related credit risk

The Group is exposed to credit risk from the counterparties with whom it holds its bank accounts and transacts with in the financial markets. Liquid investments, cash and cash equivalents, and derivative financial instruments are all held by financial counterparties which have a minimum credit rating of BBB- under the Standard & Poor's rating.

Liquid investments and cash and cash equivalents are primarily funds invested with Irish financial institutions with limits on amounts held with individual banks or institutions at any one time. Derivative financial instruments are held with Irish and UK financial institutions and the Group has not experienced any losses due to failure of such counterparties to deliver on their obligations.

Customer credit risk

The Group has credit insurance and sets credit limits for all customers. Given the nature of the advertising and other markets within which RTÉ operates, RTÉ had significant exposures to individual advertising agencies and other customers throughout the year. RTÉ's policy is to assign limits to the aggregate amount of exposure to each individual customer. These exposures and the related limits are subject to ongoing review and monitoring.

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	Group carrying amount		RTÉ carrying amount	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Ireland	38,120	38,870	32,022	34,007
United Kingdom	2,062	2,357	1,280	1,235
Other regions	70	338	108	363
Trade Receivables	40,252	41,565	33,410	36,605

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

	Group carrying amount		RTÉ carrying amount	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Non-agency debtors	13,526	14,269	7,975	8,753
Other debtors – agency	26,726	27,296	25,435	26,852
Trade Receivables	40,252	41,565	33,410	35,605

An agency debtor represents an advertising agent or agency, being a person, firm or company, which selects or books advertising space on behalf of the advertiser.

The Group's most significant debtor, an Irish company, accounts for €3.69 million (9%) of the trade receivables carrying amount at 31 December 2019 (2018: €3.3 million).

The ageing of trade receivables at the reporting date was:

	Group			RTÉ		
	Gross	Impairment	Net	Gross	Impairment	Net
	2019	2019	2019	2019	2019	2019
	€'000	€'000	€'000	€'000	€'000	€'000
Not past due	20,719	-	20,719	17,278	-	17,278
Past due 0–30 days	16,750	(531)	16,219	13,591	(288)	13,303
Past due 31–120 days	2,780	(329)	2,451	2,352	(227)	2,125
Greater than 120 days	1,254	(391)	863	986	(282)	704
	41,503	(1,251)	40,252	34,207	(797)	33,410

	Group			RTÉ		
	Gross	Impairment	Net	Gross	Impairment	Net
	2018	2018	2018	2018	2018	2018
	€'000	€'000	€'000	€'000	€'000	€'000
Not past due	21,875	-	21,875	18,890	-	18,890
Past due 0–30 days	17,921	(644)	17,277	15,097	(277)	14,820
Past due 31–120 days	1,691	(372)	1,319	1,475	(235)	1,240
Greater than 120 days	1,513	(419)	1,094	985	(330)	655
	43,000	(1,435)	41,565	36,447	(842)	35,605

Notes Forming Part of the Group Financial Statements (continued)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was:

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Balance at 1 January	1,435	1,417	842	501
(Released)/provided during the year	(40)	193	100	404
Bad debts written off in the year	(144)	(175)	(144)	(63)
Balance at 31 December	1,251	1,435	798	842

No credit exposure is perceived in relation to prepayments. Accrued income consists of unbilled receivables from a small number of customers. The Group has not experienced losses due to the failure of any of these customers to deliver on their obligations.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. RTÉ's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following tables set out the contractual maturities of financial liabilities, including interest payments associated with borrowings and the undiscounted net cash flows attributable to derivative financial instruments.

The following are the contractual maturities of financial liabilities:

31-Dec-19 Group	Carrying amount €'000	Contractual cash flows €'000	Within 1 year €'000	1-2 years €'000	2-5 years €'000	More than 5 years €'000
Interest-bearing loans and borrowings	60,000	63,924	702	692	14,480	48,050
Derivative financial instruments	10	10	-	10	-	-
Trade and other payables	87,763	87,763	85,230	2,533	-	-
Employee benefits	22,212	22,303	10,655	7,803	1,040	2,805
	169,985	174,000	96,587	11,038	15,520	50,855

31-Dec-18 Group	Carrying amount €'000	Contractual cash flows €'000	Within 1 year €'000	1-2 years €'000	2-5 years €'000	More than 5 years €'000
Interest-bearing loans and borrowings	50,000	50,407	50,407	-	-	-
Derivative financial instruments	115	115	115	-	-	-
Trade and other payables	84,623	84,623	80,006	4,617	-	-
Employee benefits	25,479	25,540	12,538	7,631	1,029	4,342
	160,217	160,685	143,066	12,248	1,029	4,342

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

The following are the contractual maturities of financial liabilities (excluding inter-company liabilities):

31-Dec-19	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	More than 5 years
RTÉ	€'000	€'000	€'000	€'000	€'000	€'000
Interest-bearing loans and borrowings	5,000	5,359	79	78	5,202	-
Derivative financial instruments	10	10	-	10	-	-
Trade and other payables	263,733	263,733	261,200	2,533	-	-
Employee benefits	22,026	22,113	10,613	7,794	1,013	2,693
	290,769	291,215	271,892	10,415	6,215	2,693

31-Dec-18	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	More than 5 years
RTÉ	€'000	€'000	€'000	€'000	€'000	€'000
Interest-bearing loans and borrowings	5,000	5,000	5,000	-	-	-
Derivative financial instruments	11	11	11	-	-	-
Trade and other payables	243,267	243,267	238,650	4,617	-	-
Employee benefits	25,187	25,244	12,464	7,622	1,001	4,157
	273,465	273,522	256,125	12,239	1,001	4,157

As disclosed in note 15, the Group has a term loan and revolving credit facility with Bank of Ireland and a project loan and term loan club facility with Barclays Bank PLC and Bank of Ireland. Both of these facilities have loan covenants which, if breached in the future, may require the Group, or company, to repay the loans earlier than indicated in the above tables. The interest payments in the tables above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. Except for the interest-bearing loans and borrowings, it is not expected that the cash flows included in the maturity analysis above could occur significantly earlier or at significantly different amounts.

At 31 December 2019, RTÉ had an undrawn overdraft facility of €10 million in place and an undrawn term loan of €10 million and an undrawn revolving credit facility of €10 million.

(d) Currency risk

The functional currency of all Group entities is euro. Due to the nature of certain aspects of its business, in particular acquired television programmes and rights from overseas, RTÉ is exposed to the effects of fluctuations in foreign currency exchange rates. The currencies that give rise to this risk are US dollar and sterling.

The Group and RTÉ primarily use foreign currency forward contracts to economically hedge its currency risk. Changes in the fair value of foreign currency forward contracts are recognised in the Income Statement. At 31 December 2019, the fair value of the associated derivative asset was €326,000 (2018: asset of €516,000).

The Group and RTÉ hedge a minimum of 60% of its budgeted foreign currency exposure in respect of acquired television programmes and rights from overseas.

The Group and Company did not have any material foreign currency denominated monetary assets at 31 December 2019 or 2018.

RTÉ had no financial liabilities denominated in foreign currencies except for those outlined in the following tables.

Notes Forming Part of the Group Financial Statements (continued)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

Breakdown of trade payables by currency

	2019 €'000	2018 €'000
Group		
Euro	6,390	3,235
GBP	116	896
USD	34	10
Other	27	9
	6,567	4,150

Breakdown of trade payables by currency

	2019 €'000	2018 €'000
RTÉ		
Euro	6,064	2,417
GBP	115	886
USD	34	10
Other	26	5
	6,239	3,318

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2019	2018	2019	2018
EUR €1 = USD \$	1.1195	1.1810	1.1234	1.1450
EUR €1 = GBP £	0.8778	0.8847	0.8508	0.8945

In managing currency risks, the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Foreign currency forward purchase contracts are used by the Group to reduce volatility arising from these foreign currency exposures. As a result, the Group mitigates significant risk of movements in foreign exchange rates.

Group

A plus or minus change of 10% in relevant foreign currency exchange rates, based on outstanding foreign currency-denominated financial liabilities at 31 December 2019, would impact the Group's Income Statement positively or negatively by up to €19,515 (31 December 2018: €101,731).

RTÉ

A plus or minus change of 10% in relevant foreign currency exchange rates, based on outstanding foreign currency-denominated financial liabilities at 31 December 2019, would impact RTÉ's Income Statement positively or negatively by up to €19,371 (31 December 2018: €100,153).

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

(e) Interest rate risk

At 31 December 2019, the Group had total borrowings of €60.0 million (2018: €50.0 million).

On 6 December 2019, RTÉ entered into a new facility agreement with Bank of Ireland (BOI) amounting to €20 million for working capital purposes. The agreement includes a €10 million revolving credit facility which was undrawn as at 31 December 2019 and a term loan facility of €10 million of which €5 million was drawn as at 31 December 2019. Under the previous revolving credit facility with BOI, €5 million was drawn as at 31 December 2018 and this was repaid during 2019.

On 1 February 2019, the Group entered into a project loan facility agreement, through its subsidiary 2rn, with Barclays Bank Ireland PLC and Bank of Ireland amounting to €60 million in aggregate, of which €55 million was drawn at 31 December 2019.

A 1% movement in the interest rate would have a positive or negative effect of €0.7 million on the Income Statement.

At the reporting date, the interest rate profile of RTÉ's interest-bearing financial assets was:

Group	Carrying amount	
	2019 €'000	2018 €'000
Fixed Rate Instruments		
Financial assets	29,000	29,000
Variable Rate Instruments		
Financial assets	40,149	37,961
<hr/>		
RTÉ	Carrying amount	
	2019 €'000	2018 €'000
Fixed Rate Instruments		
Financial assets	29,000	29,000
Variable Rate Instruments		
Financial assets	33,194	31,381

A 1% movement in the interest rate on RTÉ's interest-bearing financial assets would have a positive or negative effect on the Income Statement of €0.6 million (net of tax).

Notes Forming Part of the Group Financial Statements (continued)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

(f) Fair values

The following table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group ¹	Carrying amount 2019 €'million	Fair value level 2 2019 €'million	Carrying amount 2018 €'million	Fair value level 2 2018 €'million
Financial assets measured at fair value				
Forward exchange contracts	0.3	0.3	0.5	0.5
Financial liabilities measured at fair value				
Interest rate swap	-	-	(0.1)	(0.1)
Forward exchange contracts	-	-	-	-
Financial liabilities not measured at fair value				
Interest-bearing loans and borrowings	60.0	60.0	50.0	50.0
RTÉ ¹	Carrying amount 2019 €'million	Fair value level 2 2019 €'million	Carrying amount 2018 €'million	Fair value level 2 2018 €'million
Financial assets measured at fair value				
Forward exchange contracts	0.3	0.3	0.5	0.5
Financial liabilities measured at fair value				
Forward exchange contracts	-	-	-	-
Financial liabilities not measured at fair value				
Interest-bearing loans and borrowings	5.0	5.0	-	-

¹ The Group and RTÉ have not disclosed the fair values for financial instruments such as trade receivables, payables and employee benefits as their carrying amounts disclosed on page 134 and 135 are a reasonable approximation of fair values.

The fair value of derivative financial instruments was based on the fair value hierarchy. The fair value for foreign exchange forward contracts and the interest rate swap were calculated using the following valuation method:

Level 2: inputs, other than unadjusted quoted prices in active markets for identical assets and liabilities, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The Level 2 valuation method and instruments valued using the method has not changed during this or the previous reporting period. There has been no transfer between levels in the fair value hierarchy.

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative financial instruments	Market comparison technique: the fair values are based on quotes for similar contracts traded in an active market.	Not applicable	Not applicable

Financial instruments not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Interest-bearing loans and borrowings	Discounted cash flows based on borrower quoted interest rates.	Not applicable

(g) Derivative financial instruments

The contractual cash flows associated with the derivative financial instruments are outlined below:

31-Dec-19	Carrying amount €'000	Contractual cash flows €'000	Within 1 year €'000	1-2 years €'000	2-5 years €'000
Group					
Derivative assets/(liabilities)					
Interest rate swap	-	-	-	-	-
Foreign exchange forward contracts (outflows)	316	316	326	(10)	-
RTÉ					
Derivative assets					
Foreign exchange forward contracts (outflows)	316	316	326	(10)	-

Notes Forming Part of the Group Financial Statements (continued)

23. Financial Instruments and Financial Risk Management (Group and RTÉ) (continued)

31-Dec-18	Carrying amount €'000	Contractual cash flows €'000	Within 1 year €'000	1-2 years €'000	2-5 years €'000
Group					
Derivative assets/(liabilities)					
Interest rate swap	(104)	(104)	(104)	-	-
Foreign exchange forward contracts (outflows)	516	516	516	-	-
	(412)	(412)	(412)	-	-
RTÉ					
Derivative assets/(liabilities)					
Foreign exchange forward contracts (outflows)	516	516	516	-	-

Any gains or losses arising from changes in the fair value of foreign exchange forward contracts are taken directly to the Income Statement.

At 31 December 2019, the Group had total borrowings of €60.0 million (2017: €50.0 million). The Group entered an interest rate swap on a €40 million facility to fix the variable rate on the 2014 borrowings until maturity in June 2019. At the inception of the hedge, the Group formally designated the hedge relationship. In 2019, the facility was re-financed and the hedge became ineffective.

24. Financial Commitments, Contingencies and Guarantees

(a) Capital commitments

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Contracted but not provided for	3,229	1,724	2,999	771
Authorised but not contracted for	962	1,205	498	586
	4,191	2,929	3,497	1,357

(b) Programme/rights purchase commitments

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Contracted but not provided for	87,804	122,105	87,804	122,105

(c) Contingent liabilities

Due to the nature of its operations, the Group is involved in various legal actions with third parties which have arisen in the normal course of the business. While it is not practicable to quantify accurately the potential liability under the various actions, the Board is satisfied that it has made reasonable provision for the likely outcome of these actions.

(d) Guarantees

At 31 December 2019, RTÉ had entered into guarantee facilities amounting to €15.6 million which expire on 31 July 2021.

(e) Digital television services Northern Ireland

RTÉ has entered into a joint venture with TG4 for the provision of digital television services in Northern Ireland and, under this agreement, RTÉ has a funding commitment that expires in October 2024. The remaining commitment at 31 December 2019 is €2.6 million.

24. Financial Commitments, Contingencies and Guarantees (continued)

(f) Operating lease commitments

Annual commitments under operating leases, principally in respect of leased premises, on leases expiring:

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Between two and five years	-	267	-	177
After five years	-	258	-	55
	-	525	-	232

25. Grants

(a) Capital Grants

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Grants received re 700 MHz project	7,946	7,968	-	-
Released to Income Statement	(42)	(22)	-	-
	7,904	7,946	-	-
Analysed as follows:				
Non-current liabilities	4,518	7,925	-	-
Current liabilities	3,386	21	-	-
	7,904	7,946	-	-

In 2017, the DCCAIE issued a capital grant to RTÉ's subsidiary, RTÉ Transmission Network DAC, to facilitate the clearing of the Spectrum 700 MHz frequency band, as stipulated by EU directives. The movement in the grant during the year is in line with the Group's accounting policy.

(b) Other Grants

During the year Science Foundation Ireland (SFI) awarded a grant of €585,000 to RTÉ for the purpose of making science-related programming. €605,000 was received during the year, €70,000 of which related to 2018. A grant of €585,000 was awarded under the same initiative in 2018 of which €515,000 was received during the year.

RTÉ was also awarded grants of €513,896, (2018: €1,273,853) from the BAI Sound & Vision and Archiving Schemes in respect of programme funding and digitising the archive library. During the year RTÉ received €159,665 (2018: €287,988) in relating to grants awarded.

RTÉ was awarded a grant of €150,000 from the Creative Ireland Programme in 2018 of which €50,000 was received in 2019 (2018 €100,000) as a contribution towards the making of television programming

26. Related Party Transactions

(a) Transactions with related parties excluding key management personnel

RTÉ is a statutory corporation, established as a public-service broadcasting corporation under the *Broadcasting Authority Act, 1960*. The members of the RTÉ Board are appointed by the Government. The Government is deemed to have control over the Group and is recognised as a related party as defined by the accounting standards. The Group has applied the exemption in IAS 24 *Related Party Disclosures* that exempts an entity from the related party disclosure requirements in respect of the Government and Government-related entities unless transactions are individually significant or collectively significant.

In the normal course of business, the Group has entered into transactions with the Government and Government-related entities involving the provision of advertising and other similar services, together with purchases of goods and services to/from Government departments and to entities controlled by the Irish Government. An Post collects the television licence fee on behalf of the Department of Communications, Climate Action and Environment.

At 31 December 2019, the total payable to RTÉ subsidiary undertakings was €185.4 million (2018: €167.1 million).

Notes Forming Part of the Group Financial Statements (continued)

26. Related Party Transactions (continued)

(b) Transactions with key management personnel¹

For the purposes of the disclosure requirements of IAS 24 *Related Party Disclosures*, the term “key management personnel” (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the company) comprises the RTÉ Board, the Director-General, the RTÉ Executive and the corporate functions reporting directly to the Director-General. The total amount of compensation paid to key management personnel in 2019 was €4.0 million (2018: €4.5 million), comprising salaries and other short-term employee benefits of €3.0 million (2018: €3.4 million), post-employment pension benefits of €0.4 million (2018: €0.5 million) and termination benefits €0.6 million (2018: €0.6 million).

Purchases by RTÉ from a company owned/controlled by Board members, other key management personnel and/or their close family members in 2019 amounted to €1.3 million (2018: €1.1 million), primarily in respect of commissioned programmes. Sales by RTÉ to a company owned/controlled by Board members, other key management personnel and/or their close family members in 2019 amounted to nil (2018: €0.2 million). Outstanding contractual commitments from a company owned/controlled by Board members, other key management personnel and/or their close family members in 2019 amounted to €0.7 million (2018: €0.2 million). There were no material amounts outstanding at either year end.

Programme contributions paid by RTÉ to Board members, other key management personnel and their close family members in 2019 amounted to nil (2018: nil).

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions.

¹ Related parties include key management personnel, their immediate families and external entities controlled by them.

27. Lease Liability

	Group		RTÉ	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Lease Liabilities				
Analysed as:				
Non-current	2,799	-	897	-
Current	719	-	464	-
	3,518	-	1,361	-
Maturity analysis:				
Year 1	719	-	464	-
Year 2	512	-	253	-
Year 3	478	-	214	-
Year 4	381	-	192	-
Year 5	229	-	58	-
Onwards	1,199	-	180	-
	3,518	-	1,361	-

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

28. Subsequent Events

In March 2020, the Covid-19 global pandemic has adversely impacted the Group's revenue. Contingency planning has been put in place to mitigate the impact through cost curtailment and other initiatives.

29. Board Approval

The Board of RTÉ approved the financial statements on pages 92 to 146 in respect of the year ended 31 December 2019 on 16 July 2020.

Appendix to the Group Financial Statements – Accounting Policies

1. Basis of Accounting

Below we set out the full list of our accounting policies. The accounting policies have been applied consistently in dealing with items that are considered material in relation to the Group and RTÉ financial statements except for the new standards and amendments to standards outlined below.

(a) Reporting entity

RTÉ is a statutory corporation established under the *Broadcasting Authority Act, 1960* and is domiciled in Ireland. The consolidated financial statements of RTÉ as at and for the year ended 31 December 2019 comprise the statutory corporation and all entities controlled by it (together referred to as the “Group”).

(b) Statement of compliance

The RTÉ and Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) that are effective for the year ended 31 December 2019 and are applied in accordance with the provisions of broadcasting legislation. The Group has also elected to present both its consolidated and RTÉ parent entity financial statements in accordance with the provisions of the *Companies Act 2014* in so far as it provides additional information. Accordingly, RTÉ’s parent Statement of Financial Position, Cash Flow Statement and Statement of Changes in Equity have also been presented with the consolidated financial statements as would ordinarily be required by the *Companies Act 2014*. RTÉ’s Group Income Statement has been adapted as permitted by *Companies Act 2014*, Schedule 3 Part II, Section A4(5).

(c) Basis of preparation

The RTÉ and Group financial statements have been prepared on the historical cost basis as modified by the measurement at fair value of derivative financial instruments and retirement benefit obligations.

The Group financial statements are prepared in euro, rounded to the nearest thousand (€000), which is the functional currency of all the Group entities.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are

revised and in any future periods affected. The key areas involving significant judgement or complexity or areas where assumptions and estimates are significant to the Group’s financial statements relate primarily to the valuation of the defined benefit pension scheme and financial instruments and are documented in the relevant accounting policies and in the related notes.

(d) Adoption of new and revised standards

During the year, the Group adopted a number of amendments to IFRS standards and interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2019. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements, with the exception of IFRS 16 *Leases* which is described below.

Impact of initial application of IFRS 16 Leases

In preparing the financial statements for the current year, the Group has adopted IFRS 16 *Leases* (as issued by the IASB in January 2016) that is effective for annual periods that begin on or after 1 January 2019. The impact of the adoption of IFRS 16 on the Group’s consolidated financial statements is described below. The date of initial application of IFRS 16 for the Group is 1 January 2019

The Group has applied IFRS 16 using the cumulative catch-up approach which:

- Requires the Group to recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application
- Does not permit restatement of comparatives, which continue to be presented under IAS17.

(i) Impact of the new definition of a lease

In preparation for the first time application of IFRS 16, the Group has carried out an implementation project. The project has shown that the new definition in IFRS 16 will not significantly change the scope of contracts that meet the definition of a lease for the Group.

Appendix to the Group Financial Statements – Accounting Policies (continued)

(ii) Impact on Lessee Accounting

(i) Former operating leases

IFRS 16 changes how the Group accounts for lease previously classified as operating leases under IAS 17, which were off balance sheet.

Applying IFRS 16, for all leases, the Group:

- Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued payments.
- Recognises depreciation of right-of-use assets and interest on lease liabilities in the income statement;
- Separates the total amount of cash paid into a principal portion (presented within financial activities) and interest (presented within financing activities) in the consolidated statements of cash flows.

The Group has used the following practical expedients when applying the cumulative catch-up approach to leases previously classified as operating leases applying IAS 17.

- The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Group has elected not to recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the date of initial application.
- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- The Group has used hindsight when determining the lease term when the contract contains options to extend or terminate the lease.

(iii) Financial impact of initial application of IFRS 16

The weighted average incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on 1 January 2019 is 1.6%.

The following table shows the operating lease commitments disclosed applying IAS 17 at 31 December 2018, discounted using the incremental borrowing rate at the date of initial application and the lease liabilities recognised in the statement of financial position at the date of initial application.

	e'000
Operating lease commitments at 31 December 2018	4,844
Short-term leases and leases of low-value assets	Nil
Effect of discounting the above amounts	(342)
Finance lease liabilities recognised under IAS 17 at 31 December 2018	Nil
Lease liabilities recognised at 1 January 2019	4,502

The Group has recognised €4,502,000 of right-of-use assets of €4,225,000 of lease liabilities upon transition to IFRS 16. The difference of €277,000 represents leases paid in advance.

Leases

The Group has applied IFRS 16 using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under IAS 17. Policies applicable from 1 January 2019

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using its incremental borrowing rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Amendments to IFRS 9 Prepayment Features with Negative Compensation

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. There is no material impact on the Group in relation to the adoption of this standard.

Amendments to IAS 28 Long-term Interests in Associates and Joint Venture

The amendment clarifies that IFRS 9, including its impairment requirements, applies to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture. The Group applies IFRS 9 to such long-term interests before it applies IAS 28. There is no impact on the Group in relation to the adoption of this standard.

Annual Improvements to IFRS Standards 2015–2017 Cycle Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs

The Group has adopted the amendments included in the Annual Improvements to IFRS Standards 2015–2017 Cycle for the first time in the current year. There is no material impact on the Group in relation to the adoption of this standard.

Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement

The amendments clarify that the past service cost is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). IAS 19 is now clear that the change in the effect of the asset ceiling that may result from the plan amendment is determined in a second step and is recognised in the normal manner in other comprehensive income. There is no material impact on the Group in relation to the adoption of this standard.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires the Group to: determine whether uncertain tax positions are assessed separately or as a group; and assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings.

(e) Standards in issue but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective and therefore have not been applied in preparing these financial statements. The Group does not plan to adopt these standards early; instead it will apply them from their effective dates as determined by their dates of EU endorsement. These include:

• IFRS 17 Insurance Contracts	1 January 2021
• IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date to be confirmed by IASB
• Amendments to IFRS 3 Definition of a business	1 January 2020
• Amendments to IAS 1 and IAS 8 Definition of material	1 January 2020
• Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020

The directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Group in future periods.

2. Revenue Recognition

Revenue, which excludes VAT and transactions between companies in the Group, comprises income arising from licence fees; advertising sales; sponsorship; the use of the Group's facilities and transmission network; circulation and events income; and content, merchandising and related income. Revenue is stated net of any settlement and volume discounts.

IFRS 15 applies to all the Group's revenue streams apart from licence fee revenue which is accounted for under IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*. The other revenue streams, as outlined below, are recognised upon transfer of the promised services or goods to the customers. The Group has adopted the five-step approach to the timing of revenue recognition based on performance obligations in customer contracts. This involves identifying the contract with customers, identifying the performance obligations, determining the transaction price, allocating the price to the performance obligations within the contract and recognising revenue when the performance obligations are satisfied.

Appendix to the Group Financial Statements – Accounting Policies (continued)

(a) Licence fee revenue

The Department of Communications, Climate Action and Environment (DCCAE) has nominated An Post to be the collection agent for the TV licence fee. Licence fee revenue is collected by An Post and paid over to the DCCAE, net of collection costs. In addition, licence fee revenue is payable by the Department of Employment Affairs and Social Protection (DEASP) on behalf of individuals eligible for a “free” television licence. This revenue has been subject to a cap since 2011 and is paid monthly by the DEASP to the DCCAE.

The DCCAE makes a non-repayable “grant-in-aid” to RTÉ from these licence fees collected, as provided in Section 123 of the *Broadcasting Act 2009* as amended by section 69 of the *Communications Regulation (Postal Services) Act 2011*. This equates to the amounts paid to it by the DEASP, together with the amounts collected by An Post, net of collection costs, a 7% levy to the Broadcasting Fund and amounts paid to TG4 as determined by the Minister for Communications, Climate Action and Environment.

Licence fee revenue payable by the DEASP is recognised upon receipt. All other licence fee income is recognised upon notification by An Post of the number of licences sold in the period.

(b) Advertising and sponsorship income

Television advertising income is recognised on delivery of a campaign. All other advertising income is recognised on transmission/publication. Advertising income is stated net of agency commissions. Sponsorship income is recognised evenly over the life of the sponsored programme, publication, etc.

(c) Transmission and facilities income

Transmission and facilities income arise from the use of and access to the Group’s transmission, distribution and multiplexing network and studio facilities provided to third parties. Amounts are recognised as the facilities are made available to third parties.

(d) Circulation and events income

Circulation income arises from the publication and circulation of the *RTÉ Guide* and is stated gross. Revenue is recognised on the basis of the net copies sold at the end of the sales cut-off period for each issue.

Events income arises from public events organised by RTÉ Orchestras. It is recognised as the events are held and amounts fall due.

(e) Content, merchandising and related income

Content, merchandising and related income represents amounts generated from RTÉ content and services provided to third parties. Revenue is recognised as the service is provided or upon delivery of goods to the third party.

3. Segment reporting

Segmental analysis, prepared in accordance with IFRS 8 *Operating segments*, is set out in note 2(d). RTÉ’s primary reporting segments are its divisions. Other segmental analysis as required by the *Broadcasting Act 2009* is set out in note 2(e).

In note 2(d), commercial revenues are mainly reported in the Commercial division. 2m revenues are reported in the Network division. Archive and library sales revenues are reported in the Content division. Revenues from the provision of multiplexing services and some other minor revenues are reported under other segments. The reporting of licence fee revenue within each division is a function of the licence fee attributed to each individual channel and service.

Costs directly incurred by and for a division are reported within that division. An appropriate full-cost absorption/usage allocation basis is used to apply a fair and reasonable cost to inter-divisional and central shared services consumed by those divisions. The allocations are based upon consistently applied and objectively justifiable cost accounting principles.

Costs of production, commissioning and acquisition of television and radio programmes are incurred primarily for the purpose of providing RTÉ’s free-to-air television and radio channels. These costs are charged to the Content and News & Current Affairs divisions as appropriate. In order to fairly reflect the true cost of providing RTÉ’s free-to-air television and radio channels, these costs are not apportioned to the online services where further opportunities to access the content are provided. Where direct costs are incurred in the acquisition of online rights, the repurposing of content or the creation of content primarily for online, these are charged to online services. RTÉ is increasing its non-linear output with more programmes getting first transmission on digital platforms and a move towards a digital-first approach in news coverage. Reflecting this digital-first strategy, online services are allocated an appropriate proportion of the cost of common news-gathering infrastructure. Where content is sourced both for inclusion in broadcast programmes and used directly in online services, the cost of sourcing such content is allocated in line with the cost allocation principles set out above.

4. Programme Inventories

Programme inventories are valued at the lower of cost and net realisable value.

Indigenous programme inventories are programmes produced in-house by RTÉ or programmes commissioned by RTÉ from independent producers. Costs for in-house programme stock include direct programme costs, including production facilities and programme labour costs. Costs for commissioned programme stocks are based on the contract price. Indigenous programme inventories are charged to the Income Statement in full on first transmission.

Acquired programme inventories are programmes and films purchased by RTÉ from third-party studios and broadcasters. Costs for acquired programme inventories are defined as the third-party licence contract price which RTÉ pays the studio or broadcaster. Acquired programme inventories are charged to the Income Statement based on the expected value of each transmission as follows:

Features:	75% on first transmission
	25% on second transmission
Series:	99% on first transmission
	1% on second transmission

Sports rights inventories are the rights to broadcast sporting events. Costs for sport rights inventories are defined as the contract price agreed by the Group with the relevant sports body or rights holder. Where RTÉ sublicences sports rights to third parties, the associated income and costs are reflected on a net basis in the Income Statement. Sports rights inventories are charged to the Income Statement as the sporting events relating to the rights are broadcast.

5. Foreign Currency Transactions

Transactions denominated in foreign currencies are translated to the respective functional currencies of group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the Income Statement.

6. Property, Plant and Equipment

(a) Recognition and measurement

Property, plant and equipment is shown at historical cost, net of accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the replaced item can be measured reliably. All other repairs and maintenance costs are charged to the Income Statement during the financial period in which they are incurred.

Stocks of minor spare parts are stated at the lower of cost and net realisable value and are included in Capital projects in progress.

(b) Depreciation

Depreciation is provided on all property, plant and equipment, except freehold land and spare parts, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life.

The principal rates used are as follows:

Buildings	2.5%	-	25%
Plant & equipment	7.5%	-	20%
Fixtures & fittings	10%	-	25%

Capital projects in progress represent the cost of purchasing and installing property, plant and equipment ahead of their commission into use. Depreciation is charged on assets from the date of commissioning.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

Appendix to the Group Financial Statements – Accounting Policies (continued)

(c) Impairment

In accordance with IAS 36 *Impairment of Assets*, the carrying amount of items of buildings and plant and equipment are reviewed at each year end date to determine whether there is any indication of impairment and are subjected to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated.

(d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7. Intangible Assets

(a) Recognition and measurement

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably. The asset is deemed to be identifiable when it is separable or when it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the Group or from other rights and obligations.

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The Group's intangible assets are entirely software-related in nature.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(b) Amortisation

Intangible assets, with finite useful economic lives, are amortised to the Income Statement on a straight-line basis over their estimated useful lives from the date they are available for use. In the case of computer software, the useful economic lives are generally three to five years.

(c) Impairment

In accordance with IAS 36 *Impairment of Assets* the carrying amount of intangible assets are reviewed at each year end date to determine whether there is any indication of impairment and are subjected to impairment testing when events or changes in circumstances indicate that the carrying values are not recoverable. If any such indication exists, then the asset's recoverable amount is estimated.

8. Financial Instruments

(a) Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables (excluding prepayments), liquid investments, cash and cash equivalents, restricted cash, loans and borrowings, accrued income, employee benefits and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Investments in subsidiaries

RTÉ's investments in subsidiary companies in its Statement of Financial Position are recognised at cost, less impairment losses.

Trade and other receivables

Trade and other receivables are stated at amortised cost, which approximates to fair value given the short-dated nature of these assets. Trade receivables are carried at original invoice amount less any impairment for potentially unrecoverable amounts. Impairment is recognised if there is objective evidence after initial recognition that a balance may not be recoverable in full or in part.

Liquid investments

Liquid investments comprise short-term deposits that have a maturity date of greater than three months from the date of acquisition but less than 12 months from the year end date. Given that the maturity of these investments falls outside the timeframe for classification as cash and cash equivalents under IAS 7 *Cash Flow Statements*, the related balances are treated as financial assets and are stated at fair value at inception and carried at amortised cost thereafter. Income on these assets is recognised on an effective interest rate basis.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and call deposits that are readily convertible to known amounts of cash at or close to their carrying values and are subject to an insignificant risk of changes in value. Where call deposits are classified as cash equivalents, the related balances have a maturity of three months or less from the date of acquisition. Income on these assets is recognised on an effective interest rate basis.

Loans and borrowings

Interest-bearing loans and borrowings are initially recorded at fair value, being the fair value of the consideration received, net of attributable transaction costs. Subsequent to initial recognition, variable rate borrowings are measured at amortised cost using the effective interest rate methodology.

Trade and other payables

Trade and other payables are stated at amortised cost, which approximates to fair value given the short-dated nature of these assets.

(b) Derivative financial instruments

The Group is exposed to market risks relating to fluctuations in interest rates and currency exchange rates. The Group has entered an interest rate swap to manage the exposure to the interest rate fluctuations on its borrowings. Foreign currency forward contracts are used to manage the Group's exposure to fluctuations in US dollar and sterling for forecasted transactions. The Group does not enter into speculative derivative contracts.

The fair value of the interest rate swap is determined by discounting the projected cash flows on the swap arrangement to present value using an appropriate market rate of interest. The fair value of foreign currency forward contracts is determined based on the present value of the quoted forward price.

Derivative financial instruments are initially recognised at fair value and are subsequently re-measured to fair value at each reporting date. The Group categorises derivative financial instruments as financial assets or liabilities at fair value through surplus or deficit or as cash flow hedges. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Income Statement, except for the effective portion of cash flow hedges, which are recognised in the Statement of Comprehensive Income (as described below).

Cash flow hedges

At the inception of a cash flow hedge, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk-management objective and strategy for undertaking the hedge.

Where a derivative financial instrument is designated as a cash flow hedge of a recognised liability, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the Statement of Comprehensive Income. The ineffective part of any gain or loss is recognised in the Income Statement immediately. The amount accumulated in equity is reclassified to the Income Statement in the same period that the hedged item affects surplus or deficit.

If the hedging instrument no longer meets the criteria for hedge accounting or the designation is revoked, the hedge accounting is discontinued prospectively.

9. Employee Benefits

(a) Retirement benefit obligations

The Group, through the RTÉ Superannuation Scheme, the RTÉ Defined Contribution Pension Scheme, the RTÉ "50/50" Risk-Sharing Pension Scheme (a hybrid scheme that has both defined benefit and defined contribution elements) and other defined contribution schemes, makes pension contributions for a substantial number of employees.

In relation to the defined contribution schemes and the defined contribution element of the RTÉ "50/50" Risk-Sharing Pension Scheme, contributions are accrued and recognised in the Income Statement in the period in which they are earned by the relevant employees.

For the RTÉ Superannuation Scheme, a funded contributory defined benefit scheme, and the defined benefit element of the RTÉ "50/50" Risk-Sharing Pension Scheme, the difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as an asset/liability in the Statement of Financial Position. The amount charged to the Income Statement is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The Group determines the net interest expense/(income) by applying the discount rate used to measure the defined benefit obligation at the beginning of the period, on the net defined benefit liability/(asset) at the start of the period, taking into account changes during the period as a result of contributions and benefit payments. The net interest expense/(income) is shown as a financing item in the Income Statement. Remeasurements of the net defined benefit liability, returns on plan assets and the effect of the asset ceiling are recognised immediately in the Statement of Comprehensive Income.

When the benefits of a plan are changed, the resulting change in the benefit that relates to past service is recognised immediately in the Income Statement.

Appendix to the Group Financial Statements – Accounting Policies (continued)

(b) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, if it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(c) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

10. Income Tax

(a) Recognition

Income tax comprises current and deferred tax. Income tax expense is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

(b) Current tax

Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Group's taxable income is liable to Irish corporation tax. The Group's licence fee revenue earned prior to 31 December 2006 was exempt from corporation tax.

(c) Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are anticipated to apply in the period in which the asset is realised or the liability is settled based on the tax rates and tax laws that have been enacted or substantively enacted at the year end date.

Deferred tax liabilities are recognised for all taxable temporary differences with the exception of the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting profit nor taxable profit or loss at the time of the transaction.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

11. Finance Income and Expenses

Finance income comprises interest income on cash and liquid investments and fair value movements on derivative financial instruments that are recognised through the Income Statement.

Finance expenses comprise interest on borrowings, unwinding of the discount on restructuring costs and fair value movements on derivative financial instruments that are recognised through the Income Statement.

12. Dividend Income

Dividends paid and received from group companies are included in the company financial statements in the period in which the related dividends are declared and approved.

13. Grants

Grants are recognised in the Income Statement in the financial year that they relate to. Grants are recognised as income or deducted from the related expense, provided that there is reasonable assurance that the Group will comply with any conditions attached to the grant and that the grant will be received. Licence fee revenue is accounted for in line with IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*.

Capital grants are recorded as deferred income and are released to the Income Statement on a basis consistent with the depreciation policy of the relevant assets.

2019 Performance Commitments

Renewing RTÉ for the next generation

Introduction

RTÉ's Commitments align with its 2018-2022 strategy, prepared as RTÉ's submission to the second s124(8) 5-year review under the *Broadcasting Act 2009* (the Act). This strategy, *Renewing RTÉ for the next generation* provides a new direction for the organisation, which is encompassed in RTÉ's new vision: *To champion Irish culture by, captivating audiences with trusted, engaging and challenging content, celebrating our country's rich diversity, and cultivating Ireland's talent.* 2019's Commitments for 'Year 2' of RTÉ's five-year strategy set out six commitments under three headings or strategic objectives: Audience, Content, and Sustainability.

Audience – Deliver content relevant to all Irish audiences, serving everyone, everywhere

1. Put the audience at the centre of decision making
2. Be where the audience is – provide universal access, optimise linear, and adopt digital first

Content – Captivate audiences through a more varied mix of quality content that tells Ireland's stories

3. Provide trusted, challenging and engaging content
4. Champion Irish culture
5. Celebrate diversity and cultivate Irish talent

Sustainability – Protect the future of public service media through a sustainable RTÉ

6. Protect the future of PSM through a sustainable RTÉ

Pursuant to section 102(3) of the Act RTÉ's APSC 2019 was submitted to the BAI and the Minister in April 2019 and a summary was subsequently published on RTÉ.ie. A summary of fulfilment of 2019's commitments is presented here in compliance with section 102(5) of the Act. In compliance with section 102(4) of the Act, a separate and more detailed report on fulfilment or otherwise of commitments was submitted to the BAI and the Minister in April 2020.

In late 2019, RTÉ published its Revised Strategy 2020-2024, a plan that aims to bring Ireland's public service media to sustainability and to address many of the challenges RTÉ faces. This strategy sets out a new blend of complimentary live and on-demand services, offering audiences compelling and varied content, at times and on devices that suit them. The strategy will also evolve what RTÉ should stand for today and into the future.

RTÉ's audience consumption figures for 2019 were strong however, in the second half of the year, many of the audience perception figures dipped considerably. While media coverage about RTÉ may have negatively influenced audience perception in late 2019, RTÉ intends to strengthen its relationship with audiences by delivering on its revised strategy from 2020 onwards.

2019 Performance Commitments (continued)

Audience

Deliver content relevant to all Irish audiences, serving everyone, everywhere.

Commitment	Intended Public Impacts	Target Measure	Result
1. Put the audience at the centre of decision making	Audience needs are central to the delivery of PSM in Ireland.	<ul style="list-style-type: none"> Maintain public perception that RTÉ is relevant to people in Ireland today at >80% 	Commitment largely achieved. 76% of Irish adults agreed. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section.
	Irish people feel ownership and connection with their PSM.	<ul style="list-style-type: none"> Maintain public perception that RTÉ has high quality content and services at >75% 	Commitment not achieved. 68% of Irish adults agreed. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section.
2. Be where the audience is – provide universal access, optimise linear, and adopt digital first	The media needs of all segments of Irish society are fulfilled.	<ul style="list-style-type: none"> Maintain average weekly reach for all RTÉ services at or above 90% (18+) 	Commitment achieved
	Young people are engaged by Irish content and services.	<ul style="list-style-type: none"> Maintain average weekly reach for all RTÉ services at or above 90% (18-34) 	Commitment achieved
	Innovation in media production will engage digital natives with Irish content.	<ul style="list-style-type: none"> Grow RTÉ's average weekly reach via mobile and online to >55% 	Commitment achieved. Weekly reach was 55% including social media and 54% on any digital service from RTÉ.
	People will have easy and immediate access to Irish content on their device of choice.	<ul style="list-style-type: none"> Maintain RTÉ television share (adults 15+, all day) at 24-26% 	Commitment achieved
		<ul style="list-style-type: none"> Maintain RTÉ radio share (adults 15+, all day) at >30% 	Commitment achieved
		<ul style="list-style-type: none"> Develop a new metric of Time Spent with RTÉ and report on adults 15+ and adults aged 15-34 	Commitment achieved
		<ul style="list-style-type: none"> Maintain public perception that RTÉ programmes and services are easily accessible on a range of devices at >70% 	Commitment achieved

Content

Captivate audiences through a more varied mix of quality content that tells Ireland's stories.

Commitment	Intended Public Impacts	Target Measure	Result
3. Provide trusted, challenging and engaging content	In the era of fake news, Irish people have a trusted news source.	<ul style="list-style-type: none"> Maintain public perception that RTÉ provides trusted N&CA at >80% 	Commitment achieved
	The powerful in Irish society are held to account, wrongdoing and bad practice in Irish institutions is exposed.	<ul style="list-style-type: none"> Maintain public perception that RTÉ generates national debate / political discourse 	Commitment achieved
	Education in Ireland is enriched through the inclusion of different perspectives and ways of learning.	<ul style="list-style-type: none"> Maintain public perception that RTÉ keeps me well informed at >80% 	Commitment not achieved. 75% of Irish adults agreed. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section.
4. Champion Irish culture	Public discourse is stimulated and a mirror is held up to contemporary Irish society.	<ul style="list-style-type: none"> Maintain public perception that RTÉ is an important part of Irish life at >80% 	Commitment achieved
	Irish people will benefit from the rich audio-visual heritage delivered through a state-of-the-art PSM archive.	<ul style="list-style-type: none"> Maintain public perception that RTÉ enables me to connect with national events at >80% 	Commitment largely achieved. 79% of Irish adults agreed.
	Pride in our national identity is strengthened through engagement with the cultural and sporting experiences that bind us as a nation.	<ul style="list-style-type: none"> Maintain public perception that RTÉ devotes the right amount of time to children's programmes at >50% 	Commitment achieved
	Irish children will see their experiences and hear their own voices on screen, on radio and online.	<ul style="list-style-type: none"> Maintain RTÉjr weekly reach among 4-7s at >13% 	Commitment not achieved. Weekly reach was 10.7% among children aged 4-7 years. See commentary on RTÉ's revised strategy in the Introduction to this section. For children, this includes a new on-demand and digital strategy as children are now less inclined to watch linear channels.
	The Irish language will grow in prominence and become an integral part of the Irish media landscape.	<ul style="list-style-type: none"> Maintain public perception that RTÉ provides a comprehensive service for Irish speakers at >60% 	Commitment achieved
		<ul style="list-style-type: none"> Maintain RTÉ RnaG weekly reach among adults 15+ at >3% 	Commitment achieved

2019 Performance Commitments

(continued)

Commitment	Intended Public Impacts	Target Measure	Result
5. Celebrate diversity and cultivate Irish talent	People from every part of Irish society see their experiences represented in their PSM organisation and feel included.	<ul style="list-style-type: none"> Grow public perception that RTÉ reflects current Irish society to >80% 	Commitment not achieved. 73% of Irish adults agreed. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section. RTÉ had set an ambitious growth target in 2019, and remains fully committed to improving this score.
	There is a heightened awareness of the diversity of Irish society and enhanced social cohesion.	<ul style="list-style-type: none"> Grow public perception that RTÉ has a range of new faces and voices on air to >62% 	Commitment not achieved. 57% of Irish adults agreed, which was on a par with 2018's result. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section. RTÉ had set an ambitious growth target in 2019, and remains fully committed to improving diversity of representation.
	Ireland has a consistently creative and innovative PSM.	<ul style="list-style-type: none"> Maintain high proportion of RTÉ Radio's FM output as first-run indigenous at >80% 	Commitment achieved
	The creative economy in Ireland experiences growth and is strengthened and developed.	<ul style="list-style-type: none"> Maintain high proportion of indigenous hours as a % of total peaktime hours on RTÉ One at >75% 	Commitment achieved
	Ireland's existing and emerging creative talents are showcased and celebrated.	<ul style="list-style-type: none"> Statutory spend requirement met 	Commitment achieved
	Compelling Irish stories are told in a universal and powerful way.	<ul style="list-style-type: none"> Grow public perception that RTÉ One is good for Irish drama to >70% 	Commitment not achieved. 61% of Irish adults agreed. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section. RTÉ had set an ambitious growth target for 2019 and remains committed to quality Irish drama.
	Access to the arts will be broadened and democratized enhancing public appreciation for our distinctive culture and heritage.	<ul style="list-style-type: none"> Maintain public satisfaction with the quality of culture and arts on RTÉ at >67% 	Commitment not achieved. 60% of Irish adults agreed. See commentary on RTÉ's revised strategy and audience perception in the Introduction to this section.
		<ul style="list-style-type: none"> Maintain public perception that RTÉ provides a broad range of orchestral music at >56% 	Commitment largely achieved. 55% of Irish adults agreed.

Sustainability

Protect the future of Public Service Media through a sustainable RTÉ

Commitment	Intended Public Impacts	Target Measure	Result
6. Protect the future of PSM	The future of PSM in Ireland is protected and is sustainable.	<ul style="list-style-type: none"> Meet annual budget 	Commitment achieved. RTÉ reported a Net Deficit after tax of €7.2m which was better than Budget. Despite a shortfall in commercial revenue and licence fee income, operating costs were curtailed and a gain in tax contributed to the improved result.
	It is run effectively and efficiently. It is supported by RTÉ commercial activities.		
	It is open, accountable and transparent.	<ul style="list-style-type: none"> Deliver RTÉ's portfolio of services within budgeted operating costs 	Commitment achieved
	PSM legitimacy is strengthened and protected in Ireland.	<ul style="list-style-type: none"> Operate RTÉ's commercial activities efficiently to maximise the net return for RTÉ's public service activities and achieve Group commercial revenue targets 	Commitment largely achieved. RTÉ earned €145.8m in commercial revenue, which was slightly behind target. The continued uncertainty in the market due to Brexit remained a factor in 2019 impacting all trading platforms.
		<ul style="list-style-type: none"> Total content and distribution spend as a % of Operating Costs is >80% 	Commitment achieved
		<ul style="list-style-type: none"> PROCs* as % of Total Operating Costs 	Commitment achieved
		<ul style="list-style-type: none"> Maintain public perception that RTÉ is valuable to Irish society at >85% 	Commitment largely achieved. 83% of Irish adults agreed.
	<ul style="list-style-type: none"> Maintain public perception that RTÉ is trustworthy at >75% 	Commitment largely achieved. 72% of Irish adults agreed.	

*Personnel Related Operating Costs

Other Reporting & Statistical Information

Audience Council

Section 96 of the *Broadcasting Act 2009* established the RTÉ Audience Council on a statutory basis. It provides a voice for the viewers and listeners with regard to RTÉ's output and delivery on its public remit. It advises the RTÉ Board on specific issues relating to RTÉ's public-service remit and audience needs.

The members represent a diverse range of interests and backgrounds and are appointed by the Board of RTÉ, taking into account the requirements of the *Broadcasting Act 2009*. The RTÉ Board also appoints one of its members (Fionnuala Sheehan) as an ex-officio member of the council. Further information on the Audience Council and its members is available at <https://about.rte.ie/inside-rte/rte-audience-council/>

RTÉ Fair Trading Report 2019

RTÉ is committed to ensuring that its trading activities adhere to the principles of fair competition and are operated within the framework of both EU and national legislation. In addition RTÉ has considered it appropriate to implement its own policy and procedures, the RTÉ Fair Trading Policy and Procedures which are published on the RTÉ website.

The Fair Trading Committee was established to oversee the implementation of the Policy and Procedures. It is a sub-committee of the RTÉ Board. The members of the sub-committee during 2019 were Fionnuala Sheehan (Chair) and Deborah Kelleher. This sub-committee is responsible for the independent oversight of the fair trading policy with regard to its implementation; with the ability to conduct periodic reviews of the policy as well as a review of the complaints procedure. The Fair Trading Officer, Eleanor Bleahene reported directly to the sub-committee during 2019. The Fair Trading Officer continued to conduct briefing sessions for managers across RTÉ and provided advice on fair trading matters during 2019.

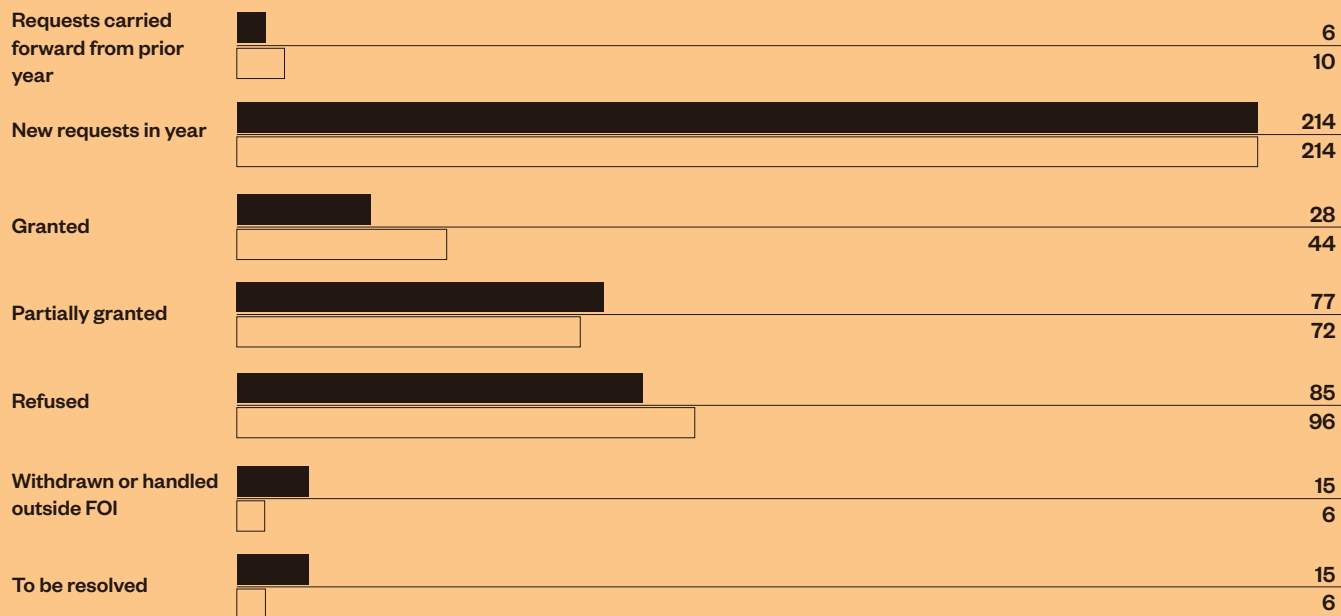
No complaints were received during 2019.

Report under Section 22 of the *Protected Disclosures Act 2014*

Section 22 of the *Protected Disclosures Act 2014* requires RTÉ to publish an annual report relating to protected disclosures made under the *Protected Disclosures Act 2014*. In accordance with this requirement, RTÉ confirms that no protected disclosures were made during the year ending 31 December 2019.

FREEDOM OF INFORMATION REQUESTS TO RTÉ

■ 2019 □ 2018



Source: RTÉ

COMPLAINTS TO BROADCASTING AUTHORITY OF IRELAND ABOUT RTÉ OUTPUT

■ 2019 □ 2018



Source: RTÉ

Financial History

	IFRS 2019 €'000	IFRS 2018 €'000	IFRS 2017 €'000	IFRS 2016 €'000	IFRS 2015 €'000
INCOME STATEMENT					
Television licence revenue	196,248	189,055	186,068	179,081	178,909
Commercial revenue	145,837	150,050	151,508	158,237	155,403
Total revenue	342,085	339,105	337,576	337,318	334,312
Operating costs (before depreciation, amortisation and exceptional items)	(337,773)	(339,803)	(334,520)	(343,448)	(320,262)
EBITDA before exceptional items	4,312	(698)	3,056	(6,130)	14,050
Depreciation and amortisation	(13,803)	(12,417)	(12,330)	(13,562)	(14,240)
Gain on disposal of assets	288	5	5,004	119	569
Exceptional items ¹	256	(548)	69,896	-	-
(Loss)/profit from operating activities after exceptional items	(8,947)	(13,658)	65,626	(19,573)	379
Net finance income/(expense)	57	520	(2,115)	217	(2,650)
Tax	1,689	135	(21,418)	(297)	(482)
(Deficit)/surplus for the year	(7,201)	(13,003)	42,093	(19,653)	(2,753)
BALANCE SHEET					
Non-current and current assets					
Property, plant and equipment	71,028	67,846	66,114	70,137	76,319
Intangible assets	6,311	5,695	3,212	2,020	2,155
Financial assets	346	-	-	-	-
Pension asset	110,404	49,556	50,910	29,064	46,749
Inventories	27,689	31,245	34,871	35,427	32,139
Other assets	132,314	127,207	166,825	71,404	82,267
Total assets	348,092	281,549	321,932	208,052	239,629
Non-current and current liabilities					
Employee benefits – restructuring	14,332	16,675	23,055	12,895	15,399
Retirement benefit obligation	-	-	-	-	-
Other liabilities	178,452	169,344	189,765	154,902	149,057
Total liabilities	192,784	186,019	212,820	167,797	164,456
Equity	155,308	95,530	109,112	40,255	75,173
Total equity and liabilities	348,092	281,549	321,932	208,052	239,629
CASH FLOW					
Net cash (absorbed)/generated from operating activities	7,345	(21,156)	(7,448)	(5,402)	9,108
Net cash outflow from acquisition of property, plant, equipment and intangible assets	(14,287)	(18,205)	(11,386)	(8,538)	(7,704)
Net proceeds from sale of property, plant and equipment	305	17	109,963	127	592
EMPLOYEE HEADCOUNT					
Total at 31 December	1,831	1,822	1,924	1,984	1,978

¹ Exceptional items includes gain on disposal of land, sales-enabling project costs, restructuring and other charges

Notes

RTÉ

Raidió Teilifís Éireann
Baile Átha Cliath 4, Éire.

RTÉ
Dublin 4, Ireland.

T: +353 1 208 3111
F: +353 1 208 3080

E: info@RTÉ.ie
www.RTÉ.ie

twitter.com/rte
[linkedin.com/company/rte](https://www.linkedin.com/company/rte)