

RTÉ

CONNECTED

Radio Telefís Éireann
Annual Report and
Group Financial Statements 2008



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Radio Telefís Éireann Authority

48th Annual Report and Group Financial Statements for the 12 months ended 31 December 2008, presented to the Minister for Communications, Energy and Natural Resources pursuant to sections 25 and 26 of the *Broadcasting Authority Act, 1960*.

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

RTÉ's vision is to grow the trust of the people of Ireland as it informs, inspires, reflects and enriches their lives.

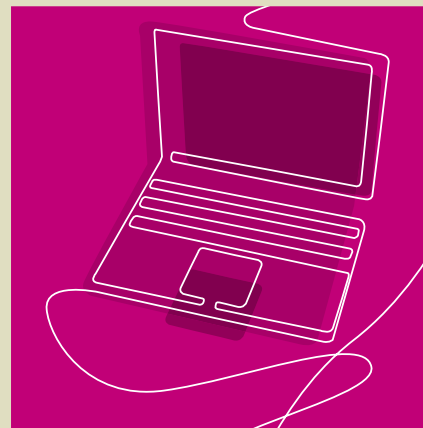
RTÉ's mission is to:

- Nurture and reflect the cultural and regional diversity of all the people of Ireland
- Provide distinctive programming and services of the highest quality and ambition, with the emphasis on home production
- Inform the Irish public by delivering the best comprehensive independent news service possible
- Enable national participation in all major events

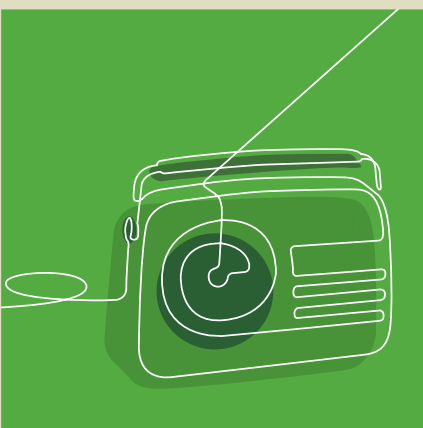
Highlights



10
most watched TV programmes in Ireland were on RTÉ, nine of which were home produced



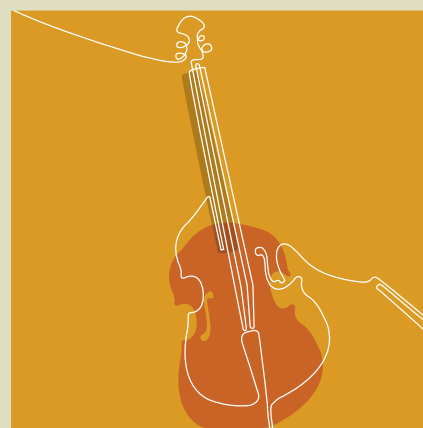
10
most listened to Radio programmes in Ireland were on RTÉ and all were home produced



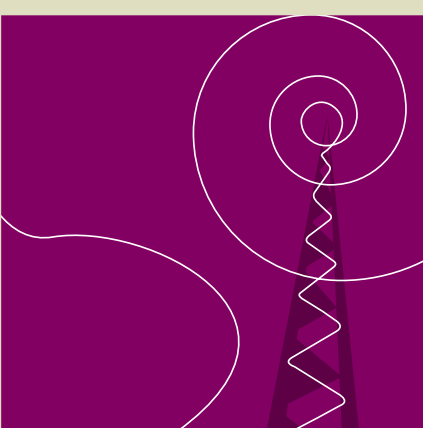
7 million
hits on RTÉ.ie during the Beijing Olympics



498k
was the viewing figure for the Prime Time Budget Special



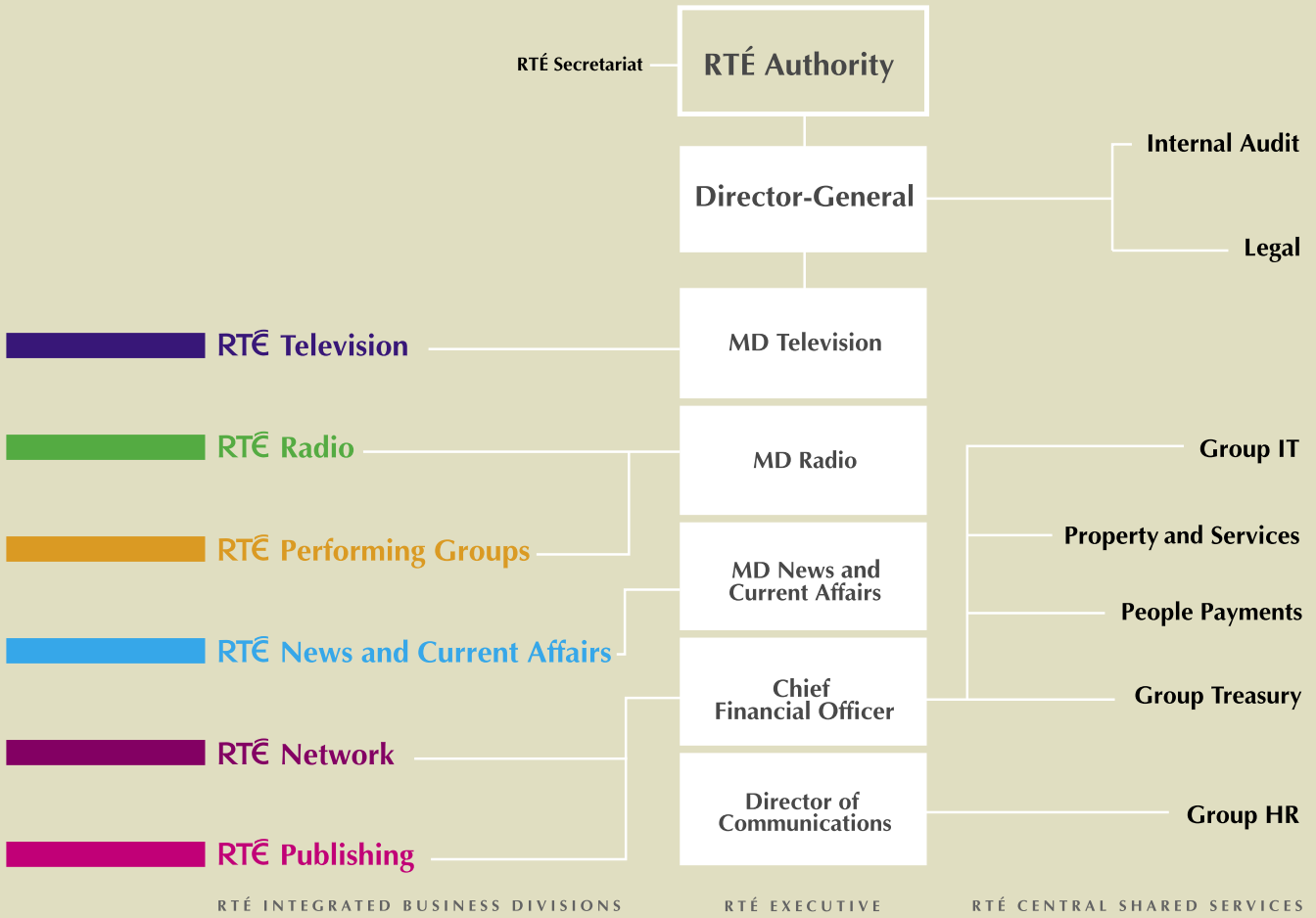
Break-even
result for 2008



Deficit **€86.6m**
on RTÉ Superannuation Scheme

Organisation Structure

RTÉ's organisational structure is as follows:



The RTÉ Executive manages RTÉ's Integrated Business Divisions (IBDs) and the Group's Shared Services on a day-to-day basis. The Director-General reports directly to the RTÉ Authority, which is charged by the Irish Government with overseeing the activities of the RTÉ Group.

What We Do

RTÉ Television

RTÉ operates two complementary free-to-air television channels:

- RTÉ One - the home of authoritative television news and current affairs coverage of national and international stories. A comprehensive range of home-produced Irish factual, entertainment, drama and lifestyle programming is complemented by selected acquired material.
- RTÉ Two - a mixed-genre channel appealing to niche audiences across the schedule. During daytime its primary focus is children and sports; in the evening it targets viewers of a young mindset with innovative drama, entertainment and key acquisitions.

RTÉ Radio

RTÉ operates four FM and six digital radio stations:

- RTÉ Radio 1 - with news, information, feature strands, debate and sport
- RTÉ 2fm - talk and popular music for the under-35s
- RTÉ lyric fm - a classical music and arts channel
- RTÉ Raidió na Gaeltachta - an Irish language service, similar in content to RTÉ Radio 1 but with special attention paid to traditional music and local news in the various Gaeltacht communities
- RTÉ 2XM - rock and pop for the student generation with an emphasis on the new and the Irish
- RTÉ Choice - the best of international public radio and RTÉ feature archives
- RTÉ Junior/Chill - the first children's radio station in Ireland; playing music and stories from 7 a.m. to 9 p.m. The channel is shared with RTÉ Chill, an ambient music service which broadcasts while Junior is off-air
- RTÉ Gold - uninterrupted popular music for the over-35s
- RTÉ Pulse - electronic Dance music
- RTÉ Radio 1 Extra - a catch-up and split content service for RTÉ Radio 1

RTÉ News and Current Affairs

- RTÉ provides independent, accurate and impartial news and current affairs programming, in both languages, across all services, including Radio, Television and RTÉ.ie.

RTÉ Network

- RTÉNL (RTÉ Transmission Network Limited) provides a national transmission network, for RTÉ Radio and Television, TG4, TV3 and Today FM. It also rents tower space on its masts to local radio stations and a range of entities involved in broadband, mobile phone networks, the emergency services etc.

RTÉ Publishing

RTÉ Publishing operates three of Ireland's leading media services:

- RTÉ.ie - the most popular media website offering a range of free web based online services
- RTÉ Guide - the best-selling Irish weekly magazine
- RTÉ Aertel - the leading free-to-air teletext service

RTÉ Performing Groups

RTÉ is a major contributor to the arts in Ireland, and operates five performing groups:

- RTÉ National Symphony Orchestra
- RTÉ Concert Orchestra
- RTÉ Vanbrugh Quartet
- RTÉ Philharmonic Choir
- RTÉ Cór na nÓg

Chairman's Statement



Mary Finan Chairman

RTÉ's Annual Report and Group Financial Statements 2008 is the final report of my term as Chairman of the RTÉ Authority. As we entered 2008 none of us foresaw the difficulties that lay ahead but I am pleased to report that, despite the economic downturn, RTÉ turned in a creditable performance with break even results.

2008 was a year of two parts for RTÉ from a revenue point of view. It started with strong performances across all commercial operations but by year-end the global financial crisis and the rapid slowdown of the domestic economy had impacted negatively on RTÉ's commercial revenue. This necessitated taking some difficult decisions during 2008 resulting in cutbacks, a pay freeze and careful pruning of the overall cost base, all of which was done without affecting the quality of output. This process will continue throughout 2009 and will be challenging for the incoming Authority, subsequent Board, management and staff.

The Government decided in 2002 that there would be annual reviews of the Television Licence Fee. This happened from 2003 up to and including 2006 and in each year, based on independent assessments of RTÉ's performance, there was a modest increase. This process slowed down in 2007 and 2008 with the result that RTÉ has not benefited from a review in either year. A revised process and a new timescale have now been agreed which should help to address some of the financial difficulties anticipated in 2009.

Public Service Broadcasting is never more important than in an economically challenged environment. RTÉ has a duty to be accurate, to explain and to challenge, even if at times this is difficult for our audience, many of whom are worried about their own futures. At times like this there is widespread public interest in what is happening. RTÉ News and Current Affairs has played a central role in helping people to better understand the tumultuous events affecting all our lives and has held significant audiences on Television, Radio and Online. I am pleased to report that 2008 was a good year for RTÉ in terms of output and that this was appreciated by the audience as shown by the remarkably stable ratings in such a highly competitive market.

One of the current challenges facing RTÉ is the smooth and timely migration to digital reception mechanisms for television. Important preparations for the launch of Ireland's Digital Terrestrial Television (DTT) service were made during 2008. At the time of writing, RTÉ has begun upgrading and testing the technical transmission and distribution infrastructure required to broadcast both the single public

service and the three commercial multiplexes and is committed to meeting its requirements under the legislation. A decision has been taken to seek major debt facilities to enable us to bring the project to fruition.

At the end of 2008 the eagerly awaited Broadcasting Bill reached its final stages before its enactment by the Oireachtas which is due in 2009. The Authority very much welcomes the consolidation of broadcasting legislation and in particular the clarity around the roles, responsibilities and duties of the new RTÉ Board and the new Broadcasting Authority of Ireland (BAI). However, at a time when its largest revenue source, commercial income, is under extreme pressure, RTÉ has real concerns relating to the potential additional funding burden being placed on it as a result of the enactment of the Bill. If implemented the additional financial impositions would cost RTÉ a minimum of €10 million per annum and would see further diversion of public funding to the private sector.

It has been a great honour for me to serve as Chairman of the RTÉ Authority and I greatly appreciate the wholehearted support I received from the members of the Authority and from the Executive Board and management of RTÉ. I particularly enjoyed working with so many truly talented and committed people across the organisation. I have also gained a deeper understanding of the importance of Public Service Broadcasting and despite the economic outlook and the very real commercial challenges ahead I believe that RTÉ will continue to be an integral part of Irish life and culture. I wish the organisation, all its people and the incoming Board every success over the coming years. I would also like to thank Minister Ryan and his officials in the Department of Communications, Energy and Natural Resources for their active cooperation and interest during my term.

Beir bua agus beannacht.

Mary Finan

“Public Service Broadcasting is never more important than in an economically challenged environment.”

Director-General's Review



Cathal Goan Director-General

This Annual Report for 2008 reflects the realities which face Irish Public Service Broadcasting and Irish Society in general as a result of the convulsions in economic life at home and abroad. As the Chairman of the RTÉ Authority has said 2008 was a year which started well but ended worryingly; it was a year when creative and competitive performance across all activities was remarkable; it was also a year in which an economic downturn – the real extent of which no one had fully anticipated – came with unprecedented rapidity. In its wake, RTÉ, in common with all other players in Irish life, faces new and stark realities.

RTÉ's stated aim of putting the audience first in the range of services it offers was tested and proved resilient despite the changing circumstances. As will be evident from the details below, 2008 was a busy and productive year across all areas of activity – but let me briefly address the main output areas.

As a not-for-profit organisation RTÉ has over the past few years, due to the buoyancy of the advertising market and increases in Licence Fee revenue, been able to invest additional revenue over-and-above that budgeted for each year in the production of extra home-produced RTÉ Television programming. Additional amounts were spent with independent producers and the resultant home-produced programming helped RTÉ Television to not alone maintain its viewership figures but in some cases to increase them despite the ever increasing number of competitive channels. That RTÉ Television has managed to retain its audience share, and indeed marginally increase it in digital homes, is a significant achievement. Most importantly it proves that Irish home-produced programming can compete favourably with imported (and often better financed) programming and that Irish viewers want and now expect programmes that are made on this island for them.

RTÉ Radio continued to regain lost ground and RTÉ Radio 1 consolidated its position as the meeting place for the national conversation, with a fifth consecutive quarterly JNLR (Joint National Listenership Research) showing a positive trend. This follows a reinvigoration of the schedule made over the past few years in response to audience needs. RTÉ News and Current Affairs is the benchmark for authoritative and independent news and analysis in Ireland. RTÉ's online operations build audiences at home and abroad in a truly impressive fashion. RTÉ.ie generated on average 48 million page impressions per month during the year and has 2.4 million unique users representing a growth of 50% year-on-year. As new features and programming are added and broadband access increases, RTÉ.ie will continue to extend its reach in Ireland and beyond. The challenge into the future will be how to best use this growing platform to augment RTÉ's overall offering.

In these activities, as in all others whether in Performing Groups, Publishing, Network or at the Corporate centre, the key operations could not have worked effectively without first class administrative support from dedicated staff in Legal Affairs, Finance, Human Relations, Marketing, Communications and General Services. That sense of cohesion will be required more than ever as RTÉ faces the stern tests of 2009 and beyond. I am grateful to all staff and to our independent suppliers who have thus far displayed a keen appreciation of the changing circumstances.

In *RTÉ's Annual Report and Group Financial Statements 2007*, a change of Authority was anticipated as was the enactment of new legislation to give effect to the establishment of a new Broadcasting Authority of Ireland. In the event, the RTÉ Authority's term of office was extended by six months to the end of 2008. I want to renew my thanks to the outgoing Authority members and to the Chairman Mary Finan for their continued commitment to RTÉ. The broadcasting legislation had not completed its course through the Houses of the Oireachtas by year-end, but some elements of its provisions have caused concern for RTÉ – particularly as the general economic climate worsens.

The BCI completed the competitive process for the award of licences for three commercial Digital Terrestrial Television multiplexes. The award was made in July 2008 to Boxer DTT Limited, a consortium involving Communicorp Group Limited and the Swedish company Boxer TV-Access AB. RTÉ Transmission Network Limited will work with all the key stakeholders to facilitate the successful establishment of DTT in Ireland and will play a full role in preparing for analogue switch-off in 2012.

The Television Licence Fee was adjusted to €160 effective from 1 January 2008 arising from an external review of RTÉ's fulfilment of its commitments in respect of 2006. In the course of 2008, officials of the Department of Communications, Energy and Natural Resources with the assistance of consultants PwC worked with RTÉ to provide a new template to facilitate Licence Fee Adjustment Reviews from 2009 onwards. RTÉ has drawn heavily on this template in making submissions in respect of its performance in 2007 and 2008. We are grateful to the officials for their attention and supervision of this process and expect the template will facilitate a wider appreciation of RTÉ's performance in both quantitative and qualitative ways.

RTÉ had planned to launch a new television broadcast service to Irish people abroad in the course of 2008 as mandated by the *Broadcasting (Amendment) Act 2007*. However, the quick deterioration in commercial revenue in the final third of the year led to a postponement of one year in this project. The matter will be reviewed constantly in 2009 with a view to achieving the desired policy objective in as cost effective manner as possible.

Clichés abound as to the current state of global economies. Suffice it to say that RTÉ must display determination, resourcefulness and flexibility if we are to meet the unprecedented financial challenges of 2009. Putting the audience first must remain the core objective as we face difficult choices in allocating resources which are becoming scarcer to services with established and growing requirements.

Cathal Goan

Operational Review RTÉ Television

RTÉ Drama

RTÉ Television maintained its commitment to serial and ongoing drama in 2008 with the return of *The Clinic* and *Single-Handed*. With *Eden*, RTÉ aired a new screen version of the acclaimed stage play of the same name. Written by Eugene O'Brien, the RTÉ co-funded film also enjoyed a theatrical release.

Using drama to unlock the true depths of a tragedy, *Whistleblower* re-told the shocking real-life story behind one of Ireland's most heart-wrenching medical scandals of recent years. With 674,000 viewers, the two-part series was among the Top 15 most watched programmes in Ireland in 2008.

Raw brought significant investment to new Irish drama on RTÉ Two. *Bittersweet* proved a significant viewer hit, with a share of 38%.

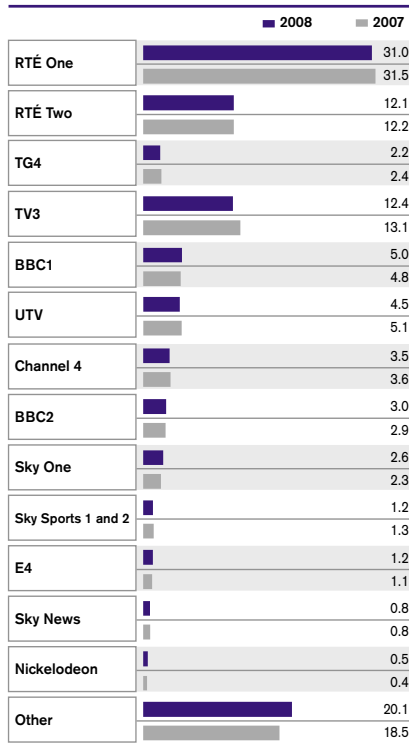
Fair City was the most watched soap on Irish television and was the only soap that featured in the Top 10 programmes for 2008, at number five (715,000 viewers on average). This is a huge achievement as the drama enters its 20th year.

RTÉ Factual

RTÉ screened several new *Arts Lives* documentaries on artists as varied as Patrick McCabe, John Banville, Nóirín Ní Riain and Graham Linehan while, as part of the *Hidden History* strand, RTÉ generated considerable debate with *The Killings at Coolacrease*. Films on the plot to assassinate Queen Victoria and on the deeply felt rivalry between de Valera and Churchill resonated alongside Seán Ó Mórdha's considered reflection on the centrality of the historical to the Irish mindset. Other major history-focused productions in 2008 included *Cromwell in Ireland* and *The Last Confession of Alexander Pearse*.

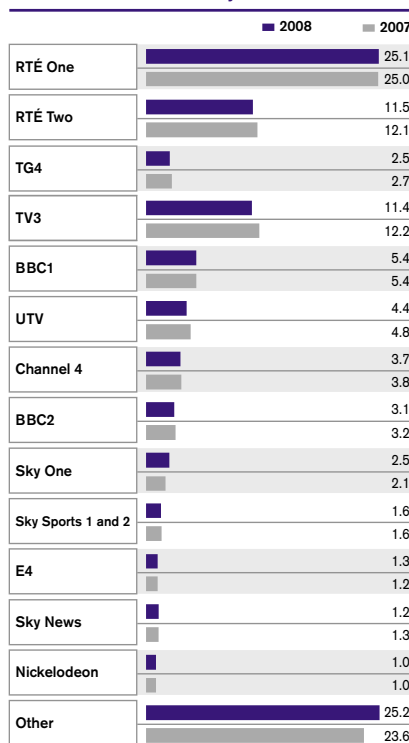
Other Factual highlights included *Where Was Your Family during the Famine?*, *Who Do You Think You Are?* and *Operation Spider*. *Future-Shock* continued to predict the news agenda with programmes on peak-oil, water purity and obesity, while *Bertie*, RTÉ's major four-part series on Ireland's longest serving Taoiseach, won critical and viewer praise.

National Individual Peaktime Channel shares



Source: AGB Nielsen Media Research

National Individual All Day Channel share



Source: AGB Nielsen Media Research



2008 began with the second installment of *Single-Handed: The Stolen Child*.



2008 saw continued growth in *Fair City's* popularity.



Bertie – this four part series gave us an insight into the man behind the personality.



NEW
HOME GROWN
PRODUCTIONS

Operational Review

RTÉ Television (continued)

Most watched TV programmes (000's of viewers)

TOP 10 PROGRAMMES* IN 2008

Base: National, Individuals aged 4+

Rank	Programme	Channel	Day	Date	Time	TVR	000s	Share
1	The Late Late Toy Show	RTÉ One	Fri	28-Nov	21:36 - 23:46	29.1	1,199	69.9
2	RTÉ News: Nine O'Clock	RTÉ One	Fri	11-Jan	21:02 - 21:29	18.9	748	49.0
3	Prime Time Investigates	RTÉ One	Mon	08-Dec	21:35 - 22:32	18.7	773	48.0
4	Killinaskully - The Emergency (Part 1)	RTÉ One	Thu	25-Dec	20:27 - 20:53	18.4	757	44.9
5	Fair City	RTÉ One	Fri	04-Jan	20:32 - 20:59	18.1	715	46.7
6	Buyer Beware!	RTÉ One	Thu	06-Nov	20:33 - 20:57	17.3	714	45.6
7	All Ireland Hurling Final	RTÉ Two	Sun	07-Sep	15:19 - 17:35	17.2	709	64.3
8=	All Ireland Football Final	RTÉ Two	Sun	21-Sep	15:24 - 17:33	17.0	703	65.2
8=	The Rose Of Tralee	RTÉ One	Tue	26-Aug	21:36 - 23:25	17.0	696	46.7
10	Eurovision Song Contest	RTÉ Two	Tue	20-May	20:00 - 22:02	16.8	691	45.5

Source: AGB Nielsen Media Research

* Highest ranking programme. Programme ranked on TV Rating (TVR). Universe changes May and September.

Averaging Option: Any Day, Any Time (Best Episode). News programmes are included. Min duration 15 minutes

RTÉ Television's Archive Unit

Archive footage tells stories of 20th century Ireland through the eyes of ordinary Irish people and their communities. In 2008 the Archive Unit had considerable success with the eight-part series *Home*, which looked at how Irish domestic life evolved over the last half century. *A Bit of a Fillum: Ryan's Daughter in Dingle* and *Anew MacMaster* were one-off films of great empathy and craft while hit series *A Little Bit Showband*, *Hostage* and *War Stories* showcased the wealth and variety of the archive. RTÉ's dedicated team of archivists and restoration specialists also restored more of RTÉ Television's classic series for air during the year, including *Murphy's Australia*, *I Live Here* and *Boat Spotting*.

RTÉ Diversity

The Diversity strand brought major factual projects to air alongside sustained Irish language output. The division diversified significantly into prime-time broadcasting with Des Bishop's celebrated *In the Name of the Fada*, while in *21st Century Child* psychologist David Coleman set out on stage one of his journey to track the development of a group of children from before they were born through their first six years of life.

Science Friction looked at four contemporary and controversial science issues. *Oileán*, *Scannal* and *Léargas* all returned, alongside new adult literacy series *Written Off*. Other multicultural strands *What in the World?*, *No Place Like Home* and *Faraway Up Close* also returned.

RTÉ Regional

RTÉ Television's regional focus continued with the return of series *Consuming Passions* and *Ear to the Ground*. In *Buyer Beware!*, a new consumer affairs programme, Philip Boucher Hayes attracted in excess of 700,000 viewers; meanwhile *Death Duties* offered first-hand accounts of some of state coroner Marie Cassidy's recent cases. Elsewhere, *Customs* was a new regionally-based reality programme that explored the workings of Ireland's customs officials. Broadcast on Sunday evenings, this show proved a significant hit with viewers.

RTÉ Lifestyle

Among RTÉ Daytime and Lifestyle highlights for the year was *Operation Transformation*, a major project that invited the nation on a shared health focus via RTÉ Television, Radio and Online. *At Your Service* and *Ballet Chancers* were among new prime time shows. Several new formats aired on RTÉ Two including *Hollywood Trials* which followed ten acting hopefuls as they tried to break into Hollywood, and *The Ultimate Guide to Everything* in which Television newcomer Mairead Farrell took six self-help books and road-tested them with real people in real situations.

Subtitling hours RTÉ Television

	2008	2007
RTÉ One	4,885	4,449
RTÉ Two	2,744	2,412
All RTÉ	7,629	6,861

Source: RTÉ



Clinical Psychologist David Coleman, presenter of the series *21st Century Child* which charts the lives of children for the first six years.



Young tractor enthusiast Jason Clarke with presenter Darragh McCullough, *Ear to the Ground*, at the Cavan Machinery Show.



Philip Boucher Hayes, presenter of the successful series *Buyer Beware!*



The Late Late Toy Show, watched by over one million people, was the most popular show on television in Ireland in 2008.



Euro 2008 Championship, Liam Brady's last appearance on RTÉ Sport as a commentator before taking up his role as Assistant Coach to the National Soccer Team.



The Road to Croker, once more toured the length and breadth of the country at the height of the Championship season.

RTÉ Entertainment

Once again *The Late Late Toy Show* topped the ratings with 1,199,000 viewers; it was the most-watched programme in Ireland at any time over the past seven years. RTÉ Entertainment broadcast a number of experimental initiatives on RTÉ Two, with Katherine Lynch's *Wonderwomen*, *Langerland.TV*, *Your Bad Self* and *Soupy Norman* invigorating the schedule alongside returning favourites *Naked Camera*, *The Podge and Rodge Show*, *The Panel* and *Dan and Becs*.

RTÉ Young People's

In 2008 RTÉ brought younger viewers almost 800 hours of original, home-produced programming. *One Minute Jr*, RTÉ's unique international multi-platform exchange, enabled youngsters to make their own short films while *Teenology* was a new weekly series of animated shorts outlining what it takes to be a card-carrying member of our teen-nation. *Aisling's Diary* followed the life of an Irish American teenager, obsessed with Irish dance, as she returns with her family to live in Ireland and attempts to fit in. *Jam The Musical*, *Watch Your Language*, *Sattitude*, *Quizone*, *Eye2Eye*, *TTV* and *The Café* all formed part of this age-diverse and energetic schedule.

RTÉ Sport

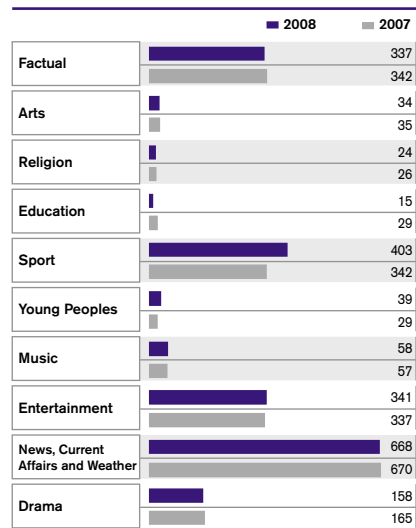
RTÉ Sport broadcast almost 1,000 hours of output in 2008. RTÉ's coverage of the Beijing Olympics showcased the world games with up to 16 hours of daily programming throughout the two weeks. *The Sunday Game Live* covered almost 40 live games from the 2008 Championships, while *The Sunday Game* offered comprehensive highlights, discussion and analysis. The *All Ireland Hurling Final* was the most-watched sporting event of the year with 709,000 viewers, a share of 64% of the available audience. *The Road to Croker* visited GAA clubs throughout the country as the GAA Championships came to a climax while *Sunday Sport* followed the national hurling and football leagues.

In soccer, RTÉ brought viewers coverage of all 31 games in the Euro 2008 Championships, 27 of which were live on RTÉ. As well as all of Ireland's home matches in the World Cup qualifiers, RTÉ's *Champions League* continued to chart the culmination of the 2007/2008 season on both Tuesday and Wednesday nights and, in addition to the live games, RTÉ provided comprehensive highlights and reports from all games in the competition. In domestic soccer, RTÉ aired ten live Eircom League matches as well as 33 hour-long highlights programmes in the new weekly series *MNS*.

The *6 Nations Championship* was an undoubted highlight, with coverage of all 15 games alongside live coverage of the Autumn Internationals and extensive highlights of all Munster and Leinster games in the Heineken Cup. Munster's friendly clash with New Zealand, the match that officially opened the new Thomond Park, was a particularly memorable occasion.

RTÉ Sport also continued its commitment to Horse Racing with 31 days of live coverage of the most significant days in the domestic flat and national hunt seasons. In Boxing *RTÉ Sport* had live coverage of Bernard Dunne and live coverage of the Irish Amateur Championships. There was also coverage of the National Athletics Championships, the European Cross-Country Championships and the Irish Indoor Championships. In addition *OB Sport* catered for many of the so called "minority" sports with its fortnightly round-up of the action from around the country with a regular focus on the performances of Irish athletes abroad.

Indigenous hours broadcast on RTÉ Television in peak time by genre

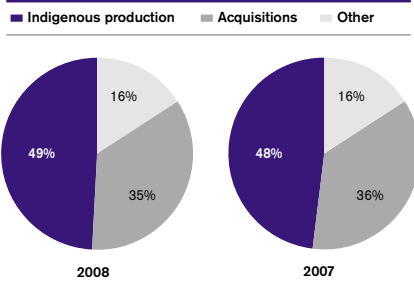


Source: RTÉ

Operational Review

RTÉ Television (continued)

RTÉ Television peak time content analysis



Source: RTÉ

Commercial Activity and Performance

In setting the budget for 2008 there was an expectation of a slow down in the phenomenal growth that had been achieved over the past four years (compound annual growth rate from 2003-2007 of 14.6%) but no economic indicators predicted the rapidity and severity of the decline on the Irish economy in general and TV advertising in particular.

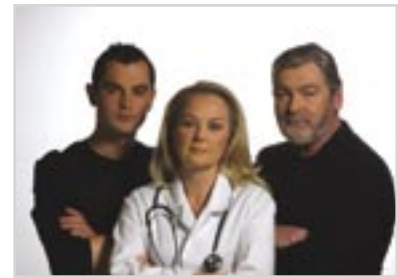
Overall RTÉ Television advertising revenue was down 5% on 2007 but deeper analysis reveals a year of two halves with year-on-year increase of 4% in the January to June period but a fall of 13% in the second half of the year, July to December.

Analysis of TV advertising revenue by category shows the largest year-on-year decreases in Retail, Drink, Finance and Entertainment and the Media. The Retail sector, ranked number two in terms of RTÉ Television revenue, experienced a decrease of over €3 million on 2007 and within this a decline of over €2 million was experienced in quarter 4 2008. Business - Industrial and Government sectors, showed the largest increases in TV advertising spend year-on-year. New advertisers in 2008 included Quinn Direct, Climate Change, Samsung, National Roads Authority and the Irish League of Credit Unions.

RTÉ Television sponsorship revenue was also affected by the dramatic downturn in economic fortunes with final results down 13% on 2007. Despite setbacks caused by the US Guild Writers strike, the early part of 2008 saw some significant contracts agreed including a new sponsor, Baileys, for *Desperate Housewives* (2008 - 2011) and the *Weather* continues to be sponsored by Avonmore (2008 - 2010). New sponsors during 2008 included News International (The Sunday Times), Unilever (Timotei and Cif) and KAL (Nordmende).

Operation Transformation which ran across three platforms, Radio, Television and Online, proved a huge success for the Cross Media Sales team maximising leverage for the sponsor. Other initiatives during 2008 included the Television Sales conference *i² insight and innovation*, bringing new thinking to the television industry in Ireland. This platform introduced some key research (*Affinity and Effectiveness, Brand Essence, Blueprint for a Sting*) to the industry to prove that advertisements and sponsorship on TV work harder than any other medium. In November 2008 RTÉ was the first broadcaster in Europe to broadcast a live advertisement simultaneously across Television, Radio and Online during the Munster vs All Blacks game.

TV Library Sales achieved a record turnover of €455,000 in the year which represents a growth of 143% over a six-year period.



Operation Transformation, RTÉ's first 360° commission on TV, Radio and Online.



In November 2008 RTÉ was the first broadcaster in Europe to broadcast a live advertisement simultaneously across Television, Radio and Online during the *Munster v All Blacks* game.



The major technical project of the year was the redevelopment of the main Television News studio.



The single biggest operation of the year was the *Beijing Olympics*.

RTÉ Television National All Individual Peak Share Comparison 2008 vs. 2007

RTÉ One	31% (- 0.5%)
RTÉ Two	12.1% (- 0.1%)
Total RTÉ	43.1% (- 0.6%), year-on-year percentage drop of 1.4%

RTÉ Television National All Individual All Day Share Comparison 2008 vs. 2007

RTÉ One	25.1% (0.1%)
RTÉ Two	11.5% (- 0.6%)
Total RTÉ	36.6% (- 0.5%), year-on-year percentage drop of 1.3%

RTÉ Television Multi-Channel All Individual Peak Share Comparison 2008 vs. 2007

RTÉ One	26.6% (- 0.1%)
RTÉ Two	10.7% (0.5%)
Total RTÉ	37.3% (0.4%), year-on-year percentage increase of 1.1%

RTÉ Television Digital Peak All Individual Share Comparison 2008 vs. 2007

RTÉ One	22.7% (- 0.2%)
RTÉ Two	9.5% (0.5%)
Total RTÉ	32.2% (0.3%), year-on-year percentage increase of 0.9%

Operational Issues

Investment in new technologies such as Avid in editing and Flint/VizRt in graphics proved its value in terms of creativity and flexibility both on-screen and off-screen.

The biggest single operation of the year was the Beijing Olympics which involved the installation of a temporary production facility. This met the huge demand turning round pictures and commentaries for live and recorded programmes on almost a 24-hour basis; altogether RTÉ Television transmitted 223 hours of Beijing coverage over 16 days.

The major technical project of the year was the redevelopment of the main Television News studio. Given the nature of news it was necessary to plan the project down to the smallest detail to ensure that work was completed on time and with the minimum cost and disruption to services. The building work on the gallery was completed, on time and on budget, in December and the full studio set up went live in early 2009.

Competitive Challenges

2008 was another very challenging yet successful year for RTÉ Television. The competition continues to grow as the number of digital homes increased to over 55% (Source: *AGB Nielsen Media Research - 2008 average*) of the TV population by year-end. While there were some small decreases in share performance in National Homes, RTÉ Television performed well in the most competitive environments, with increases in peak-time in both Multi-Channel and Digital Homes for total RTÉ viewing.

RTÉ had a very strong performance in the Top 20 TV programmes for 2008, with 19 out of 20; 13 on RTÉ One and 6 on RTÉ Two.

Operational Review RTÉ Radio

Top 10 All-Week National Radio Programmes - Adults 15+ January to December 2008

Rank	Programme	Station	Timeblock	Period	% Reach	No. of Adults 15+ (000s)
1	Morning Ireland	RTÉ Radio 1	07:00-09:00	Mon-Fri	12%	437
2	Liveline with Joe Duffy	RTÉ Radio 1	13:45-15:00	Mon-Fri	11%	392
3	Marian Finucane	RTÉ Radio 1	11:00-13:00	Sat	10%	355
4	News at One	RTÉ Radio 1	13:00-13:45	Mon-Fri	10%	335
5	The Gerry Ryan Show	RTÉ 2fm	09:00-12:00	Mon-Fri	9%	317
6	The Tubridy Show	RTÉ Radio 1	09:00-10:00	Mon-Fri	9%	315
7	Today with Pat Kenny	RTÉ Radio 1	10:00-12:00	Mon-Fri	9%	305
8	Marian Finucane	RTÉ Radio 1	11:00-13:00	Sun	8%	297
9	Playback	RTÉ Radio 1	10:00-11:00	Sat	8%	282
10	Conversations with Eamon Dunphy	RTÉ Radio 1	09:00-10:00	Sat	7%	257

Source: Joint National Listenership Research Surveys Jan- Dec 2008 (TNS mrb). Timeblock Reach for National Commercial Stations.

The top priority for RTÉ Radio in 2008 was to build on the successes of the schedule changes in 2006 and 2007 while extending, where possible, the range of services offered to the public. RTÉ lyric fm increased share to 4% by the end of 2008 for the first time since the station was launched. The audience for RTÉ Radio 1 grew across all primetime daytime slots with nine programmes in the JNLR Top 10. Seven of the ten programmes aimed at the 15 to 34 age group and six of the ten programmes for the listeners aged 20 to 44 were on RTÉ 2fm. The ambitious scope of innovative output was a hallmark of RTÉ Raidió na Gaeltachta's performance.

RTÉ Radio 1

RTÉ Radio 1 continued to consolidate schedule changes introduced in 2006 with a resultant growth in audiences. Among the extensive programming on national and international events broadcast during 2008 were:

- run-up to and coverage of the Lisbon Referendum
- US Primaries and Presidential Election
- opening of the Battle of the Boyne site by the Taoiseach and the First Minister of the Northern Ireland Assembly
- appointment of the new Taoiseach
- pork crisis
- global financial downturn.

During the 2008 Olympic Games in Beijing, RTÉ Radio 1 covered all the main events where there was Irish participation. A special overnight programme was transmitted live for the duration of the games and events of significance were taken live into all the main daytime programmes. RTÉ Radio 1 also covered all the main events of Irish interest at the Paralympic Games.

As budgets were tightened towards the end of 2008, RTÉ Radio 1 was obliged to curtail coverage of the *International Rules Series* in Australia and coverage of some international golf tournaments.

RTÉ Radio 1's 52 week schedule of Irish Language programmes included established programmes such as *Buile Faoi Thuairim* and *Scríobhnóirí faoi Chaibidil*, new programmes such as *Cuisle na nEalaíon*, and a variety of music and features for *Seachtain na Gaeilge*. An entertainment series with contributions from different Gaeltachtaí was also broadcast over Christmas.

Some initiatives from the Arts, Features and Drama department included *On the Fringe* - extensive daily coverage of The Dublin Fringe Theatre Festival in the autumn, live webcasts and DAB broadcasts of specific events.



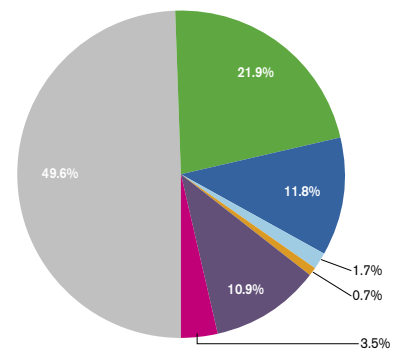
Morning Ireland. Aine Lawlor and Cathal MacCoille



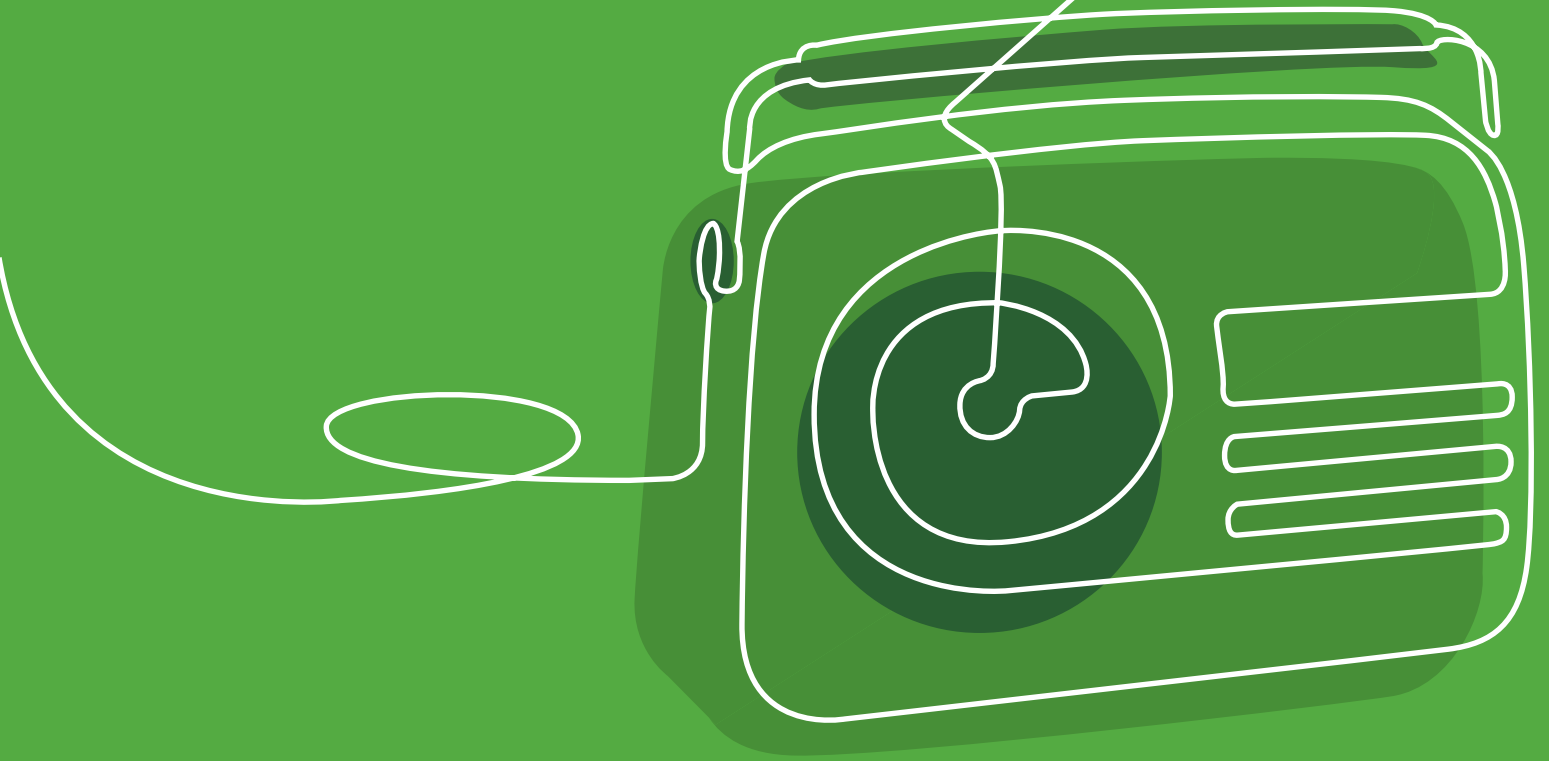
Liveline with Joe Duffy

National Shares of Radio listening 2008

RTÉ Radio 1	21.9%
RTÉ 2fm	11.8%
RTÉ lyric fm	1.7%
RTÉ Raidió na Gaeltachta	0.7%
Today FM	10.9%
Newstalk 106 - 108fm	3.5%
Regional/local stations	49.6%



Source: Joint National Listenership Research Surveys Jan - Dec 08 (TNS mrb)



RTÉ RADIO MAINTAINS POLL POSITION*

*SOURCE: JOINT NATIONAL LISTENERSHIP RESEARCH SURVEYS JAN – DEC 08 (TNS MRBI)

Operational Review

RTÉ Radio (continued)

Our War, a Radio series to recognise the role of the Irish in the First World War, featured cross-IBD output with Television and Publishing and was accompanied by a book of the same title in partnership with the Royal Irish Academy. A CD of the documentary *The Diary of Leanne Wolfe*, which was awarded the International Radio Award at the Premios Ondas Awards in October, was distributed to every second-level school in Ireland.

RTÉ 2fm

The schedule changes made in 2007 began to show benefit in 2008, with *The Colm and Jim-Jim Breakfast Show*, *The Saturday Show* and *The Gerry Ryan Show* all achieving audience growth.

RTÉ 2fm maintained its commitment to broadcasting live music. The channel's coverage of the summer music festivals equated to 46 broadcast hours of live music and the channel doubled broadcast hours of studio sessions with young Irish bands and dance music commissions. The *2more2our* played at 11 venues nationwide in spring, and the RTÉ 2fm *School of Rock* talent search, an initiative to discover new bands, took place at the end of the year. RTÉ 2fm provided over 100 hours of live music for its digital sister channel RTÉ 2XM and interviews, sessions and live recordings of over 100 artists were made available Online, a significant addition to the coverage of summer festivals in particular.

Operation Transformation commenced on RTÉ 2fm's *The Gerry Ryan Show* and then partnered RTÉ Television and RTÉ. ie. Demand for podcasting grew during the year with podcasts of *Nob Nation*, *The Best of Colm and Jim-Jim* and *The Gerry Ryan Show* featuring high in the download charts.

The challenge for RTÉ 2fm, faced with ever increasing competition from local, regional and national stations, is to remain the premier music and entertainment station for the 15-34 year olds. It must set the trend for these listeners nationally and, in particular, the channel must increase its audience share in Dublin, the country's most keenly competitive single market.

RTÉ lyric fm

RTÉ lyric fm grew national reach to 4% by the end of 2008; its evening drive time programme *Classic Drive* had over 53,000 listeners each day. RTÉ lyric fm remained the most important broadcast platform for the RTÉ Performing Groups both in Ireland and abroad through the EBU's international exchange of concerts. The new *Coffee Concerts*, featuring the RTÉ National Symphony Orchestra, were introduced and performances from the National Concert Hall's *Celebrity* and *Orchestral* series were broadcast. *Lyric Lunchtime* broadcast another season of live concerts from the National Concert Hall featuring both the RTÉ Concert Orchestra and RTÉ National Symphony Orchestra.

Some significant events on RTÉ lyric fm included a concert of *The Film Music of John Barry* in June with the special guest being the composer himself, and a very successful gig and recording at the Button Factory in Dublin hosted by John Kelly. Together with Opera Ireland, RTÉ lyric fm staged a concert performance of Balfe's opera *Falstaff* involving soloists, the RTÉ Concert Orchestra, and the National Chamber Choir at the National Concert Hall for both CD recording and broadcast.

In June 2008 RTÉ lyric fm played host to the International Rostrum of Composers – an important forum for composers of new music; delegates attended a live performance by the RTÉ National Symphony Orchestra of Irish composer Gerald Barry's opera *La Plus Forte*.

In the latter half of 2008 RTÉ lyric fm was disappointed to have to cancel plans for some concerts which were due to be staged in association with programmes. These events were designed to raise public awareness of RTÉ lyric fm but had to be cancelled due to financial constraints in quarter 4 of 2008.

Innovations during 2008 included the appointment of a Composer-in-Residence (Elaine Agnew) and bringing New York's Metropolitan Opera's *Live in HD* series to three cinemas: Dundrum and Swords in Dublin and Dungarvan in Waterford. Six CDs were released in 2008 including one to mark the 50th anniversary of the death of County Mayo-born soprano Margaret Burke Sheridan.



RTÉ 2fm presenters, Jenny Greene and Jenny Huston with *The Coronas*.



RTÉ lyric fm studio in Cornmarket Square, Limerick.

RTÉ Radio hours by genre

	2008	2007
Arts	777	701
News, Current Affairs and Weather	7,780	7,977
Sport	1,597	1,598
Music	19,483	19,250
Factual	2,132	2,721
Other	3,811	3,545

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



Gearóid Mac Donncha, RTÉ Raidió na Gaeltachta, working at the Kayaking event at the Olympic games in Beijing.



Áine Ní Churráin, presenter of Barrscéalta on RTÉ Raidió na Gaeltachta, interviewing President Mary McAleese on occasion of the 11th anniversary of her inauguration.

RTÉ Raidió na Gaeltachta

RTÉ Raidió na Gaeltachta's schedule for 2008 was positively received and included the following content highlights:

- National and Regional Sports and extensive coverage of the Olympic Games in Beijing
- the Lisbon Referendum including the national and key regional counts which provided much material for the expert panel in Casla to analyse on Count Day
- coverage of *Oireachtas na Gaeilge* from Cork and *Comórtas Peile na Gaeltachta* from Gleann Cholmille, Co. Donegal
- the US Presidential Election was covered by News with journalists keeping listeners informed of the results live
- new lifetime segments included the cookery series, *Bluirín Blasta* and the Arts programmes, *Dearc* and *Léite Pléite*
- live current affairs programme *Faoi Chabidil* was added to the Sunday schedule
- An Ródaí (roadcaster) travelled throughout Ireland to the major traditional music festivals and *Géill Sí* on Anocht fm was broadcast live from Coláistí Samhraidh in Kerry, Donegal and Galway.

Funding was secured from the BCI Sound and Vision Fund for three new series, *Sloinne agus Seoladh, Eureka!* and *Amharclann na nÓg*.

Music and song recorded by the service at the *Willie Clancy Summer School* and a compilation of the winners of the prestigious sean-nós competition *Corn Uí Riada* were released on two double CDs. The publication, *Tar Éis a Bháis, Áistí ar Sheán Ó Ríordáin* was launched at *Oireachtas na Samhna* in Cork; the book is a collection of essays broadcast on the service 30 years after the death of Seán Ó Ríordáin. The commitment of the channel to podcasting continues and 33 programmes are now available as podcasts from the Raidió na Gaeltachta website.

Commercial Activity and Performance

RTÉ Radio achieved its targeted commercial performance during the year. Revenues from airtime, promotions, sponsorship and cross-media solution all increased. Revenues from several sectors including Retail, Communications, Motors, Entertainment, Travel, Food, and Education increased significantly. Promotional partnerships in 2008 also increased.

With a number of new stations launched in 2008 and more scheduled for 2009, the competitive challenges, added to the economic downturn will ensure that 2009 is an even more testing year.

Network Changes

RTÉ Radio 1's Medium Wave closure was marked by a special programme presented by Brendan Balfe on 24 March. There was interaction with social and cultural groups prior to the closure to reaffirm RTÉ's commitment to areas such as sport and religious programming and a nationwide publicity campaign to inform listeners of the closure and of alternative ways to listen to RTÉ Radio 1.

In September 2008, RTÉ Radio launched its four FM services on the U.K. Freesat platform. This free-to-air platform is available via satellite throughout the UK and Ireland.

In Northern Ireland, RTÉ swapped its RTÉ Radio 1 and RTÉ lyric fm frequencies, leading to a much improved reception of RTÉ Radio 1 in the Belfast metropolitan area (which has a population of more than 600,000).

New Media

Delivery of content in new ways featured strongly during the year. Internet delivery of content, both live and on-demand, continued to grow among both domestic and international audiences. RTÉ Radio now provides a wide range of live and "listen back" content and serves circa 450,000 audio streams and more than 600,000 podcasts each month.

During the summer RTÉ 2fm provided multi-media websites for the *Oxygen* and *Electric Picnic* festivals that brought together audio concert performances, video interviews and still images in an innovative and exciting way.

RTÉ Radio went live with schedules for six new digital radio services in December; this included RTÉ Junior, Ireland's first children's radio channel. The new channels are available Online and on a trial DAB service available in the greater Dublin Area, the Northeast and in Cork and Limerick cities.

Operational Review

RTÉ News and Current Affairs

Home Coverage

In the News and Current Affairs IBD much of the focus in the first part of the year was on the political upheaval which included the unexpected resignation of Bertie Ahern as Taoiseach; the election of Brian Cowen as Taoiseach, the Lisbon Treaty referendum and the aftermath. The second part of the year was dominated by the extraordinary changes in economic conditions at home and abroad - from the demise of the Celtic Tiger to the collapse of Lehman Brothers and the efforts of the Government to deal with the banking crisis here.

Special programmes included live coverage of the official opening of the Battle of the Boyne site and visitor centre by Dr Ian Paisley and Taoiseach Bertie Ahern on his last day in office; the election of Brian Cowen as Taoiseach in the Dáil; and the state funeral of former President, Patrick Hillery.

The Lisbon Treaty campaign and Referendum Results programme involved extended live coverage. This included special packages from our correspondents on the major issues that arose in the campaign, live debates and expert analysis from our Europe Editor, Sean Whelan, who was based in Dublin for the final weeks of the campaign.

Other domestic stories covered during the year included gangland in-fighting in Limerick and Dublin; the murder of rugby player Shane Geoghegan in a case of mistaken identity; a number of high profile murder trials including that of Brian Kearney; undiagnosed cancer cases in Ennis and Galway; unseasonal severe flooding in August; and the demise of the Progressive Democrats.

Foreign Coverage

2008 was dominated by two major events - the US Presidential election and the Beijing Olympics. US election coverage provided by our Washington Correspondent Robert Shortt was augmented by Charlie Bird's reports from Barack Obama's Chicago base, while Myles Dungan was in John McCain's home state of Arizona. *Six One News* and *Morning Ireland* broadcast a number of special programmes from Washington and other parts of the US during the election period.

RTÉ's decision to set up a Beijing bureau a year before the Olympics allowed it to build-up to the games in August with news stories and features from correspondent Margaret Ward. It also allowed RTÉ to mobilise quickly when it came to covering the major earthquake in the Sichuan province in May.

Other highlights in 2008 included Richard Downes' coverage of the turmoil and elections in Zimbabwe; Brian O'Connell's reporting from Pakistan on the fallout from the assassination of Benazir Bhutto and the subsequent elections, the Gaza story reported by Tony Connelly.

The use of File Transfer Protocol (FTP) in sending reports from abroad has been used very successfully in 2008 - often eliminating the need for expensive satellite. It has been used for coverage from Beijing, Pakistan, Gaza, Chicago and for Nuacht coverage.

Prime Time

There were two series of *Prime Time Investigates* in May and December. In May, the issues covered were the crisis in our child protection and welfare services; teen bullying, the HSE and its management of Ireland's health service and the current global prohibition policy on drugs. In December, the issues addressed were exploitation of migrant workers in Ireland; the Travelling community and the standard of consumer service in this country.

In March, *Prime Time* broadcast an extended interview by RTÉ's Crime Correspondent Paul Reynolds with Gerard 'The Monk' Hutch which was watched by over 600,000 people and had an audience share of 45%; this very high figure for a *Prime Time* programme was surpassed in December by *Prime Time Investigates* on the Travelling Community, which attracted an audience of 773,000 people and had a share of 48%. This was the highest rating for the award-winning documentary series since it began in 2003.

RTÉ Nuacht

The service based in Baile na hAbhann in Connemara had a complete infrastructural overhaul of its Newsroom in 2008. This is the first of two phases which will result in both RTÉ and TG4 Nuacht being broadcast from Connemara in 2009. Installation of a completely automated news transmission system has been completed.

Five Nuacht journalists became full time video journalists in 2008. They mainly work by themselves as news gatherers, video editors, and camera persons. This has helped extend the Nuacht coverage in places like West Kerry and increased coverage in other areas like Kildare and Mayo.

2008's *Pobal Speisialta* was hosted by the Spirasi community in Dublin, a focus point and service provider for the immigrant and asylum-seeking communities. The programme was co-presented by Eloho Egwuterai from Nigeria and Nuacht's Eibhlín Ní Choistealbha.



Northern Ireland's First Minister and Deputy First Minister, in the presence of Taoiseach Brian Cowen, opened the new home of the RTÉ Belfast studio at the Centre Point Building on Ormeau Avenue.



US election coverage provided by our Washington Correspondent Robert Shortt was augmented by Charlie Bird's reports from Barack Obama's Chicago base, while Myles Dungan was in John McCain's home state of Arizona.



Bryan Dobson and Sharon Ní Bheoláin

THE MAIN SOURCE
OF NEWS
FOR THE IRISH
PUBLIC



Operational Review

RTÉ Network

RTÉ Transmission Network Limited (RTÉNL) is a wholly-owned RTÉ subsidiary company which provides Broadcast Transmission services to all Irish television and radio broadcasters and provides mast and tower rental services to a range of telecommunication service providers and operators.

In overall terms the market for mast and tower rental services continues to grow but remains very competitive due to the large number of mast and tower sites that have become available. RTÉNL's infrastructure is primarily situated at high altitude and remote locations that are not always appropriate for some emerging technologies, such as 3G, which require compact cell size local to the consumer.

Analogue Terrestrial Television (ATT) services remain static as they are to be replaced by Digital Terrestrial Television (DTT) services over the next five years.

Commercial Revenue

The growth of revenue was driven by a steady overall increase in services provided across all markets.

- A number of new customers were secured in the local and regional radio market
- The DTT trial run by the DCENR ceased in August 2008. However RTÉNL has continued to run one multiplex carrying the four national television services (RTÉ One, RTÉ Two, TV3 and TG4)
- Digital Audio Broadcasting (DAB) radio services were expanded to Cork and Limerick cities however near the year-end the DAB service was reduced to a single multiplex for the RTÉ radio channels. The commercial radio operators decided not to continue broadcasting for the moment; it is anticipated that commercial services will recommence in 2009 when the appropriate policy and licensing arrangements are in place for a permanent service
- The Digital Video Broadcasting - Handheld (DVB-H), which is TV on mobile phones, made an entry in the Irish market with some positive tests and trials in 2006. These trials continued from 2006 into the second half of 2008. The DVB-H trial service has now stopped but should recommence in 2009 when the appropriate policy and licensing arrangements are in place for a permanent service.

The decision by RTÉ to cease MW567 radio in March had a significant negative impact on revenue. However this was expected as LW252 had been put on air in 2004 and fully refurbished in 2006/7 with the purpose of replacing MW567 with an improved long wave service.

Operational Issues

Overall system availability in coverage areas for television and radio is again comparable with previous years, running at over 99.9% for all national television and radio services.

The main operational challenge in 2008 was facilitating the installation of infrastructure for the upcoming Digital Terrestrial Television (DTT) services.

Digital Terrestrial Television (DTT)

The Broadcasting (Amendment) Act 2007 (the "Act") lays out the process by which Ireland will implement DTT with the resulting switch-off of analogue signals. DTT broadcasting is separated between Public Service DTT and Commercial DTT. The Act obligates RTÉ to provide one Public Service Multiplex to ensure the availability of the free-to-air Irish channels and the Act also obligated the Broadcasting Commission of Ireland (BCI) to licence Commercial DTT in Ireland. In March 2008 the BCI ran a tender competition for three Commercial DTT licences and it was won by Boxer DTT Limited, a joint venture comprising Communicorp Group Ltd and the Swedish digital terrestrial television operator, Boxer TV-Access AB.

A total of six national DTT multiplexes are catered for in the Act however, for spectrum availability reasons, multiplexes five and six are not possible until analogue television is switched off.

At the time of writing RTÉNL had commenced the construction of the necessary infrastructure to facilitate the launch of DTT in 2009 should RTÉ and Boxer DTT Limited wish to do so.

DTT offers the following advantages over traditional analogue television system:

- **Extra TV channels as standard**
Within each multiplex it will be possible to deliver a number of television and radio services. It is anticipated that between eight and ten standard definition (SD) television channels will fit on a multiplex. It is also anticipated that between two and three high definition (HD) channels will fit on a multiplex (and/or various SD/HD combination).
- **Subscription channels**
A number of subscription services will be available in addition to the free-to-air services. If a viewer wishes to take out a subscription, it will be possible to access dedicated television services including sports, film, and music channels, and also access to services that allow viewers to watch what they want, when they want.
- **Improved Quality**
DTT will improve both the television picture and sound.
- **New Features**
DTT will include television listings on-screen, true widescreen picture, enhanced teletext and red-button interactivity.
- **Access Services**
DTT incorporates the potential to make available special features for people with visual and hearing impairments e.g. audio description, screen zooming and subtitling.

BROADCAST TRANSMISSION SERVICES



Operational Review

RTÉ Publishing

RTÉ.ie

Traffic to RTÉ.ie continued to increase with an October 2008 ABCe average of 55 million page impressions and 2.3 million unique users which was a year-on-year increase of 42% and 49% respectively. Streaming traffic increased by 157% to an average of 2.99 million monthly streams, driven by demand for the enhanced video and audio content available through the site. The increase in the number of unique users accessing RTÉ.ie from outside of Ireland from 0.612 million to 1.1 million demonstrates RTÉ's growing engagement with international audiences.

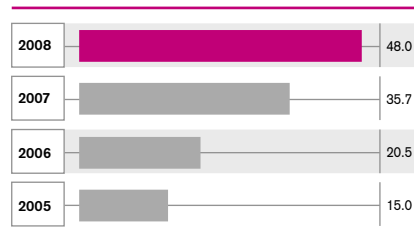
Joint National Internet Research (JNIR) figures for the period January to December 2008 showed that RTÉ.ie remained Ireland's leading media website. 25% of all Internet users aged 15+ had viewed RTÉ.ie in the last 12 months. Among RTÉ.ie's weekly users, the strongest demographics were 25-44 year olds and ABC1s who account for 63% of users.

During 2008 the News and Business sites were enhanced in terms of content and depth. The three biggest year-specific sites were for the Lisbon Treaty Referendum, Budget 2009 and US Presidential Election. In all three instances video and audio content was used to engage audiences in new and innovative ways.

Phase 2 of *RTÉ News Now* was launched in June with the addition of News and Current Affairs programmes, and reach was extended to overseas audiences. A new RTÉ.ie Money site was launched in October focusing on consumer finance. In addition to building on established brands, new services were introduced with a download music store and a fashion site (www.RTÉ.ie/fashion).

2008 was the busiest sporting year in the history of RTÉ.ie. Dedicated websites were created for the Six Nations, the GAA Championships, Euro 2008 and the Beijing Olympic Games. A number of enhancements to the RTÉ Sport website were also introduced. A GAA Media Player was launched as part of the dedicated GAA Championship website in May featuring simultaneous live streaming of RTÉ Television and RTÉ Radio's GAA Championship output. The RTÉ.ie GAA Media Player also hosted 12 web-only live games during the Championship.

RTÉ.ie average page impressions per month (millions)



Source: RTÉ

During the Olympics in August users could watch up to six simultaneous live video feeds from Beijing. RTÉ.ie's *Olympics 2008* website generated almost 7 million page impressions, and over 1 million streams.

RTÉ.ie continues to lead the market in terms of leading brand advertising. Commercial revenue grew in a contracting market by 12% year-on-year with enhanced key sites providing commercial appeal.

RTÉ Guide

The *RTÉ Guide* has remained Ireland's largest selling magazine with a certified ABC circulation of 94,822 copies (source: *ABC Island of Ireland Report Jan-Dec 2008*). Readership grew by 23% to 437,000 adults (source: *TGI 2008*) and the *RTÉ Guide* held over 75% share of the market for TV Listings magazines in Ireland. Sales of the 2008 Christmas *RTÉ Guide* grew 4.2% on 2007, which was a very significant result against the economic backdrop.

With digital penetration now standing at 55% of homes, the *RTÉ Guide* has addressed the demand for digital listings and now gives even greater emphasis to detailed television-related content on a greater number of channels. The strategy to encourage increased reader engagement and usage was activated through editorial and promotional initiatives and an increased presence at outdoor events (e.g. 2008 *National Ploughing Championships* in Kilkenny, *Off the Rails* exhibition).



Ireland's largest media website continued to grow in 2008. The site's unique users increased from 1.6 million in 2007 to 2.3 million users in 2008, while page impressions increased from 39 million to 55 million.



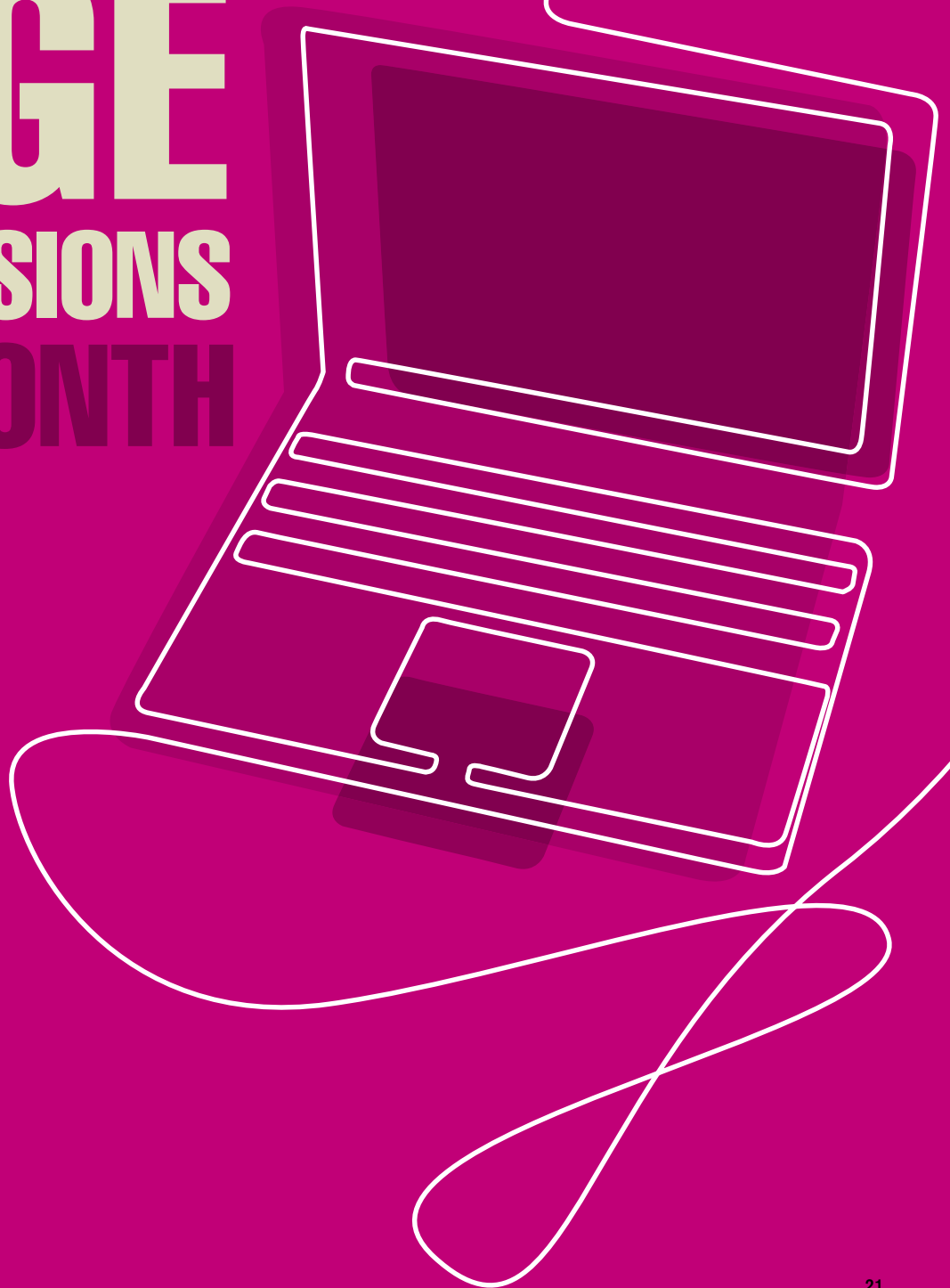
Sales of the 2008 Christmas *RTÉ Guide* issue increased by 4.1% on the previous year, delivering copy sales in excess of 410,000.

RTÉ.IE

48 MILLION

PAGE

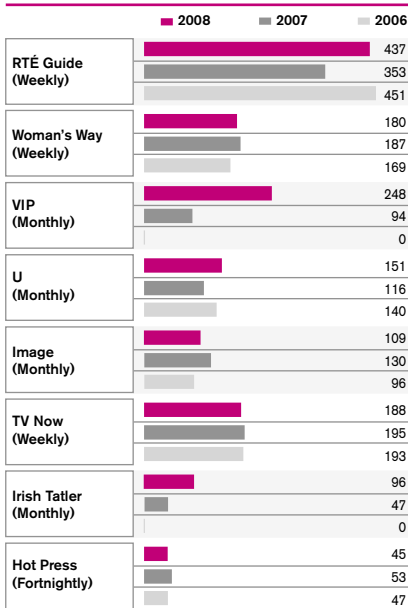
IMPRESSIONS
PER MONTH



Operational Review

RTÉ Publishing (continued)

National Adults 15+ average readership of Irish magazines per issue (000's)



Source: TGI. The definition of readership is based on read or looked at.

The *RTÉ Guide* created a *Zoo Island* interactive CD Rom targeted at parents with children aged 6 - 10 yrs and the campaign generated 2,000 additional sales for the issue with which it was released. Cross-IBD initiatives, such as the *Easy Irish* CD and the sponsorship of the *Tubridy Book Club*, have also reinforced the brand message. Usage levels have increased to 51% from 46% among all adults 15+ (source: *RTÉ Brand Health Tracking – Amárach, 2007 - 2008.*)

Cross platform initiatives have facilitated reader's ease of access to *RTÉ Guide* content online and on mobile. *RTÉ Guide* online www.rteguide.ie generated over 450,000 page impressions and has 115,000 unique users. Active purchase of printed copies remains pivotal and we continue to partner with our retailers through introducing new display solutions and by increasing our service call rate to key retailers by 50%. A concerted direct sales strategy to increase the number of subscribers to the magazine resulted in increased subscription sales of 80%.

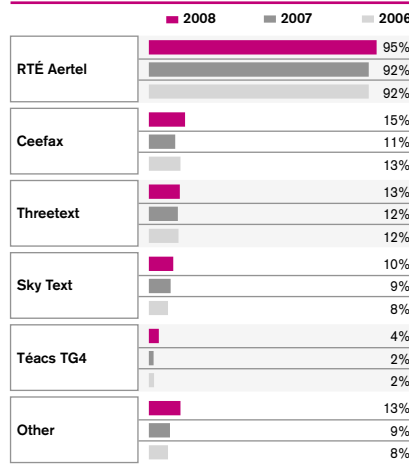
As the print advertising market contracted 2008 was a very challenging year for advertising within the *RTÉ Guide*.

RTÉ Aertel

2008 saw the continuation of RTÉ Aertel's multi-platform strategy with the availability of the service on three platforms: analogue, web and mobile. The objective of this strategy was to consolidate RTÉ Aertel as Ireland's leading information service and expand commercial opportunities. RTÉ Aertel has over 1.8 million regular analogue teletext users* and an average of 600,000 Online users generating 5.2 million monthly page impressions. The RTÉ Aertel mobile site generated an average of 446,065 page impressions per month.**

RTÉ Publishing developed a digital text service for deployment on digital television platforms. The digital text service has enhanced graphics, picture-in-picture, and a user-friendly interface to allow viewers to scroll through pages easily. A trial version of the digital text service was deployed during the Department of Communications, Energy and Natural Resources DTT pilot; a panel of users had access to the service and provided positive feedback on the design and navigation.

Type of teletext in all households who make use of teletext



Source: AGB Nielsen Media Research Establishment Surveys

* Behaviour and Attitudes 2008
 ** Internal RTÉ Statistics

The multi-platform availability of RTÉ Aertel expanded commercial opportunities and was successful in bringing services and advertising for Aertel across online, teletext and mobile. New services brought to RTÉ Aertel include Jobs and Property Listings.



Ireland's premier online news service experienced significant growth in usage in 2008. The site saw an increase in pages viewed from 9 million in 2007 to over 11 million in 2008. The number of unique users increased from 680,000 to 852,000.



The *Tubridy Tonight* website proved to be consistently popular with users.



The Olympics site on RTÉ.ie offered multiple live video and audio streams of the Games, allowing users a choice of events to watch. The Olympics site generated almost 7 million page impressions as Irish users around the world followed the progress of the Irish team in Beijing.



A technical trial commenced for RTÉ player, a Web TV catch up service, in December 2008 and was launched in April 2009.

Content

Mobile network content was consolidated and RTÉ provided highlights for the GAA Championship for Vodafone customers with 3G mobile phones. At the year-end RTÉ.ie offered over 100 RTÉ Radio programmes for download as podcasts covering News, Sport, Entertainment, Education, Historical and Documentary/Features. These programmes generated an average of 700,000 audio downloads per month. Video downloads were trialled with *Fair City* podcasts containing highlights and previews of upcoming episodes.

RTÉ Publishing also provided SMS alerts across Breaking News and Business stories, Entertainment News, racing tips and event led news (e.g. 6 Nations alerts); the number of subscribers to these services increased by over 70% during the year.

Programme Interaction and Competitions

The Programme Interaction Competitions team developed and managed SMS and Interactive Voice Response (IVR) services for more than 120 programmes across RTÉ Television, RTÉ Radio and RTÉ Publishing platforms. Just under 10 million SMS and IVR messages were generated by the Programme Interaction and Competitions team and their services in 2008, with over 2,000 individual interactive event set-ups required to achieve this record-level of audience interaction.

An audit on the management of SMS/IVR services took place during the year to ensure that proper corporate governance was maintained in the provision of premium rate competitions and voting across the organisation.

Cross Platform Development

RTÉ Publishing contributed to the development of Cross Media initiatives within RTÉ as well as extending its clients' reach across RTÉ.ie, RTÉ Aertel and the *RTÉ Guide*.

RTÉ Publishing developed an integrated media player in the form of a Web TV catch-up service, so as to increase the opportunities for RTÉ audiences to view RTÉ Television programmes beyond the broadcast date. A closed technical trial commenced in December 2008. The media player makes up to 70 hours of Television programmes available each week for a catch-up period of up to 21 days.

Operational Review

RTÉ Performing Groups

Programming

In 2008, the RTÉ Performing Groups (PGs) presented 231 live concerts and events to 170,000 people aged from 5+ years. For the RTÉ National Symphony Orchestra (RTÉ NSO) highlights included the orchestra's 60th anniversary concert which included the premiere of John Kinsella's *Cuchalainn and Ferdia – Duel at the Ford*; a full-length free concert offered as part of Culture Night; the RTÉ Television *Symphony Sessions* series with Barry Douglas; the introduction of coffee concerts at the NCH; a John Barry spectacular (with RTÉ lyric fm) at the NCH and two outstanding choral concerts with the RTÉ Philharmonic Choir – the *Requiem* of Berlioz and Haydn's *Creation* both conducted by Gerhard Markson. The RTÉ NSO's second residency in Donegal attracted 4,000 people to concerts and workshops and culminated with a memorable shared concert between the orchestra and the Donegal Youth Orchestra.

The RTÉ Concert Orchestra (RTÉ CO) also celebrated its 60th anniversary in 2008. It instigated the successful *Signature Series* at the NCH with star performers of the calibre of Katherine Jenkins, Lesley Garrett and Haley Westenra. The RTÉ CO, with Principal Conductor David Brophy, covered an impressive range of repertoire and John Wilson deepened his relationship with the musicians through some memorable concerts including *Gotta Dance* and *The Gershwins in Hollywood*. The RTÉ CO embraced music of huge diversity ranging from Balfe's *Falstaff* (concert performance and commercial release with Opera Ireland and RTÉ lyric fm), Duke Special, Curtis Stigers, Andrew Lloyd Webber and Cleo Lane and Johnny Dankworth. Gareth Hudson stepped down as the RTÉ CO's Associate Conductor and John Wilson became the orchestra's first Principal Guest Conductor during the year.

The RTÉ Vanbrugh Quartet toured to several new venues, including Russborough House, Moate, Strule (Omagh) and the Pavilion Theatre, Dun Laoghaire; RTÉ Cór na nÓg were busy in concert and across various RTÉ broadcast platforms. The RTÉ Living Music Festival (LMF) featured Estonian composer Arvo Part and attracted capacity houses for all six concerts in Dublin; in addition acclaimed amateur Paul Rissmann inspired students from the DIT and the RIAM to compose and perform a 15-minute work as a welcome to Arvo Part at the opening of the 2008 LMF.

RTÉ PGs presented nine world premieres by Irish composers Roger Doyle, Ronan Guilfoyle, David Fennessy, Jane O'Leary, Jerome de Bromhead, John Kinsella, Stephen Gardner and John McLachlin.

Operational

A series of noise management initiatives were introduced in both RTÉ orchestras and a project to consolidate and manage the valuable RTÉ CO music manuscript library was successfully rolled-out. Further important audience research in the area of pricing structures was undertaken and completed.

Commercial Revenue

Growth was achieved in both attendances and RTÉ own promotion ticket sales in 2008. Commercial revenue was 3% ahead of budget and 15% ahead of the 2007 revenue figure. BT sponsorship of the RTÉ CO's *Signature Series* and Family Concerts was a welcome development and IMRO and Anglo Irish Bank continued their sponsorship of the RTÉ Living Music Festival and RTÉ NSO Subscription Season respectively.

Competitive Challenges

Commercial business challenges are considerable across all revenue streams with pressure likely on box office and sponsorship streams in 2009. RTÉ PGs face an increasingly competitive market and appointments need to be made to key artistic and management positions in the RTÉ NSO.

RTÉ Performing Groups educational activities

	2008	2007
Educational Performances	39	42
Workshops etc.	14	22
Pre-concert talks	33	32
Total	86	96

RTÉ Performing Groups contemporary music activities

	2008	2007
World premieres of RTÉ commissioned works	6	9
Dedicated contemporary music concerts	11	13



RTÉ National Symphony Orchestra Principal Flautist Catriona Ryan at the orchestra's 2008 residency in Donegal.



Katherine Jenkins with the RTÉ Concert Orchestra in association with BT Ireland, November 2008. Credit Ian Oliver.

RTÉ Performing Groups attendances (and performances)

	2008	2007	Attend'	Perf'
Guest Ensembles	1,176	2,004	(3)	(7)
RTÉ Choirs	2,239	2,336	(8)	(7)
RTÉ VQ	3,479	3,617	(30)	(30)
RTÉ CO Educational	19,987	24,065	(22)	(22)
RTÉ CO General	69,853	58,734	(83)	(80)
RTÉ CO Total	89,840	82,799	(105)	(102)
RTÉ NSO/ Phil Choir	6,211	3,966	(6)	(3)
RTÉ NSO Educational	16,462	17,715	(17)	(20)
RTÉ NSO General	51,104	55,116	(62)	(64)
RTÉ NSO Total	67,566	72,831	(79)	(84)
Overall Educational	36,449	41,780	(39)	(42)
Overall General	134,062	125,773	(192)	(191)
Overall Total	170,511	167,553	(231)	(233)

RTÉ
ORCHESTRAS
CELEBRATE
60 YEARS



Financial Review

Overall

RTÉ delivered a “break-even” result for 2008 generating a Net Surplus After Tax of €0.03 million (2007 €26.4 million) based on Revenues of €441 million (2007: €441 million) and reflecting a rapid decline in commercial revenues in the second half of the year.

Interpretation Framework

The interpretation of RTÉ’s financial performance is particularly affected by two matters relating to the RTÉ Superannuation Scheme (a contributory, funded, occupational, defined benefit pension scheme trust sponsored by RTÉ to which no new employee members have been admitted since 1989):

1. Under International Financial Reporting Standards (IFRS), the separate liabilities of Defined Benefit pension scheme trusts are reflected in the scheme sponsor’s Financial Statements in a manner akin to Debt (measured by reference to Corporate Bond rates). In RTÉ’s case the Liabilities of the RTÉ Superannuation Scheme are over five times greater than the reported Net Assets of RTÉ and the scale of this imbalance has the potential to detract from a meaningful understanding of RTÉ’s underlying operational financial performance. Accordingly the divisional commentary below is based on the results of the Group excluding the net defined benefit pension related finance income arising on the assets and liabilities within the Scheme.

2. As at 31 December 2008 the actuaries to the RTÉ Superannuation Scheme have certified that it failed to meet the “Minimum Funding Standard” (M.F.S.) required by the *Pensions Act, 1990*. The exact size of the deficit estimated by the Actuaries varies daily and depends on the differing measurement bases used:

M.F.S.	€84.2m
Long-Term Actuarial Funding	€102.3m
IFRS Accounting Valuation	€86.6m

The shape, duration and nature of the long-term financial burden that rectification of the deficit places on RTÉ (and on employee members) under current legislation cannot reasonably be fully identified until the Trustees of the Scheme submit a funding proposal and timetable for Pensions Board approval which must be done by June 2010. This is currently under examination.

Divisional Results

The integrated business divisions (IBDs) and HQ contributed to the annual result as follows:

	2008 €m	2007 €m
Television	(17.28)	10.15
Radio	2.76	2.66
News and Current Affairs	(2.75)	(2.65)
Performing Groups	0.00	0.00
Network	6.11	5.52
Publishing	(2.06)	(0.98)
Corporate HQ	(2.53)	(4.34)
Consolidation Adjustments	0.60	3.04

Sub-Total (15.15) 13.40

Net Defined Benefit Pension		
Related Finance Income	5.72	16.18
Income Tax	9.46	(3.15)

Surplus for the year 0.03 26.43

Commercial Revenue

Following a satisfactory start Commercial Revenues dropped sharply in the 2nd half of the year with the onset of recession. Overall in 2008 commercial revenues declined by €5.6 million (2¼%):

	€m
Television Advertising	-7.8
Radio Advertising	+1.1
Other areas	+1.1

Year-on-Year movement -5.6
Commercial Revenue 2007 245.5

Commercial Revenue 2008 239.9

“RTÉ delivered a “break-even” result for 2008.”

“The majority of RTÉ’s activities are of a public service character but the cost of providing such services exceeds the amount of Public Funding received. As a result RTÉ relies on a Dual Public / Commercial funding model and engages in commercial activities to bridge the gap in public funding received.”

Television Licence Revenue

The Department of Communications, Energy and Natural Resources (DCENR) collect monies due both by the Department of Social and Family Affairs (DFSA) (in respect of “Free” television licences) and from An Post (the Ministers sole agent for the sale of TV Licences to the public). DCENR then make a grant-in-aid of appropriate amounts to RTÉ.

Total Licence Revenue in 2008 increased by €5.2 million (2.7%) as summarised below:

	€m
Growth in Volume of TV Licences Sold	+5.2
Increase in the unit price of a TV Licence	0.0
Year-on-Year movement Licence income 2007	+5.2 195.7
Licence income 2008	200.9

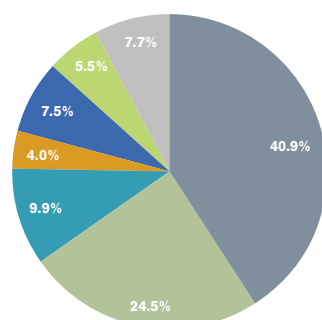
The underlying level of Licence Fee evasion remains high by international standards and RTÉ estimates that approximately 14% of all eligible households in the Republic of Ireland currently do not hold a valid television licence.

Licence Fee attribution and use

The majority of RTÉ’s activities are of a public service character but the cost of providing such services exceeds the amount of Public Funding received. As a result RTÉ relies on a Dual Public/Commercial funding model and engages in commercial activities to bridge the gap in public funding received.

Attribution of Licence Revenue received by RTÉ in 2008

RTÉ One	40.9%
RTÉ Two	24.5%
RTÉ Radio 1	9.9%
RTÉ lyric fm	4.0%
RTÉ RnaG	7.5%
Support Provided to TG4	5.5%
Performing Groups	7.7%



Source: RTÉ

RTÉ is not the recipient of all Licence Fee monies raised by DCENR and thus the table below seeks to represent how each TV Licence Fee was utilised in 2008:

Utilisation of Each TV Licence Fee Collected

	2008 €	2007 €
RTÉ One	58.44	60.12
RTÉ Two	35.01	31.47
RTÉ Television	93.45	91.59
RTÉ Radio 1	14.19	14.64
RTÉ RnaG	10.74	10.02
RTÉ lyric fm	5.79	5.68
RTÉ Radio	30.72	30.34
RTÉ Performing Groups	11.02	10.89
RTÉ Activities	135.19	132.82
	84%	84%
RTÉ Support for TG4	7.92	8.34
BCI Broadcasting fund	7.53	7.40
Collection costs - An Post / DCENR / DSFA	9.36	9.44
Non-RTÉ Activities	24.81	25.18
	16%	16%
Avg. cost of TV Licence ¹	160.00	158.00

¹ Licence Fee increased from €158 to €160 from 1 Jan 2008.

The accompanying pie-chart summarises the attribution of RTÉ’s 2008 Licence Fee revenue used by RTÉ to contribute to the funding of public service activities carried by RTÉ in 2008.

Financial Review (continued)

Operating Costs

In 2008 Operating Costs and planned activities increased in total by €30.3 million (7%) as summarised below:

	€m
Increase in the cost/volume of Indigenous Programmes	+20.9
Increases in the cost/volume of Acquired Overseas programmes	+0.7
Increase in general broadcast costs	+5.7
Increase in non-broadcast costs	+1.6
Decrease in Sales cost	-0.3
Other factors	+1.7
Year-on-Year increase	+30.3
Operating costs 2007	+430.2
Operating costs 2008	+460.5

While economic circumstances weakened very considerably as 2008 progressed, significant effort was expended towards reducing the accumulated and growing impact of a diverse range of cost pressures and ensuring that a deficit was not incurred.

This cost-reduction activity has resulted in substantial savings many of which will yield a full-year benefit in 2009 and thereafter. Subsequently however commercial revenues in the early part of 2009 have declined at an even sharper rate bringing about a need for much greater levels of re-structuring and cost-contraction during 2009 than was previously envisaged.

Employee numbers

At 31 December 2008 there were 2,351 (2007: 2,307) employees of which 358 (2007: 358) were part-time/casual employees.

Taxation

In November 2006, Revenue informed RTÉ that Television Licence Fee Income was for the first time to be subject to corporation tax with effect from 1 January 2007. Revenue also sought to retrospectively deny the availability of past losses carried forward arising on or before 31 December 2006. RTÉ contested this position.

In December 2008 a settlement was reached whereby Revenue confirmed the availability of losses forward amounting to €574 million at 31 December 2006. As a result of this settlement a tax credit of approximately €9 million arises in 2008, the major proportion of which relates to the release of tax provisions arising in previous years.

Cash flow

RTÉ's Operating Cash Flow generated from day-to-day operating activities amounted to €18.4 million in 2008 (2007: €31.2 million) consistent with the overall result.

Cash and cash equivalents held at 31 December 2008 amounted to €68.3 million while off-setting liabilities arising under previous employee redundancy/early-retirement schemes amounted to €16.3 million.

Mindful of the economic pressures experienced in the latter quarter of 2008 which have continued into 2009 particular focus is being paid in 2009 to ensure that adequate cash is generated to protect the organisations future viability.

Capital Expenditure

RTÉ's total capital expenditure in 2008 was €51.4 million (2007: €19.1 million)

Several of RTÉ's strategic planning objectives for 2008 focused on the ongoing management of a number of long-term significant and complex capital projects. The projects listed below in particular pose significant financial resource challenges far exceeding anything experienced by RTÉ over the past 25 years:

- DTT (Digital Terrestrial Television) - the implementation of a National Transmission, Distribution and Multiplexing Infrastructure
- The progressive and essential replacement of outdated, high maintenance cost, analogue production equipment with reliable, modern, digital production technology - including IT based digitised camera chains, file server, storage and media asset management archiving capability
- Renewal and re-configuration of the aging building fabric including 400,000 square feet of studio and other production facilities.

During 2009 much of the capital expenditure programme will have to be deferred due to economic circumstances although certain elements must proceed.

“In December 2008 a settlement was reached whereby Revenue confirmed the availability of losses forward amounting to €574 million at 31 December 2006.”

“As required the Scheme trustees and RTÉ will prepare a proposal for submission to the Pensions Board to address the deficit arising, as measured in accordance with the “Minimum Funding Standard” of the Pensions Act, 1990.”

Pensions

RTÉ operates a Contributory Funded Defined Benefit Pension Scheme (DB) and a number of Contributory Defined Contribution Schemes (DC) for its employees.

RTÉ Superannuation Scheme

As at 31 December 2008, RTÉ had 553 employees who were members of the RTÉ Superannuation Scheme. In addition, RTÉ continues to make contributions to this scheme for 69 former employees, who left RTÉ under various restructuring packages.

The RTÉ Superannuation Scheme is a defined benefit scheme with funds under management at 31 December 2008 of €733.4 million, at market value. No new employees have been admitted to this scheme since July 1989.

As referred to previously and as set out on page 65 the actuaries to the scheme have carried out a long term actuarial funding valuation and reported a deficit of €102.3 million as at 31 December 2008 (1 January 2008: surplus of €41.2 million).

As required the Scheme trustees and RTÉ will prepare a proposal for submission to the Pensions Board to address the deficit arising, as measured in accordance with the “Minimum Funding Standard” of the *Pensions Act, 1990*.

RTÉ Defined Contribution Pension Scheme

All RTÉ employees who are not members of the RTÉ Superannuation Scheme are eligible for membership of a contributory defined contribution scheme or are eligible for PRSA type pension arrangements.

The principal DC scheme is the RTÉ Defined Contribution Pension Scheme which currently has 1,444 employee members.

Insurance

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

Corporate Responsibility

A copy of the *RTÉ Corporate Responsibility Report 2008* is available on RTÉ.ie.

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 currently remains 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.

Looking ahead

In 2009 the rate of decline in commercial revenues seen in the second half of 2008 accelerated rapidly across virtually all headings most notably in Television Advertising, RTÉ's largest source of commercial revenue. Accordingly RTÉ will likely face a significant shortfall in Revenue for 2009.

A rare combination of adverse international economic factors together with major local weaknesses arising in the Irish Domestic economy has created an unusually severe and volatile business climate resulting in what is perceived to be a historically low level of consumer and corporate confidence.

Current (end Q1 2009) assessments suggest that the most likely fall in Revenue will probably be of the order of €68 million (15%) for 2009.

Revenue reductions of this order of magnitude could not be sustained and therefore remedial actions are being effected including both operating cost reduction measures to ensure viability and the curtailment of capital expenditures to preserve liquidity and thus flexibility.

Authority at 31 December 2008



Mary Finan (Chairman)

Mary was appointed to the Authority with effect from 21 February 2006. She was a founding partner and chief executive of Wilson Hartnell Public Relations and retired as its Chairman in 2007. Currently the non-executive Chairman of the Economic and Social Research Institute and of the Gate Theatre, she is a non-executive director of Canada Life (Ireland), the ICS Building Society and Opera Ireland. She was the first woman president of the Dublin Chamber of Commerce. She holds a B.A. from UCD and completed a marketing management programme at Harvard Business School.



Emer Finnan

Emer was appointed to the Authority with effect from 14 September 2005. She is Director, Strategic Development of the EBS Building Society. She previously worked in corporate finance, in Dublin with NCB and in London with ABN Amro and Solomon Brothers. Emer is a fellow of the Institute of Chartered Accountants in Ireland and holds a B.Comm.



Maria Killian

Maria was appointed to the Authority with effect from 21 June 2005. She currently works as a Human Resources Manager with an international facilities management company. Her career has been in the field of human resource management, where she has worked across a range of industries, including drinks manufacturing, financial services and telecommunications. She is a graduate of UCD, with a B.A. and M.A. in Organisational Psychology.



Patricia King

Patricia was appointed to the Authority with effect from 21 June 2005. She is SIPTU Regional Secretary for the Dublin Region. She is Vice-President of the Irish Congress of Trade Unions. Patricia has previously served two terms as a member of the National Roads Authority.



Dr. Ian Malcolm

Ian was appointed to the Authority with effect from 21 June 2005. He holds a PhD from Queen's University Belfast for his research into the attitudes of young Protestants in Northern Ireland towards the Irish language. He previously worked with a number of local and regional newspapers in the North and is still an active part-time journalist, writing a column in the daily newspaper Lá and commentating on Northern Ireland political affairs in the Irish language electronic media. Ian also holds a First Class Honours degree in Celtic Studies from Queen's University Belfast.



Paddy Marron

Paddy was appointed to the Authority with effect from 21 June 2005. He also served on the previous Authority that completed its term of office on 31 May 2005. He worked in the food industry for 33 years; firstly with Rowntree Mackintosh in Ireland and, for the ten years up to his retirement, as Chief Executive of Nestlé Ireland. He was Chairman of the Food and Drink Federation of IBEC for a number of years, as well as a member of the National Executive of IBEC. He is also a mentor in the Mentor Programme of Enterprise Ireland. He is a Chartered Accountant and holds a B.A. in Archaeology and Art History from UCD.



Úna Ní Chonaire

Úna was appointed to the RTÉ Authority with effect from 21 June 2005. She works with Glór na nGael in Rath Cairn, Co. Meath. She is a fluent Irish speaker and contributes occasionally to RTÉ Raidió na Gaeltachta. In her spare time, Úna helps children improve their Irish and plays camogie, gaelic football and rugby.



Joe O'Brien

Joe was appointed to the RTÉ Authority with effect from 14 September 2005. He is an RTÉ News Correspondent specialising in Agriculture, Food and Defence. He previously served as Industry Correspondent. He also has wide experience in the coverage of European affairs, Third World issues and politics. He topped the poll in an internal election held amongst staff to select a candidate for consideration by Government for appointment to the Authority. Before he joined RTÉ in 1979, he studied Journalism at the College of Commerce, Rathmines, Dublin and worked for newspapers in Navan and in his native Carlow.



Stephen O'Byrnes

Stephen was appointed to the Authority with effect from 21 June 2005. He also served on the previous Authority that completed its term of office on 31 May 2005. A PR/Public Affairs consultant, Stephen is Executive Director of Media Relations & Public Affairs Consultants Ltd. During the period 1986 to 1995, he worked as Director of Policy and Press Relations for the Progressive Democrats Party and was Assistant Government Press Secretary from 1989 to 1992. Prior to that, he worked as a journalist for 15 years, with the Irish Independent and the Irish Press Group, holding various editorial and correspondent posts. He holds a B.A. in Modern Irish History from UCD.

Authority Attendance

There were nine Authority Meetings held in 2008, attended as follows:

	Meetings Attended
Mary Finan (Chairman)	9
Emer Finnan	8
Maria Killian	8
Patricia King	6
Dr. Ian Malcolm	8
Paddy Marron	9
Úna Ní Chonaire	5
Joe O'Brien	7
Stephen O'Byrnes	8

There were six Audit Committee Meetings held during 2008, attended as follows:

	Meetings Attended
Paddy Marron (Chairman)	6
Emer Finnan	6
Maria Killian	4

There was one Programme Sub-Committee Meeting held during 2008, attended as follows:

	Meetings Attended
Dr. Ian Malcolm (Chairman)	1
Úna Ní Chonaire	1
Patricia King	-
Stephen O'Byrnes	-

There was one Remuneration and Management Development Committee Meeting held during 2008, attended as follows:

	Meetings Attended
Mary Finan (Chairman)	1
Maria Killian	1
Dr. Ian Malcolm	1
Stephen O'Byrnes	1

Executive Board



Cathal Goan (Director-General)

Cathal was appointed Director-General of RTÉ with effect from October 2003. A graduate of UCD, he joined RTÉ in 1979 and held a variety of posts in RTÉ Radio and RTÉ Television before being appointed Editor, Irish Language Programming in 1990. Appointed Ceannasaí of Teilifís na Gaeilge in 1994, he oversaw the establishment of the channel, Ireland's third national television service. In March 2000, he was appointed Director (and subsequently in 2003 Managing Director) of RTÉ Television and a member of the RTÉ Executive Board.



Noel Curran (Managing Director Television)

Noel was appointed Managing Director of RTÉ Television with effect from October 2003. A graduate in Communications from DCU, he held a variety of posts in the print media before joining RTÉ in 1992. He initially worked as a reporter, producer and editor in RTÉ Television and was later appointed as Editor of Current Affairs in the News and Current Affairs Division.



Conor Hayes (Chief Financial Officer)

Conor joined RTÉ as Chief Financial Officer in October 2001. In addition he oversees RTÉNL (Network), RTÉ Publishing IBD, Group IT Technology, Group Property & Services and the Television Licence Monitoring Unit. He is Chairman of the Trustees of the RTÉ Superannuation Scheme. A business graduate of UCD, he is a Fellow of the Institute of Chartered Accountants in Ireland and an Associate Member of the Association of Corporate Treasurers in the UK. Prior to joining RTÉ he held a range of positions including: Deputy Chairman – Cara Treasury; Executive Director – Pleroma Group; Chief Executive – JetPhone; Chief Executive – Ryanair; Chief Financial Officer – Almarai Group; and Manager – SKC Corporate Finance.



Adrian Moynes (Managing Director Radio)

Adrian was appointed Director (and subsequently in 2003 Managing Director) of Radio with effect from September 2002. He also oversees the operation of the Performing Groups IBD. A graduate in English from Oxford University, he joined RTÉ in 1979, after a five-year teaching commitment at further and higher level. Within RTÉ, his posts included Producer, Editor of Young People's Programmes and Head of Scheduling in Television. From 1997, he was a member of the Director-General's Office, with reporting responsibility for RTÉ Raidió na Gaeltachta, the RTÉ Performing Groups, Freedom of Information and as the management representative on the Industrial Relations Tribunal.



Edward Mulhall (Managing Director News and Current Affairs)

Ed was appointed Director of News (and subsequently in 2003 Managing Director) with effect from 1997. A graduate in Economics and Politics from Trinity College Dublin, he joined RTÉ in 1979 as a Radio Producer in Current Affairs. Subsequently, he was the Assistant Head of Features and Current Affairs in Radio and the Programme Editor of Television News, editing the *Six One* and *Nine O'Clock News* programmes, and was appointed Managing Editor in the Newsroom Division in 1994.



Bride Rosney (Director of Communications)

Bride was appointed Director of Communications with effect from December 2001. She also oversees Group HR. A graduate in Science from UCD and Computer Practice from Trinity College Dublin, Bride joined RTÉ having previously worked as a teacher, school principal and latterly as a communications consultant in the spheres of new technologies and the arts. After over 20 years experience in education and educational research at both second and third levels, she was Special Adviser to Mary Robinson, in her capacity as President of Ireland and UNHCHR, for an eight-year period.

Corporate Governance

for the year ended 31 December 2008

RTÉ Authority members are appointed to ensure that RTÉ is properly accountable to the Government, licence payers, viewers and listeners. In this role, RTÉ Authority members are committed to maintaining the highest standards of corporate governance.

RTÉ complies with the *Code of Practice for the Governance of State Bodies*, approved by the Government on 2 October 2001. RTÉ also complies with the corporate governance and other obligations imposed by the *Ethics in Public Office Act, 1995* and the *Standards in Public Office Act, 2001*.

As a statutory corporation established under the *Broadcasting Authority Act, 1960*, the provisions of the *Combined Code on Corporate Governance* are not applicable to RTÉ. However, RTÉ does conform in as far as is feasible and on a voluntary basis with the *Combined Code* and has undertaken appropriate steps to achieve compliance with its principal requirements where relevant to RTÉ. The following exceptions from the *Combined Code* are applicable:

- The Authority is appointed by and its remuneration set by Government. Consequently, the requirements of the *Combined Code* relating to the appointment of Authority members (including the timing of their appointment, the composition of the Authority and the remuneration of Authority members) are not applicable to RTÉ
- RTÉ is accountable to the Minister for Communications, Energy and Natural Resources and has no share capital. Accordingly, provisions relating to shareholder relations and the conduct of Annual General Meetings are also not applicable
- The remuneration of the Director-General is set within a range determined by the Minister for Finance and the Minister for Communications, Energy and Natural Resources
- The details of Authority members' remuneration on page 34 does not include amounts paid to Authority members in their capacity as employees or programme contributors, but does include amounts paid to them by way of fees for their services as Authority members
- The Government has not appointed a Senior Independent Authority member
- As the Government is responsible for appointing Authority members, the Authority does not consider it appropriate to establish a formal policy in relation to performance evaluation of the Authority, its Committees or its individual members. However, the Chairman continuously assesses the effectiveness of the Authority and the participation of its members.

RTÉ Authority

Role and composition

Under the terms of the *Broadcasting Authority Act, 1960* and subsequent legislation, RTÉ Authority members are appointed by the Government for a period not exceeding five years, with membership numbering between seven and nine members, one of whom the Government appoints as Chairman.

The 15th RTÉ Authority completed its extended term of office on 31 December 2008. It comprised nine members, one of whom was appointed following an election by staff.

A new Authority was appointed by Government with effect from 24 February 2009. It comprises nine members, one of whom is the Director-General serving in an ex-officio capacity. The term of office of the current Authority will terminate on 31 August 2009.

The members of the new Authority are as follows:

Tom Savage – Chairman and Current Chairman, Communications Clinic
 Fergus Armstrong – Mediator, former Chairman, McCann FitzGerald Solicitors
 Emer Finnan (re-appointed) – Director of Strategic Development, EBS
 Alan Gilsenan – Film/Documentary maker
 Cathal Goan – Director-General, RTÉ
 Karlin Lillington – Technology Correspondent, The Irish Times
 Joe O'Brien (re-appointed) – RTÉ Agriculture and Food Correspondent
 Sean O'Sullivan – Managing Director, Seabrook Research Limited
 Patricia Quinn – Independent Consultant

The details of members of the Authority in office for the year ended 31 December 2008 are set out on page 30.

The Authority members guide the corporate direction and strategy of the organisation and act as trustees for the public interest, ensuring that RTÉ fulfils its statutory responsibilities. Authority members have varied backgrounds, skills and experience and each brings independent judgement to bear by constructively challenging the Executive Board and by helping to develop RTÉ's strategic objectives.

There is a clear division of responsibilities between the position of Chairman of the Authority, 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 Chairman's responsibilities include leading the Authority, determining its agenda, ensuring its effectiveness and facilitating full participation by each Authority member.

The Chairman of the Authority and executive management meet regularly with Government to discuss RTÉ's operating and financial performance.

Authority procedures

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

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

There is a formal schedule of matters reserved to the Authority for consideration and decision, which covers key areas of RTÉ's business:

- Reviewing financial and operational performance
- Approval of strategic plans, the annual budget and the annual financial statements
- Approval of major investments and capital projects
- Treasury policy and risk management policies
- Delegated authority levels
- Reviewing the system of internal controls.

Certain other matters are delegated to Authority committees, as set-out below. The Authority papers sent to Authority members prior to each Authority meeting include the minutes of all committee meetings which have been held since the previous Authority meeting and the Chairman of each committee is available to report on the committee's proceedings at Authority meetings, as required.

Authority Committees

The Authority has established three permanent committees to assist in the execution of its responsibilities. These are the Audit Committee, the Remuneration and Management Development Committee

and the Programme Committee. Temporary committees are formed from time to time to deal with specific matters under defined terms of reference. However, the Authority did not consider it necessary to establish any temporary committees in 2008. The membership of each committee, together with details of attendance at meetings held in 2008 is set out on page 30.

The *Audit Committee* comprises three Authority members, all of whom are considered independent. During 2008, two members of the Audit Committee had recent relevant financial experience (Paddy Marron and Emer Finnán), both Chartered Accountants.

The Director-General, Chief Financial Officer and Head of Internal Audit normally attend meetings of the committee, while the external auditors attend as required. Both the Head of Internal Audit and the external auditors have full and unrestricted direct access to the committee Chairman at all times. In addition, the Audit Committee has a discussion with external and internal auditors at least once a year, without executive management present, to ensure that there are no outstanding issues of concern.

The role and responsibilities of the Audit Committee include:

- Selecting the external auditors, for approval and appointment by the Authority, approving their terms of reference and fees and determining with the external auditors the nature and scope of the audit work
- Reviewing the performance, independence and objectivity of the external auditors each year. In doing so, the committee makes appropriate enquiries of management and internal audit
- Monitoring and reviewing the resources, scope and effectiveness of internal audit (including approving the appointment or removal of the Head of Internal Audit) and agreeing the internal audit programme for the forthcoming year
- Reviewing the procedures for handling allegations from “whistle blowers”
- Reviewing reports from both management and internal audit on the effectiveness of systems of internal control. This includes considering all internal audit reports, management’s response to any recommendations and monitoring the progress of any required actions. The Head of Internal Audit presents a report at each Audit Committee meeting, summarising work completed since the previous meeting and the findings, together with the areas of focus in the forthcoming period

- Reviewing, prior to formal submission to the Authority, the group’s annual budget
- Reviewing, prior to formal submission to the Authority, the group’s annual financial statements and, in particular:
 - any significant issues arising from the external audit
 - the accounting policies
 - any issues requiring a significant element of judgement
 - the clarity of disclosures
 - compliance with applicable accounting and legal standards
 - the statements on internal control.

The Audit Committee has put in place safeguards to ensure that the independence and objectivity of the external audit function is not compromised. These safeguards are reviewed at regular intervals. In addition, the external auditors, KPMG, have confirmed to the Audit 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 Committee in the context of the external auditors’ independence as part of the Audit Committee’s review of the adequacy and objectivity of the external audit process. Details of the nature of non-audit services obtained from KPMG during the year and the related fees are set out in note 4 to the financial statements.

The Audit Committee has detailed terms of reference, which are available on the RTÉ website.

The *Remuneration and Management Development Committee* comprises four Authority members, (three members following the appointment of a new Authority in February 2009), all of whom are considered independent. The Committee is assisted, as necessary, by a nominee from the Department of Communications, Energy and Natural Resources. The committee has written terms of reference and its role and responsibilities include:

- Considering the targets, performance and remuneration of the Director-General and making recommendations to the Authority prior to seeking Government approval thereon
- Developing RTÉ’s policy on executive remuneration
- Considering and approving salaries and other terms of the remuneration package for executive management, having regard to Government policy in relation to remuneration of executive management of State Bodies. (The Director-General is fully consulted about remuneration proposals

- for other senior management and outside advice is sought when necessary)
- Reviewing the “top talent” contracts.

The remuneration of Authority members is determined by Government and, as such, is not a specific consideration of this committee.

The *Programme Committee* comprises four Authority members (four members following the appointment of a new Authority in February 2009), all of whom are considered independent. This committee considers key developments and plans in respect of Television and Radio programmes and schedules. At each of its meetings, the committee meets with the Managing Directors of Television, Radio and News and Current Affairs and their senior management colleagues to review programme output and upcoming strategy and plans. The Chairman of the Programme Committee is the Authority’s representative on the RTÉ Audience Council and is responsible for keeping the Committee briefed on the Council’s deliberations.

Independence of Members of the Authority

Each Authority member brings independent judgment, challenge and rigour to the Authority’s deliberations. As required by the *Combined Code*, the Authority has completed an evaluation of the independence of its members using the independence criteria as set out in the *Combined Code*.

Having regard for the integrity, strength of character and objectivity of Authority members, all Authority members are considered independent under those criteria. However, Joe O’Brien is an RTÉ employee and therefore cannot, for that reason alone, be considered as an independent member of the Authority as per the criteria of the *Combined Code*.

Internal control

The Authority has overall responsibility for the Group’s systems of internal control and for reviewing their effectiveness. These systems are designed to provide reasonable but not absolute assurance against material misstatement or loss.

The Authority 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.

The key components of the system of internal control currently in place are:

- A clearly defined organisation structure, with formally defined authority limits and reporting mechanisms to higher levels of management and to the Authority

Corporate Governance (continued)

for the year ended 31 December 2008

- Established procedures to identify, control and report on key risks
- Comprehensive budgeting systems, with annual financial budgets approved by the Authority
- Timely monthly reporting, with actual results reported against budget and considered by the Authority on a monthly basis
- Comprehensive policies and procedures relating to operational and financial controls, including capital expenditure. Large capital projects require the approval of the Authority.

These controls are reviewed systematically by internal audit, on a risk based approach. The Authority confirms that, through the Audit 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 Authority to undertake the review of the effectiveness of the system of internal controls included:

- Consideration of the authority, resources and co-ordination 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
- 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 Committee.

Going concern

After making enquiries, the members of the Authority have a reasonable expectation 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.

Emoluments of Authority members¹

	2008 €'000	2007 €'000
Mary Finan	35	35
Emer Finnan	18	18
Maria Killian	18	18
Patricia King	18	18
Ian Malcolm ²	18	18
Paddy Marron	18	18
Úna Ní Chonaire	18	18
Joe O'Brien ³	18	18
Stephen O'Byrnes ²	18	18
	179	179

¹ All members of the Authority, with the exception of Joe O'Brien, are non-executive.

² During 2008, in addition to their Authority fees, Stephen O'Byrnes and Ian Malcolm received immaterial amounts for contributions to RTÉ programmes.

³ In addition to his Authority fees, Joe O'Brien was paid as an employee of RTÉ.

RTÉ complied with the guidelines covering the payment of fees to the Chairpersons and Directors of State Bodies, issued by the Minister for Finance in July 1992.

Emoluments of Director-General

	2008 €'000	2007 €'000
Cathal Goan		
- Salary	298	283
Other benefits		
- Pension contributions	24	23
- Other	26	27
	50	50
Total	348	333

In addition to the above, performance related pay amounting to €46,000 was paid in May 2008 (relating to 2007 performance). In 2007, performance related pay amounting to €108,000 was paid in April 2007 (relating to 2006 performance, as part of payment under the 2004-2006 Long Term Performance Scheme).

Pension benefits earned during the year and total accrued pension at 31 December 2008 were as follows:

	€'000
Increase in accrued pension during 2008 ¹	4
Transfer value of increase ²	71
Total accrued pension at year end ³	142

¹ The increase in accrued pension during the year excludes inflation.

² The transfer value of the increase in accrued pension has been calculated on the basis of actuarial advice. This transfer value does not represent sums paid or due, but is the amount that the pension scheme would transfer to another pension scheme in relation to the benefits accrued in 2008 in the event of the member leaving service.

³ Accrued pension shown is that which would be paid annually on normal retirement date, based on service to the end of the year.

Authority Members' Report

for the year ended 31 December 2008

The members of the RTÉ Authority listed on page 30 present their annual report together with the Group financial statements for the year ended 31 December 2008.

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 Limited, RTÉ provides analogue 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 2008 are set out in the Operational review on pages 6 to 24 and in the Financial review on pages 26 to 29. 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 *Statement of Commitments 2008*, are reviewed on pages 76 to 87.

Results for year

The results of the Group for the year are set out in the Income Statement on page 42 and in the related notes.

Members of the Authority

The names of the persons who served as members of the Authority during the year ended 31 December 2008 are set out on page 30.

Corporate governance

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

- Corporate governance pages 32 to 34
- Authority members' profiles page 30
- Statement of Authority members' responsibilities page 36

Books and records

The RTÉ Authority members are responsible for ensuring that proper books and 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 books of account are kept at Donnybrook, Dublin 4.

Payment of accounts

The members of the Authority acknowledge their responsibility for ensuring compliance in all material respects with the provisions of the *European Communities (Late Payment in Commercial Transactions) Regulations 2002* ("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 10 to the financial statements.

Auditor

KPMG, Chartered Accountants, will continue in office in accordance with Section 160 (2) of the *Companies Act, 1963*.

Political donations

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

On behalf of the Authority

Tom Savage

Chairman

30 April 2009

Patricia Quinn

Authority Member and Chairman
of the Audit Committee

Cathal Goan

Director-General

Statement of Authority Members' Responsibilities

for the year ended 31 December 2008

The members of the RTÉ Authority, appointed on 24 February 2009, are responsible for preparing the Annual Report and the Group and RTÉ financial statements in accordance with applicable laws and regulations. The outgoing Authority's term of office ended on 31 December 2008.

Broadcasting legislation requires the RTÉ Authority to prepare Group and RTÉ financial statements for each financial year. Under that legislation, the RTÉ Authority members have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and have elected to prepare the RTÉ financial statements on the same basis.

The Group and RTÉ financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Group and RTÉ.

In preparing each of the Group and RTÉ financial statements, the RTÉ Authority members are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and RTÉ will continue in business.

The RTÉ Authority members are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Group and RTÉ and which enable them to ensure that the financial statements comply with broadcasting legislation. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The RTÉ Authority members are responsible for ensuring that the corporate governance statement on pages 32 to 34 reflects the Group's compliance with the *Code of Practice for the Governance of State Bodies*.

The RTÉ Authority 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 Authority

Tom Savage
Chairman

30 April 2009

Patricia Quinn
Authority Member and Chairman
of the Audit Committee

Cathal Goan
Director-General

Independent Auditor's Report

for the year ended 31 December 2008

As Auditors appointed by the Minister for Communications, Energy and Natural Resources, we have audited the RTÉ and Group financial statements ('the financial statements') for the year ended 31 December 2008 which comprise the Group Income Statement, the RTÉ and Group Balance Sheets, the RTÉ and Group Cash Flow Statements, the RTÉ and Group Statements of Recognised Income and Expense and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Minister for Communications, Energy and Natural Resources (the "Minister"). Our audit work has been undertaken so that we might state to the Minister those matters we are required to state to him in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than RTÉ and the Minister, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Authority and auditors

The Authority members' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Authority Members' Responsibilities on page 36.

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

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with IFRSs as adopted by the EU and, in the case of RTÉ as applied in accordance with the provisions of broadcasting legislation. We also report to you whether, in our opinion, proper books of account have been kept by RTÉ and whether the information in the Annual Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the RTÉ financial statements are in agreement with the books of account.

We review, at the request of the Authority, whether the Group's voluntary statement on its compliance with the *Combined Code on Corporate Governance* on page 32 reflects the Group's compliance with the nine provisions of the 2006 FRC *Combined Code* specified for auditor review by the Listing Rules of the Irish Stock Exchange, and we report if it does not. We are not required to consider whether the Authority's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Authority Members' report, the Chairman's statement, the Director-General's review, operational review, financial review and corporate governance statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Authority in the preparation of the financial statements, and of whether the accounting policies are appropriate to RTÉ and the Group's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 31 December 2008 and of its surplus for the year then ended;
- the RTÉ financial statements give a true and fair view in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of broadcasting legislation, of the state of RTÉ's affairs as at 31 December 2008; and
- the financial statements have been properly prepared in accordance with broadcasting legislation.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by RTÉ. RTÉ's balance sheet is in agreement with the books of account.

In our opinion, the information given in the Authority members' report is consistent with the financial statements.

KPMG

Chartered Accountants
Registered Auditor
Dublin
30 April 2009

Statement of Accounting Policies

1. Basis of accounting

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group and RTÉ financial statements with the exception of the basis of recognition of Licence Fee revenue. As detailed in note 25, the basis of recognition of Licence Fee revenue payable by the Department of Social and Family Affairs (DSFA) has been revised. The comparative figures have been restated accordingly.

(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 2008 comprise of 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) and their interpretations approved by the International Accounting Standards Board (IASB) as adopted by the European Union (EU) that are effective for the year ended 31 December 2008 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 Irish Companies Acts, 1963 to 2006 in so far as necessary to give a true and fair view. Accordingly RTÉ's parent balance sheet, statement of cash flows and statement of total recognised income and expense have also been presented with the consolidated financial statements as would ordinarily be required by the Irish Companies Acts 1963 to 2006.

(c) Basis of preparation

The RTÉ and Group financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value.

The Group financial statements are prepared in Euro, rounded to the nearest thousand, 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 effected. 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, financial instruments, provisions, and income tax and are documented in the relevant accounting policies below and in the related notes. The accounting policies set out below have been applied consistently by group entities and by RTÉ, where applicable, to all periods presented in these consolidated and RTÉ financial statements.

2. Basis of consolidation

(a) Subsidiaries

The Group financial statements include the financial statements of RTÉ and all of its subsidiary entities drawn up to 31 December each year. Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(b) Transactions eliminated on consolidation

Intra-group balances and transactions, and any realised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3. Revenue recognition

(a) Recognition principles

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.

Revenue is recognised to the extent that recovery is probable, it is subject to reliable measurement, it is probable that economic benefits will flow to the Group and that the significant risks and rewards of ownership has transferred to the buyer.

(b) Licence Fee revenue

Licence Fee revenue payable by the Department of Social and Family Affairs (DSFA) on behalf of individuals eligible for a "free" Television Licence is paid by the DSFA to the Department of Communications, Energy and Natural Resources (DCENR). All other Licence Fee revenue is collected by An Post and paid over to DCENR, net of collection costs. DCENR makes a non-repayable "grant-in-aid" to RTÉ from these Licence Fees collected, as provided in Section 8 of the *Broadcasting Authority (Amendment) Act, 1976*, in lieu of the amounts collected by An Post, net of collection costs and a 5% levy to the Special Broadcasting Fund, together with the amounts paid to it by DSFA.

Licence Fee revenue payable by the DSFA is recognised upon receipt. All other Licence Fee income is recognised upon notification by An Post.

(c) 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.

(d) Network and facilities income

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

(e) Circulation and events income

Circulation income arises from the publication and circulation of the *RTÉ Guide* and is stated net of fees due to the distributor and end-retailer. 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 Performing Groups. It is recognised as the events are held and amounts fall due.

(f) Content, merchandising and related income

Content, merchandising and related income represents amounts generated from RTÉ content and services provided to third parties through a range of means, including the Group's internet facilities, Aertel teletext, the external sale of RTÉ content and amounts earned through other commercial services provided by the Group. Revenue is recognised as the service is provided or upon delivery of goods to the third party.

4. Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

Arising from the Group's internal organisation structure and its system of internal financial reporting, the Group's primary reporting segment, under IAS 14 *Segment Reporting*, is by Integrated Business Division (IBD). Each IBD is a separate division organised and managed separately according to the nature of the services and products provided.

The Group has only one secondary (geographical) segment, as it currently provides its products and services primarily within one economic environment – Ireland.

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.

Foreign currency differences arising on retranslation are recognised 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.

(b) Depreciation

Depreciation is provided on all property, plant and equipment, except freehold land, 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 and equipment	7.5% – 20%
Fixtures and 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.

(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 balance sheet 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 assets recoverable amount is estimated.

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 3 to 5 years.

(c) Impairment

In accordance with IAS 36 *Impairment of assets* the carrying amount of intangible assets are reviewed at each balance sheet 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 assets recoverable amount is estimated.

8. Financial instruments

(a) Non-derivative financial instruments

Non-derivative financial instruments comprise investment in subsidiaries, trade and other receivables, liquid investments, cash and cash equivalents 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 balance sheet are recognised at cost, less impairment losses.

Trade and other receivables

Trade and other receivables are stated at 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.

Statement of Accounting Policies (continued)

Liquid investments

Liquid investments comprise short-term deposits and current asset investments which have a maturity date of greater than three months from the date of acquisition but less than twelve months from the balance sheet 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 each balance sheet date. Income on these assets is recognised on an effective interest rate basis.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held for the purposes of meeting short term cash commitments and investments which are either 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 investments 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.

Trade and other payables

Trade and other payables are stated at cost, which approximates to fair value given the short-dated nature of these assets.

(b) Derivative financial instruments

Derivative financial instruments are primarily used to manage the Group's exposure to fluctuations in foreign currency exchange rates including US Dollar and Sterling. The Group does not enter into speculative derivative contracts.

Derivative financial instruments are initially recognised at fair value and are subsequently re-measured to fair value at each balance sheet date. Changes in the fair value have been recognised immediately in the Income Statement as the Group has chosen not to hedge account for any derivatives in 2008 or 2007.

9. Inventories

(a) 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. Sports rights inventories are charged to the Income Statement as the sporting events relating to the rights are broadcast.

(b) Other inventories

Other inventories consist of stocks of minor spare parts and they are stated at the lower of cost and net realisable value. Other inventories are charged to the Income Statement as they are consumed for repairs and maintenance.

10. Provisions

A provision is recognised when: the Group has a present obligation (either legal or constructive) as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Authority members' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material. Where the Group anticipates that a provision will be reimbursed, the reimbursement is recognised as a separate asset when it is virtually certain that the reimbursement will arise.

11. Employee benefits

(a) Retirement benefit obligations

The Group, through the RTÉ Superannuation Scheme, the RTÉ Defined Contribution Pension Scheme and other defined contribution schemes, makes pension contributions for a substantial number of employees.

In relation to the defined contribution schemes, 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, 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 balance sheet, net of deferred tax (to the extent that it is recoverable). 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 expected return on the Superannuation Scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs in the Income Statement. Any difference between the expected return on assets and that actually achieved, and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the statement of recognised income and expense.

(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.

12. 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 balance sheet 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 or 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.

13. Finance income and expenses

Finance income comprises interest income on cash and liquid investments and gains on derivative financial instruments that are recognised through the Income Statement.

Finance expenses comprise unwinding of the discount on provisions and losses on derivative financial instruments that are recognised through the Income Statement.

14. Operating leases

Payments made under operating leases are recognised in the Income Statement on a straight-line basis over the term of the lease.

15. New standards and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2008, and have not been applied in preparing these consolidated financial statements:

- IFRS 8 *Operating Segments* introduces the "management approach" to segment reporting. IFRS 8, which becomes mandatory for the Group's 2009 financial statements, requires the disclosure of segment information based on the internal reports regularly reviewed by the Director-General in order to assess each segment's performance and to allocate resources to them. Currently the Group presents segment information by Integrated Business Division (IBD) (see note 1) which is consistent with internal reporting for decision making purposes so the adoption of IFRS 8 is not expected to have a significant impact.
- Revised IAS 23 *Borrowing Costs* removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. The revised IAS 23 will become mandatory for the Group's 2009 financial statements but is not expected to have any impact for RTÉ as the Group has no borrowings.
- IFRIC 13 *Customer Loyalty Programmes* addresses the accounting by entities that operate or otherwise participate in, customer loyalty programmes under which the customer can redeem credits for such as free or discounted goods or services. IFRIC 13, which becomes mandatory for the Group's 2009 financial statements, is not expected to have any impact on the financial statements.
- Revised IAS 1 *Presentation of Financial Statements* (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement), or in an income statement and a separate statement of comprehensive income. Revised IAS 1, which becomes mandatory for the Groups' 2009 financial statements, is expected to have an impact on the presentation of the financial statements.
- Amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and*

Obligations Arising on Liquidation requires puttable instruments, and instruments that impose on the entity an obligation to deliver to another party a *pro rata* share of the net assets of the entity only on liquidation, to be classified as equity if certain conditions are met. The amendments, which become mandatory for the Group's 2009 financial statements, with retrospective application required, are not expected to have any impact on the financial statements.

- Revised IFRS 3 *Business Combinations* (2008) incorporates the following changes that are likely to be relevant to the Group's operations:
 - The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations
 - Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss
 - Transaction costs, other than share and debt issue costs, will be expensed as incurred
 - Any pre-existing interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

Revised IFRS 3, which becomes mandatory for the Group's 2010 financial statements, will be applied prospectively and therefore there will be no impact on prior periods in the Group's 2010 financial statements.

- Amended IAS 27 *Consolidated and Separate Financial Statements* (2008) requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The amendments to IAS 27, which become mandatory for the Group's 2010 financial statements, are not expected to have a significant impact on the financial statements.
- Amendment to IFRS 2 *Share-based Payment – Vesting Conditions and Cancellations* clarifies the definition of vesting conditions, introduces the concept of non-vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and provides the accounting treatment for non-vesting conditions and cancellations. The amendments to IFRS 2 will become mandatory for the Group's 2009 financial statements, with retrospective application but are not expected to have an impact.

Group Income Statement

for the year ended 31 December 2008

	Notes	2008 €'000	2007 €'000
Continuing Operations			
Revenue	1	440,760	441,152
Operating costs	2	(460,510)	(430,189)
Results from Operating Activities		(19,750)	10,963
Finance Income	3	5,363	3,970
Finance Expense	3	(764)	(1,534)
Net Defined Benefit Pension Related Finance Income	3	5,725	16,184
Net Finance Income		10,324	18,620
(Deficit) / Surplus Before Income Tax		(9,426)	29,583
Income Tax Credit / (Expense)	7	9,459	(3,154)
Surplus for the Year		33	26,429

On behalf of the Authority

Tom Savage
Chairman

30 April 2009

Patricia Quinn
Authority Member and Chairman
of the Audit Committee

Cathal Goan
Director-General

Group Statement of Recognised Income and Expense

for the year ended 31 December 2008

	Notes	2008 €'000	2007 €'000
Actuarial loss on pension scheme assets	20	(105,264)	(6,312)
Deferred tax on defined benefit pension scheme	21	2,192	(458)
Income and Expense recognised directly in equity		(103,072)	(6,770)
Surplus for the Year		33	26,429
Total Recognised Income and Expense for the year	15	(103,039)	19,659

RTÉ Statement of Recognised Income and Expense

for the year ended 31 December 2008

	Notes	2008 €'000	2007 €'000
Actuarial loss on pension scheme assets	20	(105,264)	(6,312)
Deferred tax on defined benefit pension scheme	21	2,192	(458)
Income and Expense recognised directly in equity		(103,072)	(6,770)
(Deficit) / Surplus for the year		(8,721)	17,975
Total Recognised Income and Expense for the Year	15	(111,793)	11,205

Group Balance Sheet

at 31 December 2008

	Notes	2008 €'000	2007 €'000 As restated (note 25)
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	108,931	79,096
Intangible assets	9	4,973	4,515
Pension asset	20	-	17,535
Deferred tax assets	21	923	-
Other receivables	12	626	942
Total Non-Current Assets		115,453	102,088
Current Assets			
Inventories	11	41,314	44,387
Trade and other receivables	12	53,134	61,963
Prepayments and accrued income		11,468	19,455
Liquid investments	14	-	73,405
Cash and cash equivalents	13	68,267	16,730
Total Current Assets		174,183	215,940
Total Assets		289,636	318,028
EQUITY			
Retained earnings	15	74,263	177,302
LIABILITIES			
Non-Current Liabilities			
Employee benefits	19	8,806	13,468
Pension liability	20	86,617	-
Deferred tax liabilities	21	-	10,365
Total Non-Current Liabilities		95,423	23,833
Current Liabilities			
Trade and other payables	16	76,899	70,055
Taxation and social welfare	17	9,095	14,972
Derivative financial instruments	22	148	984
Employee benefits	19	29,276	24,727
Provisions	18	4,532	6,155
Total Current Liabilities		119,950	116,893
Total Liabilities		215,373	140,726
Total Equity and Liabilities		289,636	318,028

On behalf of the Authority

Tom Savage

Chairman

30 April 2009

Patricia Quinn

Authority Member and Chairman
of the Audit Committee

Cathal Goan

Director-General

Group Cash Flow Statement

for the year ended 31 December 2008

	Notes	2008 €'000	2007 €'000
Cash Flows from Operating Activities			
Surplus for the year		33	26,429
Adjustments for:			
Depreciation of property, plant and equipment	8	19,970	17,857
Amortisation of intangible assets	9	1,052	988
Loss / (gain) on disposal of property, plant and equipment		32	(5)
Loss on disposal of intangible assets		16	-
Difference between pension charge and cash contributions		4,613	6,209
Net finance income		(10,324)	(19,423)
Income tax (credit) / expense	7	(9,459)	3,154
		5,933	35,209
Change in inventories		2,581	(2,195)
Change in trade and other receivables		9,145	(4,208)
Change in prepayments		6,910	(7,259)
Change in trade and other payables		259	6,294
Change in taxation and social welfare		(5,514)	(191)
Change in provisions and employee benefits		(877)	3,574
Net Cash from Operating Activities		18,437	31,224
Cash Flows from Investing Activities			
Cash disposed of on discontinued operation	6	-	(3,568)
Interest received		5,602	3,865
Proceeds from sale of property, plant and equipment		63	43
Acquisition of property, plant and equipment		(44,432)	(20,026)
Acquisition of intangible assets		(1,538)	(2,706)
Net Cash used in Investing Activities		(40,305)	(22,392)
Cash Flows from Financing Activities			
Decrease / (increase) in liquid investments		73,405	(3,972)
Net Cash from Financing Activities		73,405	(3,972)
Net increase in cash and cash equivalents		51,537	4,860
Cash and cash equivalents at 1 January		16,730	11,870
Increase in cash and cash equivalents		51,537	4,860
Cash and Cash Equivalents at 31 December	13	68,267	16,730

RTÉ Balance Sheet

at 31 December 2008

	Notes	2008 €'000	2007 €'000 As restated (note 25)
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	59,138	49,192
Intangible assets	9	4,442	4,238
Investments in subsidiaries	10	65,827	65,827
Deferred tax asset	21	1,845	-
Pension asset	20	-	17,535
Other receivables	12	626	942
Total Non-Current Assets		131,878	137,734
Current Assets			
Inventories	11	40,314	43,622
Trade and other receivables	12	44,403	52,185
Prepayments and accrued income		8,667	17,367
Liquid investments	14	-	31,923
Cash and cash equivalents	13	36,068	11,369
Total Current Assets		129,452	156,466
Total Assets		261,330	294,200
EQUITY			
Retained earnings	15	22,434	134,227
LIABILITIES			
Non-Current Liabilities			
Employee benefits	19	8,806	13,468
Pension liability	20	86,617	-
Deferred tax liabilities	21	-	8,425
Total Non-Current Liabilities		95,423	21,893
Current Liabilities			
Trade and other payables	16	101,891	95,337
Taxation and social welfare	17	8,083	11,902
Derivative financial instruments	22	148	984
Employee benefits	19	28,819	23,800
Provisions	18	4,532	6,057
Total Current Liabilities		143,473	138,080
Total Liabilities		238,896	159,973
Total Equity and Liabilities		261,330	294,200

On behalf of the Authority

Tom Savage

Chairman

30 April 2009

Patricia Quinn

Authority Member and Chairman
of the Audit Committee

Cathal Goan

Director-General

RTÉ Cash Flow Statement

for the year ended 31 December 2008

	Notes	2008 €'000	2007 €'000
Cash Flows from Operating Activities			
(Deficit) / Surplus for the year		(8,721)	17,975
Adjustments for:			
Depreciation of property, plant and equipment	8	14,774	12,448
Amortisation of intangible assets	9	975	953
Gain on disposal of property, plant and equipment		(21)	(4)
Difference between pension charge and cash contributions		4,613	6,209
Net finance income		(8,145)	(19,372)
Income tax (credit) / expense		(9,956)	1,504
		(6,481)	19,713
Change in inventories		2,815	(2,141)
Change in trade and other receivables		8,098	(3,519)
Change in prepayments		7,798	(7,564)
Change in trade and other payables		3,970	(22,305)
Change in taxation and social welfare		(1,941)	(744)
Change in provisions and employee benefits		(407)	3,453
Net Cash from / (used in) Operating Activities		13,852	(13,107)
Cash Flows from Investing Activities			
Interest received		3,251	3,864
Proceeds from sale of property, plant and equipment		40	34
Increase in investment in subsidiaries		-	(14,472)
Acquisition of property, plant and equipment		(23,160)	(11,468)
Acquisition of intangible assets		(1,207)	(2,566)
Net Cash used in Investing Activities		(21,076)	(24,608)
Cash Flows from Financing Activities			
Decrease in liquid investments		31,923	37,510
Net Cash from Financing Activities		31,923	37,510
Net increase / (decrease) in cash and cash equivalents		24,699	(205)
Cash and cash equivalents at 1 January		11,369	11,574
Increase / (decrease) in cash and cash equivalents		24,699	(205)
Cash and Cash Equivalents at 31 December	13	36,068	11,369

Notes

forming part of the Group financial statements

1 Principal activities and segmental information

(a) Principal activities

RTÉ is a not-for-profit organisation whose principal public service activity is the broadcast of a comprehensive range of free-to-air television and radio channels and schedules. 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 the operation of the RTÉ National Symphony Orchestra, the RTÉ Concert Orchestra and other performing groups. Within its Publishing division, RTÉ provides an extensive range of, free, web-based Online services broadly aimed at Irish audiences.

The annual cost to RTÉ of providing and financing these 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, primarily within the Republic of Ireland, to support its public service activities. These include the sale of advertising and sponsorship, the publication of the *RTÉ Guide*, the licensing and/or sale of content, programme related merchandising sales, the rental of production facilities and telecoms/text revenue shares. In addition RTÉ Transmission Network Limited (RTÉNL) operates a national broadcast transmission network within the Republic of Ireland, which it makes available to both local and national broadcasters, including RTÉ's own services, on an arm's length basis. RTÉNL also rents surplus tower/mast space to a variety of third party non-broadcast users.

RTÉ's operations and management are organised into six Integrated Business Divisions (IBDs): Television, Radio, News and Current Affairs, Performing Groups, Publishing and Network, together with a Corporate HQ and Central Shared Services. Network IBD is entirely located within RTÉ's wholly owned and separately managed subsidiary company RTÉ Transmission Network Limited (see above). 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. Central Shared Services encompass activities which are carried out centrally on behalf of the IBDs. Only those costs relating to Central Shared Services activities, and therefore incurred centrally on behalf of the IBDs, are reported at IBD, channel or service level. The costs of the Corporate HQ, together with interest charged and interest received are not allocated to IBDs.

A detailed list of RTÉ's activities, together with the IBD in which they are carried out and the legal entity in which they are reported, an appreciation of which are necessary to interpret this segmental information, is set out in note 10 to these financial statements.

(b) Segmental information

Segmental analysis, prepared in accordance with IAS 14 *Segment Reporting* is set out in schedules at 1(d) and 1(e). RTÉ's primary reporting segments are its IBDs, its business segments. As stated above RTÉ's public services serve Irish society and its ancillary commercial activities are primarily within the Republic of Ireland. As RTÉ therefore operates primarily within one geographical segment, no secondary geographical segmental information is required.

Segmental analysis by IBD

Segmental analysis by IBD is presented in the schedules at 1(d) and 1(f). In the schedules set out at 1(d), commercial revenues are reported in the IBD where they are earned. With the exception of the News and Current Affairs IBD, the reporting of Licence Fee revenue within each IBD is a function of the attribution of it to each individual channel and service (see below). In the case of the News and Current Affairs IBD, all of the costs, with the exception of the value of news output supplied to RTÉ 2fm, are covered by attributed Licence Fee revenue.

Costs directly incurred by and for an IBD are reported within that IBD. Where costs are incurred by Central Shared Services on behalf of an IBD, or by one IBD on behalf of another, an appropriate full-cost absorption/usage allocation basis is used to apply a fair and reasonable cost of the inter divisional services consumed by those IBDs. The allocations are based upon consistently applied and objectively justifiable cost accounting principles.

For the purposes of the IBD segment analysis, (the schedules set out at 1(d)), the costs of the News and Current Affairs IBD are disclosed separately from Television and Radio.

RTÉNL invoices all IBDs for transmission and distribution services on the basis of a published tariff model, inclusive of margin. Other RTÉNL services are invoiced at appropriate commercial rates.

The information presented in respect of the Television and News and Current Affairs IBDs includes costs and charges in relation to RTÉ's statutory obligation to provide programmes to TG4 in accordance with Government policy (see 1(e) below).

In 1(f) below, assets and liabilities by IBD are stated after the elimination of inter-company assets and liabilities and any inter-company profit resulting from internal transfers.

1 Principal activities and segmental information (continued)

(c) Other analysis

Analysis of revenues, costs and surplus/(deficit) by channel, service and broadcasting genre and between public service and non-public service activities

In the schedules set out at 1(e), costs and commercial revenues are reported within channels, services and broadcasting genres in a manner that is consistent with the same principles used to report IBD revenues and costs.

For the purposes of this channel, service and broadcasting genre segment analysis, News and Current Affairs IBD costs are fully allocated to the relevant Television and Radio channels on an appropriate usage basis and in accordance with consistently applied and objectively justified cost accounting principles.

With the exception of the allocated costs of news output supplied to RTÉ 2fm, all of the costs of the News and Current Affairs IBD are covered by attributed Licence Fee revenue.

Licence Fee revenue is simultaneously 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 Performing Groups, RTÉ Raidió na Gaeltachta and RTÉ lyric fm.

No Licence Fee revenue is attributed to RTÉ 2fm as this public service channel generates sufficient commercial revenue to fully cover its costs and to generate a surplus.

The funding of RTÉ Radio 1's costs comprises:

- RTÉ Radio 1 advertising and sponsorship
- surpluses generated by non-channel Radio IBD commercial activities
- surpluses generated by RTÉ 2fm;

with the balance being made up of an attribution of Licence Fee revenue consisting of two elements:

- an amount equivalent to the allocated cost of services supplied to RTÉ Radio 1 by the News and Current Affairs IBD
- a balancing contribution (after receipt of all other income) towards the production costs of indigenous programmes broadcast on RTÉ Radio 1.

After deduction of the attributions described above, the remaining Licence Fee revenue is attributed as a contribution towards the production costs of indigenous programming on RTÉ's two public service television channels, RTÉ One and RTÉ Two. The amount attributed to each channel is computed by reference to the proportionate costs of indigenous programming for each channel. No element of Licence Fee revenue is attributed to funding the cost of acquired programmes or to the funding of non-programme public service operating costs incurred by the channels.

Licence Fee revenue is not directly attributed to RTÉ Publishing, RTÉ Network, Corporate HQ or to any other non-channel activity or service. Consequently, no element of Licence Fee revenue is attributed to funding the cost of acquired programmes or to the funding of non-programme public service operating costs incurred by the channels.

The residual non-channel and non-service activities are aggregated together under the category "Other" and include RTÉ Network IBD, RTÉ Publishing IBD (excluding "Online" activities), non-channel activities within RTÉ Television or RTÉ Radio IBDs, together with applicable consolidation adjustments.

The schedules set out at 1(f) are ordered so that the costs and revenues associated with RTÉ's various public service and non-public service activities are clearly delineated and separated for reporting purposes. As indicated earlier in this report, because the cost to RTÉ of providing the full range of public service activities is substantially in excess of the amount of Licence Fee revenue, it is unavoidable that a considerable amount of RTÉ's public service activity is funded by commercial revenue rather than by public funding. Free, web based, Online public services are currently financed entirely by commercial revenues generated from other activities and therefore attract no attribution of Licence Fee revenue.

Analysis of network charges to all RTÉ services

In 1(g) below, the amounts charged by RTÉNL to each of the RTÉ services are separately identified.

Notes (continued)

forming part of the Group financial statements

1 Principal activities and segmental information (continued)

(d) Revenues, costs and surplus/(deficit) by IBD (continuing operations), in line with RTÉ's organisational structure, year ended 31 December 2008:

	Television IBD €'000	Radio IBD €'000	News and Current Affairs IBD €'000	Performing Groups IBD €'000	Network IBD €'000	Publishing IBD €'000	Corporate HQ €'000	Consolidation Adjustments * €'000	Group Total €'000
Revenue									
Advertising income	149,110	41,105	-	11	-	5,861	-	(484)	195,603
Sponsorship income	6,168	1,989	-	274	-	945	-	-	9,376
Facilities income	1,846	233	-	434	-	-	-	(419)	2,094
Circulation and event income	-	-	-	2,039	-	5,041	-	-	7,080
Transmission, mast and towers income	-	-	-	-	27,599	-	-	(12,444)	15,155
Content, merchandising and related sales	5,441	2,001	-	64	-	2,821	-	(21)	10,306
Other commercial revenue	16	-	-	-	-	278	40	(40)	294
Commercial revenue	162,581	45,328	-	2,822	27,599	14,946	40	(13,408)	239,908
Licence Fee revenue attribution	94,036	32,609	58,739	15,468	-	-	-	-	200,852
	256,617	77,937	58,739	18,290	27,599	14,946	40	(13,408)	440,760
Costs by output category									
Programme costs - by source									
In-house productions	(123,904)	(64,122)	(61,345)	-	-	-	-	761	(248,610)
Statutory commissions	(35,680)	-	-	-	-	-	-	-	(35,680)
Non-statutory commissions	(40,032)	-	(1)	-	-	-	-	-	(40,033)
Indigenous programming	(199,616)	(64,122)	(61,346)	-	-	-	-	761	(324,323)
Acquired programmes - Ireland	(426)	-	-	-	-	-	-	-	(426)
Acquired programmes - overseas	(24,360)	(3)	-	-	-	-	-	-	(24,363)
	(224,402)	(64,125)	(61,346)	-	-	-	-	761	(349,112)
General broadcast and transmission costs	(28,985)	(1,751)	(142)	-	(21,485)	-	-	726	(51,637)
RTÉNL transmission and power charges	(6,557)	(5,184)	-	-	-	-	-	11,741	-
Sales costs	(7,549)	(3,099)	-	-	-	(2,000)	-	524	(12,124)
Other output related costs	(6,400)	(1,019)	(3)	(18,290)	-	(15,006)	-	252	(40,466)
	(273,893)	(75,178)	(61,491)	(18,290)	(21,485)	(17,006)	-	14,004	(453,339)
Unallocated revenues and costs									
Corporate HQ	-	-	-	-	-	-	(6,148)	-	(6,148)
Net Interest Receivable	-	-	-	-	-	-	3,576	-	3,576
IBD Surplus / (Deficit)	(17,276)	2,759	(2,752)	-	6,114	(2,060)	(2,532)	596	(15,151)
Net defined benefit pension related finance income									5,725
Deficit before Income Tax									(9,426)
Income tax credit									9,459
Surplus for the Year									33

* Elimination of intra-group revenue and costs.

1 Principal activities and segmental information (continued)

(d) Revenues, costs and surplus/(deficit) by IBD (continuing operations), in line with RTE's organisational structure, year ended 31 December 2007:

	Television IBD €'000	Radio IBD €'000	News and Current Affairs IBD €'000	Performing Groups IBD €'000	Network IBD €'000	Publishing IBD €'000	Corporate HQ €'000	Consolidation Adjustments * €'000	Group Total €'000
Revenue									
Advertising income	156,928	39,977	-	3	-	6,388	-	(874)	202,422
Sponsorship income	7,147	1,794	-	201	-	963	-	-	10,105
Facilities income	2,172	240	-	429	-	-	-	(539)	2,302
Circulation and event income	-	-	-	1,760	-	5,248	-	-	7,008
Transmission, mast and towers income	-	-	-	-	28,157	-	-	(14,378)	13,779
Content, merchandising and related sales	5,290	1,922	-	57	-	2,497	-	(51)	9,715
Other commercial revenue	-	-	-	-	-	122	40	(40)	122
Commercial revenue	171,537	43,933	-	2,450	28,157	15,218	40	(15,882)	245,453
Licence Fee revenue attribution	89,992	32,021	58,581	15,105	-	-	-	-	195,699
	261,529	75,954	58,581	17,555	28,157	15,218	40	(15,882)	441,152
Costs by output category									
Programme costs – by source									
In-house productions	(104,997)	(60,408)	(61,025)	-	-	-	-	153	(226,277)
Statutory commissions	(32,915)	-	-	-	-	-	-	-	(32,915)
Non-statutory commissions	(44,160)	-	(114)	-	-	-	-	-	(44,274)
Indigenous programming	(182,072)	(60,408)	(61,139)	-	-	-	-	153	(303,466)
Acquired programmes – Ireland	(372)	-	-	-	-	-	-	-	(372)
Acquired programmes – overseas	(23,679)	-	-	-	-	-	-	-	(23,679)
	(206,123)	(60,408)	(61,139)	-	-	-	-	153	(327,517)
General broadcast and transmission costs	(25,133)	(2,203)	(90)	-	(22,637)	-	-	4,135	(45,928)
RTÉNL transmission and power charges	(6,970)	(6,540)	-	-	-	-	-	13,510	-
Sales costs	(7,365)	(3,254)	-	-	-	(1,949)	-	179	(12,389)
Other output related costs	(5,788)	(895)	-	(17,555)	-	(14,249)	-	946	(37,541)
	(251,379)	(73,300)	(61,229)	(17,555)	(22,637)	(16,198)	-	18,923	(423,375)
Unallocated revenues and costs									
Corporate HQ	-	-	-	-	-	-	(7,439)	-	(7,439)
Net Interest Receivable	-	-	-	-	-	-	3,061	-	3,061
IBD Surplus/ (Deficit)	10,150	2,654	(2,648)	-	5,520	(980)	(4,338)	3,041	13,399
Net defined benefit pension related finance income									16,184
Surplus before Income Tax									29,583
Income tax expense									(3,154)
Surplus for the Year									26,429

* Elimination of intra-group revenue and costs.

Notes (continued)

forming part of the Group financial statements

1 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 2008:

	RTÉ One €'000	RTÉ Two €'000	RTÉ Radio 1 €'000	RTÉ 2fm €'000	RTÉ lyric fm €'000	RTÉ RnaG €'000	TG4 support €'000	Performing Groups €'000	Corporate HQ €'000	Online Services €'000	Other €'000	Consolidation Adjustments €'000	Group Total €'000
PUBLIC SERVICE ACTIVITIES													
Indigenous programme costs													
In-house productions	(93,454)	(70,226)	(42,132)	(13,505)	(7,835)	(13,896)	(8,323)	-	-	-	-	761	(248,610)
Statutory Commissions	(27,004)	(8,676)	-	-	-	-	-	-	-	-	-	-	(35,680)
Non-statutory Commissions	(27,541)	(9,771)	-	-	-	-	(2,706)	-	-	(15)	-	-	(40,033)
	(147,999)	(88,673)	(42,132)	(13,505)	(7,835)	(13,896)	(11,029)	-	-	(15)	-	761	(324,323)
Programme costs – By Genre													
Arts	(1,081)	-	(2,436)	-	(424)	(38)	-	-	-	-	-	8	(3,971)
Education	(833)	-	(20)	(28)	(85)	(85)	-	-	-	-	-	1	(1,050)
Religious	(4,199)	-	(593)	-	-	(106)	-	-	-	-	-	19	(4,879)
Other Factual	(36,838)	(2,082)	(2,558)	-	(265)	(3,101)	(2,643)	-	-	-	-	79	(47,408)
Factual	(42,951)	(2,082)	(5,607)	(28)	(774)	(3,330)	(2,643)	-	-	-	-	107	(57,308)
Drama	(38,776)	(4,739)	(750)	-	-	(99)	(418)	-	-	(15)	-	44	(44,753)
Entertainment	(23,918)	(8,698)	(4,400)	(1,998)	(271)	(618)	(392)	-	-	-	-	38	(40,257)
Music	(2,215)	(1,375)	(7,721)	(6,983)	(6,085)	(1,825)	-	-	-	-	-	70	(26,134)
News, Current Affairs and Weather	(38,834)	(3,024)	(18,423)	(4,405)	(657)	(5,884)	(6,637)	-	-	-	-	440	(77,424)
Sport	(1,305)	(53,820)	(5,230)	(84)	-	(1,486)	(11)	-	-	-	-	17	(61,919)
Young Peoples	-	(14,935)	(1)	-	(48)	(654)	(928)	-	-	-	-	38	(16,528)
Other	-	-	-	(7)	-	-	-	-	-	-	-	7	-
Indigenous programming	(147,999)	(88,673)	(42,132)	(13,505)	(7,835)	(13,896)	(11,029)	-	-	(15)	-	761	(324,323)
Indigenous non-broadcast output costs	-	-	-	-	-	-	-	(18,290)	-	(5,034)	-	38	(23,286)
	(147,999)	(88,673)	(42,132)	(13,505)	(7,835)	(13,896)	(11,029)	(18,290)	-	(5,049)	-	799	(347,609)
Public Funding													
Licence Fee revenue attribution	81,992	49,126	19,976	-	8,118	15,063	11,109	15,468	-	-	-	-	200,852
	(66,007)	(39,547)	(22,156)	(13,505)	283	1,167	80	(2,822)	-	(5,049)	-	799	(146,757)
Other public service activity costs by output category													
Acquired programmes													
- Ireland	(378)	(48)	-	-	-	-	-	-	-	-	-	-	(426)
- overseas	(13,236)	(11,124)	-	-	(3)	-	-	-	-	-	-	-	(24,363)
General Broadcast and													
Transmission Operations	(14,495)	(14,498)	(933)	(435)	(250)	(187)	(80)	-	-	-	-	-	(30,878)
RTÉNL Transmission and Power Charges	(3,278)	(3,278)	(2,247)	(980)	(978)	(980)	-	-	-	-	-	-	(11,741)
	(31,387)	(28,948)	(3,180)	(1,415)	(1,231)	(1,167)	(80)	-	-	-	-	-	(67,408)
Unallocated revenues and costs													
Corporate HQ	-	-	-	-	-	-	-	-	(6,148)	-	-	-	(6,148)
Net Interest Receivable	-	-	-	-	-	-	-	-	3,576	-	-	-	3,576
Net defined benefit pension related finance income	-	-	-	-	-	-	-	-	-	-	5,725	-	5,725
Deficit on public service activities	(97,394)	(68,495)	(25,336)	(14,920)	(948)	-	-	(2,822)	(2,572)	(5,049)	5,725	799	(211,012)
NON-PUBLIC SERVICE ACTIVITIES													
Commercial revenue	106,496	48,791	23,393	20,084	992	-	-	2,822	40	2,592	48,106	(13,408)	239,908
Non-Public service operating costs													
General Broadcast and													
Transmission Costs	-	-	-	-	-	-	-	-	-	-	(21,485)	726	(20,759)
RTÉNL Transmission and Power Charges	-	-	-	-	-	-	-	-	-	-	-	11,741	11,741
Sales Costs	(5,278)	(2,271)	(1,733)	(1,322)	(44)	-	-	-	-	(618)	(1,382)	524	(12,124)
Other Operating Costs	-	-	-	(312)	-	-	-	-	-	-	(17,082)	214	(17,180)
	(5,278)	(2,271)	(1,733)	(1,634)	(44)	-	-	-	-	(618)	(39,949)	13,205	(38,322)
Contribution from non-public service activities	101,218	46,520	21,660	18,450	948	-	-	2,822	40	1,974	8,157	(203)	201,586
Net Surplus / (Deficit) before Income Tax													
	3,824	(21,975)	(3,676)	3,530	-	-	-	-	(2,532)	(3,075)	13,882	596	(9,426)
Income tax credit	-	-	-	-	-	-	-	-	-	-	9,459	-	9,459
Surplus / (Deficit) for the Year	3,824	(21,975)	(3,676)	3,530	-	-	-	-	(2,532)	(3,075)	23,341	596	33

1 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 2007:

	RTÉ One €'000	RTÉ Two €'000	RTÉ Radio 1 €'000	RTÉ 2fm €'000	RTÉ lyric fm €'000	RTÉ RnaG €'000	TG4 support €'000	Performing Groups €'000	Corporate HQ €'000	Online Services €'000	Consolidation Other Adjustments €'000	Group Total €'000
PUBLIC SERVICE ACTIVITIES												
Indigenous programme costs												
In-house production	(88,438)	(55,813)	(40,422)	(12,717)	(7,219)	(12,708)	(9,113)	-	-	-	153	(226,277)
Statutory Commissions	(29,106)	(3,809)	-	-	-	-	-	-	-	-	-	(32,915)
Non-statutory Commissions	(26,226)	(15,650)	-	-	-	-	(2,398)	-	-	-	-	(44,274)
	(143,770)	(75,272)	(40,422)	(12,717)	(7,219)	(12,708)	(11,511)	-	-	-	153	(303,466)
Programme Costs – by Genre:												
Arts	(1,139)	-	(2,658)	-	(390)	(28)	-	-	-	-	2	(4,213)
Education	(229)	-	(17)	(51)	(86)	(78)	-	-	-	-	-	(461)
Religious	(3,969)	-	(560)	-	-	(90)	-	-	-	-	4	(4,615)
Other Factual	(35,736)	(2,212)	(2,664)	-	(202)	(2,828)	(2,167)	-	-	-	20	(45,789)
Factual	(41,073)	(2,212)	(5,899)	(51)	(678)	(3,024)	(2,167)	-	-	-	26	(55,078)
Drama	(33,118)	(6,034)	(717)	-	-	(104)	(381)	-	-	-	40	(40,314)
Entertainment	(27,135)	(7,250)	(4,764)	(1,798)	(238)	(511)	(1,086)	-	-	-	20	(42,762)
Music	(2,012)	(1,210)	(7,024)	(6,610)	(5,770)	(1,626)	-	-	-	-	2	(24,250)
News, Current Affairs and Weather	(38,964)	(3,055)	(17,438)	(4,168)	(488)	(5,486)	(6,629)	-	-	-	30	(76,198)
Sport	(1,468)	(40,139)	(4,576)	(90)	-	(1,345)	(7)	-	-	-	16	(47,609)
Young Peoples	-	(15,372)	(4)	-	(45)	(612)	(995)	-	-	-	19	(17,009)
Other	-	-	-	-	-	-	(246)	-	-	-	-	(246)
Indigenous programming	(143,770)	(75,272)	(40,422)	(12,717)	(7,219)	(12,708)	(11,511)	-	-	-	153	(303,466)
Indigenous non-broadcast output costs	-	-	-	-	-	-	-	(17,555)	-	(3,250)	9	(20,796)
	(143,770)	(75,272)	(40,422)	(12,717)	(7,219)	(12,708)	(11,511)	(17,555)	-	(3,250)	162	(324,262)
Public funding												
Licence Fee revenue attribution	83,342	43,633	20,297	-	7,875	13,889	11,558	15,105	-	-	-	195,699
	(60,428)	(31,639)	(20,125)	(12,717)	656	1,181	47	(2,450)	-	(3,250)	162	(128,563)
Other public service activity costs by output category												
Acquired programmes												
- Ireland	(230)	(142)	-	-	-	-	-	-	-	-	-	(372)
- overseas	(13,684)	(9,995)	-	-	-	-	-	-	-	-	-	(23,679)
General Broadcast and Transmission Costs	(12,755)	(12,391)	(1,286)	(506)	(251)	(191)	(47)	-	-	-	-	(27,427)
RTÉNL Transmission and Power Charges	(3,485)	(3,485)	(3,594)	(975)	(981)	(990)	-	-	-	-	-	(13,510)
	(30,154)	(26,013)	(4,880)	(1,481)	(1,232)	(1,181)	(47)	-	-	-	-	(64,988)
Unallocated revenues and costs												
Corporate HQ	-	-	-	-	-	-	-	(7,439)	-	-	-	(7,439)
Net Interest Receivable	-	-	-	-	-	-	-	-	3,061	-	-	3,061
Net defined benefit pension related finance income	-	-	-	-	-	-	-	-	-	-	16,184	16,184
Deficit on public service activities	(90,582)	(57,652)	(25,005)	(14,198)	(576)	-	-	(2,450)	(4,378)	(3,250)	16,184	162 (181,745)
NON-PUBLIC SERVICE ACTIVITIES												
Commercial revenue	111,323	52,729	22,258	20,020	628	-	-	2,450	40	2,226	49,661	(15,882) 245,453
Non-public service operating costs												
General Broadcast and Transmission Costs	-	-	-	-	-	-	-	-	-	-	(22,636)	4,135 (18,501)
RTÉNL Transmission and Power Charges	-	-	-	-	-	-	-	-	-	-	-	13,510 13,510
Sales Costs	(5,149)	(2,216)	(1,762)	(1,440)	(52)	-	-	-	-	(476)	(1,473)	179 (12,389)
Other Operating Costs	-	-	-	(297)	-	-	-	-	-	-	(17,385)	937 (16,745)
	(5,149)	(2,216)	(1,762)	(1,737)	(52)	-	-	-	-	(476)	(41,494)	18,761 (34,125)
Contribution from non-public service activities	106,174	50,513	20,496	18,283	576	-	-	2,450	40	1,750	8,167	2,879 211,328
Net Surplus / (Deficit) before Income Tax												
	15,592	(7,139)	(4,509)	4,085	-	-	-	-	(4,338)	(1,500)	24,351	3,041 29,583
Income tax expense	-	-	-	-	-	-	-	-	-	-	(3,154)	(3,154)
Surplus / (Deficit) for the Year	15,592	(7,139)	(4,509)	4,085	-	-	-	-	(4,338)	(1,500)	21,197	3,041 26,429

Notes (continued)

forming part of the Group financial statements

1 Principal activities and segmental information (continued)

(f) Assets, liabilities and other information by IBD (continuing operations), in line with RTÉ's organisational structure

	Television IBD €'000	Radio IBD €'000	News and Current Affairs IBD €000	Network IBD €'000	Publishing IBD €'000	Performing Groups IBD €'000	Unallocated ¹ €'000	Group Total €'000
Year ended 31 December 2008								
Segment assets	133,809	21,858	11,862	63,605	6,836	1,521	-	239,491
Unallocated assets	-	-	-	-	-	-	50,145	50,145
Total Assets	133,809	21,858	11,862	63,605	6,836	1,521	50,145	289,636
Segment liabilities	(51,155)	(5,027)	(4,197)	(14,481)	(3,406)	(998)	-	(79,264)
Unallocated liabilities	-	-	-	-	-	-	(136,109)	(136,109)
Total Liabilities	(51,155)	(5,027)	(4,197)	(14,481)	(3,406)	(998)	(136,109)	(215,373)
Capital expenditure	12,056	5,156	7,736	24,901	1,170	405	-	51,424
Depreciation of property, plant and equipment	9,378	3,227	1,988	5,363	410	155	(551)	19,970
Amortisation of intangible assets	584	254	98	17	88	11	-	1,052
Year ended 31 December 2007								
Segment assets	149,576	20,413	4,745	43,949	6,928	1,303	-	226,914
Unallocated assets	-	-	-	-	-	-	91,114	91,114
Total Assets	149,576	20,413	4,745	43,949	6,928	1,303	91,114	318,028
Segment liabilities	(51,894)	(4,505)	(3,937)	(10,336)	(4,209)	(1,740)	-	(76,621)
Unallocated liabilities	-	-	-	-	-	-	(64,105)	(64,105)
Total Liabilities	(51,894)	(4,505)	(3,937)	(10,336)	(4,209)	(1,740)	(64,105)	(140,726)
Capital expenditure	5,697	3,217	1,274	8,487	424	37	-	19,136
Depreciation of property, plant and equipment	8,284	2,521	1,505	5,739	338	119	(648)	17,858
Amortisation of intangible assets	553	246	71	41	66	11	-	988

¹ Unallocated assets principally comprise cash and liquid investments and the actuarial surplus on the RTÉ Superannuation Scheme in 2007. Unallocated liabilities principally comprise tax and other financial liabilities together with employee benefits and provisions and the actuarial deficit on the RTÉ Superannuation Scheme in 2008.

(g) Analysis of network charges to all RTÉ Services (including TG4)

	2008 €'000	2007 €'000
RTÉ One	3,585	3,485
RTÉ Two	3,343	3,485
RTÉ Radio 1	2,401	3,594
RTÉ 2fm	1,008	975
RTÉ lyric fm	1,003	981
RTÉ Raidió na Gaeltachta	1,055	990
RTÉ support provided to TG4 and Seirbhísí Theilifís na Gaeilge Teoranta (up to 31 March 2007)	-	862
	12,395	14,372

2 Operating Costs

	2008 €'000	2007 €'000
Employee costs (note 5)	176,077	169,615
Other personnel related costs	45,887	46,185
Personnel related operating costs	221,964	215,800
Direct commissioned programme costs	72,202	70,211
Direct acquired programme costs	24,199	22,684
Sports and other copyrights	25,812	16,861
Outside broadcast contracts	7,130	7,172
International communication circuits	4,015	3,582
Guide printing and related costs	2,819	3,585
Network electricity	3,140	3,244
Music licences	7,806	6,448
Insurance policies	1,583	1,457
Depreciation and amortisation	21,022	18,846
Other costs	68,818	60,299
Non personnel related operating costs	238,546	214,389
Total Operating Costs	460,510	430,189

3 Finance Income and Expense

	2008 €'000	2007 €'000
Interest income on bank deposits	4,527	3,970
Fair value gains on derivative financial instruments	836	-
Finance income	5,363	3,970
Unwind of discount on restructuring provision (note 19)	763	728
Fair value losses on derivative financial instruments	-	803
Other finance costs	1	3
Finance expense	764	1,534
Expected return on scheme assets (note 20)	59,298	62,098
Interest cost on scheme liabilities (note 20)	(53,573)	(45,914)
Net defined benefit pension related finance income	5,725	16,184
Net Finance Income recognised in income statement	10,324	18,620

4 (Deficit) / Surplus on Continuing Operations Before Income Tax

The (Deficit) / Surplus on Continuing Operations Before Income Tax includes the following amounts:

	2008 €'000	2007 €'000
Depreciation and amortisation		
- Depreciation of property, plant and equipment	19,970	17,858
- Amortisation of intangible assets	1,052	988
(Loss) / gain on disposal of property, plant and equipment and intangible assets	(48)	5
Auditors' remuneration, including expenses		
- audit fees	191	144
- other audit related services	51	65
- non audit work		
- tax advice	356	256
- corporate finance	351	128
- other services	57	3
Operating lease rentals, principally vehicles	116	193

The remuneration of Authority members and the Director-General are set out on page 34.

Notes (continued)

forming part of the Group financial statements

5 Employee Information

Group staff costs during the year amounted to:

	2008 €'000	2007 €'000
Wages and salaries	150,168	143,050
Social welfare costs	10,257	9,479
Pension costs and life assurance	15,652	17,086
	176,077	169,615

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		Full time equivalents	
	2008	2007	2008	2007
RTÉ Group	2,351	2,307	2,144	2,106

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

	2008	2007
RTÉ Group	2,338	2,319

6 Discontinued Operation

Teilifís na Gaeilge was established as an independent statutory entity to operate the television service broadcast as TG4 on 1 April 2007, pursuant to the *Teilifís na Gaeilge (Establishment Day) Order 2007*, which implemented the relevant provisions of the *Broadcasting Act 2001*. Prior to this separation, the operations of TG4 had been conducted through Seirbhísí Theilifís na Gaeilge Teoranta, a wholly owned RTÉ subsidiary.

There was no impact on the 2008 and 2007 Income Statement from this separation as no amounts were recognised in the RTÉ Group Income Statement in prior years in relation to TG4.

Effect of disposal on the financial position of the Group as at 31 March 2007

	2007 €'000
Property, plant and equipment	(9,287)
Cash and cash equivalents	(3,568)
Trade and other receivables	(1,806)
Deferred tax liabilities	-
Trade and other payables	2,457
Capital grants	12,204
	-
Consideration received, satisfied in cash	-
Cash disposed of	(3,568)
Net Cash Outflow	(3,568)

7 Income Tax (Credit) / Expense

	2008 €'000	2007 €'000
Current Tax (Credit) / Expense		
Current corporation tax	2,018	4,718
Prior period overprovision	(2,381)	-
	(363)	4,718
Deferred Tax Credit		
Origination and reversal of temporary differences (note 21)	(5,057)	(1,564)
Recognition of previously unrecognised tax losses	(4,039)	-
	(9,096)	(1,564)
Total Income Tax (Credit) / Expense	(9,459)	3,154

Reconciliation of Effective Tax Rate

	2008 €'000	2007 €'000
(Deficit) / Surplus before income tax multiplied by the standard rate of corporation tax in Ireland of 12.5% (2007: 12.5%)	(1,178)	3,698
Effects of:		
Income taxable at a higher rate of tax	566	432
Recognition of losses forward	(4,039)	-
Release of deferred tax liability on IFRS transitional adjustments	(2,972)	-
Other differences	545	(976)
Prior period overprovision	(2,381)	-
Total Income Tax (Credit)/Expense	(9,459)	3,154

Deferred Tax Recognised directly in Equity

	2008 €'000	2007 €'000
Relating to defined benefit pension scheme (note 21)	2,192	(458)
	2,192	(458)

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 €540 million at 31 December 2008. Due to the uncertainty surrounding when the losses may ultimately be utilised, a deferred tax asset has only been recognised in respect of IFRS transitional adjustments in respect of which deferred tax liabilities had already been recognised (refer to Note 21).

Notes (continued)

forming part of the Group financial statements

8 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 2007	53,601	151,577	2,712	9,005	216,895
Additions	-	773	-	16,206	16,979
Reclassifications	561	15,959	190	(16,710)	-
Disposals and retirements	(21)	(6,130)	(289)	-	(6,440)
Balance at 31 December 2007	54,141	162,179	2,613	8,501	227,434
Balance at 1 January 2008	54,141	162,179	2,613	8,501	227,434
Additions	-	-	-	49,899	49,899
Reclassifications	5,128	16,417	361	(21,906)	-
Disposals and retirements	(136)	(20,165)	(130)	-	(20,431)
Balance at 31 December 2008	59,133	158,431	2,844	36,494	256,902
Depreciation					
Balance at 1 January 2007	26,625	108,586	1,672	-	136,883
Depreciation for the year	3,631	13,960	267	-	17,858
Disposals and retirements	(19)	(6,095)	(289)	-	(6,403)
Balance at 31 December 2007	30,237	116,451	1,650	-	148,338
Balance at 1 January 2008	30,237	116,451	1,650	-	148,338
Depreciation for the year	4,414	15,070	486	-	19,970
Disposals and retirements	(126)	(20,080)	(131)	-	(20,337)
Balance at 31 December 2008	34,525	111,441	2,005	-	147,971
Net Book Value					
At 31 December 2007	23,904	45,728	963	8,501	79,096
At 31 December 2008	24,608	46,990	839	36,494	108,931
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 2007	47,153	83,033	2,183	6,706	139,075
Additions	-	-	-	8,627	8,627
Reclassifications	309	11,208	190	(11,707)	-
Disposals and retirements	-	(2,951)	-	-	(2,951)
Balance at 31 December 2007	47,462	91,290	2,373	3,626	144,751
Balance at 1 January 2008	47,462	91,290	2,373	3,626	144,751
Additions	-	-	-	24,724	24,724
Reclassifications	4,021	9,712	362	(14,095)	-
Disposals and retirements	(90)	(19,272)	(128)	-	(19,490)
Balance at 31 December 2008	51,393	81,730	2,607	14,255	149,985
Depreciation					
Balance at 1 January 2007	23,819	60,721	1,163	-	85,703
Depreciation for the year	3,443	8,742	263	-	12,448
Disposals and retirements	-	(2,592)	-	-	(2,592)
Balance at 31 December 2007	27,262	66,871	1,426	-	95,559
Balance at 1 January 2008	27,262	66,871	1,426	-	95,559
Depreciation for the year	4,023	10,273	478	-	14,774
Disposals and retirements	(90)	(19,268)	(128)	-	(19,486)
Balance at 31 December 2008	31,195	57,876	1,776	-	90,847
Net Book Value					
At 31 December 2007	20,200	24,419	947	3,626	49,192
At 31 December 2008	20,198	23,854	831	14,255	59,138

The Authority has reviewed the carrying value of property, plant and equipment and is satisfied that the values are fairly stated.

9 Intangible Assets

Group	Software €'000	Software under construction €'000	Total €'000
Cost			
Balance at 1 January 2007	3,524	1,198	4,722
Additions	329	1,828	2,157
Reclassifications	2,760	(2,760)	-
Disposals and retirements	(472)	-	(472)
Balance at 31 December 2007	6,141	266	6,407
Balance at 1 January 2008	6,141	266	6,407
Additions	-	1,525	1,525
Reclassifications	1,102	(1,102)	-
Disposals and retirements	(15)	-	(15)
Balance at 31 December 2008	7,228	689	7,917
Amortisation			
Balance at 1 January 2007	1,376	-	1,376
Amortisation for the year	988	-	988
Disposals and retirements	(472)	-	(472)
Balance at 31 December 2007	1,892	-	1,892
Balance at 1 January 2008	1,892	-	1,892
Amortisation for the year	1,052	-	1,052
Disposals and retirements	-	-	-
Balance at 31 December 2008	2,944	-	2,944
Net Book Value			
At 31 December 2007	4,249	266	4,515
At 31 December 2008	4,284	689	4,973
RTÉ			
Cost			
Balance at 1 January 2007	3,100	1,132	4,232
Additions	330	1,688	2,018
Reclassifications	2,677	(2,677)	-
Disposals and retirements	(183)	-	(183)
Balance at 31 December 2007	5,924	143	6,067
Balance at 1 January 2008	5,924	143	6,067
Additions	-	1,194	1,194
Reclassifications	648	(648)	-
Disposals and retirements	(15)	-	(15)
Balance at 31 December 2008	6,557	689	7,246
Amortisation			
Balance at 1 January 2007	1,059	-	1,059
Amortisation for the year	953	-	953
Disposals and retirements	(183)	-	(183)
Balance at 31 December 2007	1,829	-	1,829
Balance at 1 January 2008	1,829	-	1,829
Amortisation for the year	975	-	975
Disposals and retirements	-	-	-
Balance at 31 December 2008	2,804	-	2,804
Net Book Value			
At 31 December 2007	4,095	143	4,238
At 31 December 2008	3,753	689	4,442

The Authority has reviewed the carrying value of intangible assets and is satisfied that the values are fairly stated.

Notes (continued)

forming part of the Group financial statements

10 Investments in Subsidiaries

RTÉ	Total €'000
Balance at 1 January 2008	65,827
Additions	-
Balance at 31 December 2008	65,827

RTÉ had the following subsidiaries at 31 December 2008:

Subsidiary companies	Share capital held	Class of business
RTÉ Commercial Enterprises Limited	100%	Publications and other commercial activities
RTÉ Music Limited	100%	Music publishing
Seirbhísí Theilifís na Gaeilge Teoranta	100%	Dormant
RTÉ Transmission Network Limited	100%	Management of transmission network assets
RTÉ Licence Collections Limited	100%	Management of TV Licence collections
DTT Network Company	100%	Dormant

The Authority has reviewed the carrying value of the Group's remaining investments and is satisfied that the values are fairly stated.

All subsidiaries operate in Ireland and have their registered offices at RTÉ, Donnybrook, Dublin 4. RTÉ Music Limited is a wholly owned subsidiary of RTÉ Commercial Enterprises Limited.

Classification of RTÉ Group Activities by Integrated Business Division (IBD) and by Legal Entity

	RTÉ	RTÉ Commercial Enterprises Limited	RTÉ Music Limited	RTÉ Transmission Network Limited
RTÉ TELEVISION IBD				
Free-to-air broadcast of public service television schedules and channels	•			
Commissioning and production of indigenous television programmes	•			
Statutory commissioning of programme content from independent producers	•			
Acquisition of domestic/non-domestic television programmes	•			
Statutory provision of non-news and current affairs programming to TG4	•			
Television advertising and sponsorship sales	•			
Hire of television production facilities to third parties	•			
Provision of broadcast circuits and technical facilities to third parties	•			
Maintenance of Television channel archives and news library	•			
Administration of RTÉ Television IBD	•			
Programme merchandising sales		•		
Sale of library and archive material		•		
Sale of programme listings		•		
Television programme sales		•		
IVR/SMS Telecoms revenue share		•		
Studio production of television advertisements for third parties		•		
Non-broadcasting advertising revenue share		•		
RTÉ RADIO IBD				
Free-to-air broadcast of public service Radio schedules / channels	•			
Commissioning and production of indigenous radio programmes	•			
Acquisition of domestic/non-domestic radio programmes	•			
Radio advertising and sponsorship sales	•			
Maintenance of Radio channel archive and library	•			
Administration of RTÉ Radio IBD	•			
Hire of Radio production facilities to third parties		•		
Programme merchandising sales		•		
Library and listing sales		•		
IVR/SMS Telecoms revenue share		•		
Roadcaster mobile studio and sponsorship sales		•		
Studio production of Radio advertisements		•		
Non-broadcasting advertising revenue share		•		
RTÉ NEWS AND CURRENT AFFAIRS IBD				
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	•			
Administration of RTÉ News and Current Affairs IBD	•			
RTÉ NETWORK IBD				
Provision of national analogue radio and television broadcast transmission services				•
Hire of ancillary mast and tower facilities				•
Administration of RTÉ Network IBD				•
RTÉ PUBLISHING IBD				
Sale of music copyright			•	
Origination and re-purposing of news and other broadcast material in digital format		•		
Provision of Aertel teletext services		•		
Provision of Online web services		•		
Sale of online banner advertising and sponsorship		•		
Sale of teletext advertising and sponsorship		•		
IVR/SMS revenue		•		
Production and publication of the <i>RTÉ Guide</i> magazine		•		
<i>RTÉ Guide</i> advertising sales		•		
Incubation and development of new media technologies		•		
Administration of RTÉ Publishing IBD		•		
RTÉ PERFORMING GROUPS IBD				
Orchestral and choir performances	•			
Commission, production, performance and recording of orchestral and choir music	•			
Hire of Symphony and Concert Orchestras	•			
Administration of RTÉ Performing Groups IBD	•			
CENTRALLY INCURRED SHARED SERVICES				
Group Communications, Central HR, Group Legal, Group Treasury, Central IT Support, Donnybrook Site Services, Group Insurance and Group Pensions	•			
CORPORATE HQ				
Direction and overall operation of Public Service Broadcaster	•			
Holding of investments in broadcasting related activities	•			

Notes (continued)

forming part of the Group financial statements

11 Inventories

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
<i>Work in progress</i>				
In-house programmes	2,101	1,841	1,946	1,767
Commissioned programmes	18,681	22,371	18,681	22,371
<i>Finished programmes</i>				
Acquired programmes and films	15,449	14,130	15,450	14,130
In-house programmes	738	1,030	738	1,030
Commissioned programmes	3,499	4,324	3,499	4,324
Other inventories	846	691	-	-
	41,314	44,387	40,314	43,622

Inventories consumed during the year ended 31 December 2008 total €108.5 million (2007: €109.1 million).

Other inventories relate to minor spare parts held in the Network business.

12 Trade and Other Receivables

	Group		RTÉ	
	2008 €'000	2007 €'000 As restated (note 25)	2008 €'000	2007 €'000 As restated (note 25)
<i>Current Assets</i>				
Trade receivables	52,803	61,294	44,081	51,524
Other receivables	331	669	322	661
	53,134	61,963	44,403	52,185
<i>Non-Current Assets</i>				
Other receivables	626	942	626	942
	53,760	62,905	45,029	53,127

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in note 22.

13 Cash and Cash Equivalents

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Bank balances	12,091	7,821	11,035	6,328
Call deposits	56,176	8,909	25,033	5,041
Total Cash and Cash Equivalents	68,267	16,730	36,068	11,369
Weighted average interest rate on call deposits	3.68%	5.15%	3.83%	5.15%

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 22.

14 Liquid Investments

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Term deposits	-	73,405	-	31,923
Total Liquid Investments	-	73,405	-	31,923
Weighted average interest rate on term deposits	-	4.84%	-	4.84%

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 22.

15 Reserves

	Group		RTÉ	
	2008 €'000	2007 €'000 As restated (note 25)	2008 €'000	2007 €'000 As restated (note 25)
Retained earnings:				
Balance at 1 January	177,302	161,070	134,227	126,449
Prior year adjustment (Note 25)	-	(3,427)	-	(3,427)
Balance at 1 January (as restated)	177,302	157,643	134,227	123,022
Total Recognised Income and Expense	(103,039)	19,659	(111,793)	11,205
Balance at 31 December	74,263	177,302	22,434	134,227

16 Trade and Other Payables

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Trade payables	9,257	6,716	7,582	5,467
Amounts owed to subsidiary entities	-	-	43,933	40,188
Accruals	60,720	55,432	48,666	46,797
Deferred income	6,922	7,907	1,709	2,885
	76,899	70,055	101,890	95,337

The Group's exposure to currency risk related to trade and other payables is disclosed in note 22.

17 Taxation and Social Welfare

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
VAT	5,511	6,733	4,480	5,228
Payroll	3,809	3,511	3,747	3,467
Corporation tax	(224)	4,728	(144)	3,207
	9,096	14,972	8,083	11,902

Notes (continued)

forming part of the Group financial statements

18 Provisions

	Total €'000
Balance at 1 January 2008	6,155
Released during the year	(435)
Utilised during the year	(1,188)
Balance at 31 December 2008	4,532
Analysed as follows:	
Non-Current Liabilities	-
Current Liabilities	4,532
	4,532

Provisions represent a prudent estimate of liabilities that may or may not arise, to third parties, in respect of claims notified or provided for at year-end. Due to the nature of its operations, RTÉ is involved in various legal actions, principally in relation to alleged defamation and other similar disputes. The Authority is satisfied that it has made the best estimate of the appropriate provision in the financial statements for the likely outcomes of these actions.

19 Employee Benefits

(a) Total Employee Benefits

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Restructuring provision (see (b) below)	16,343	17,439	16,343	17,439
Other payroll related accruals	21,739	20,756	21,282	19,829
Total employee benefits	38,082	38,195	37,625	37,268
Analysed as follows:				
Non-Current Liabilities	8,806	13,468	8,806	13,468
Current Liabilities	29,276	24,727	28,819	23,800
	38,082	38,195	37,625	37,268

(b) Restructuring Provision

Group and RTÉ	2008 €'000	2007 €'000
Balance at beginning of year	17,439	20,510
Provided during the year	1,852	1,519
Utilised during the year	(3,711)	(5,318)
Interest charge (note 3)	763	728
Balance at end of year	16,343	17,439
Analysed as follows:		
Non-Current	7,039	13,468
Current	9,304	3,971

The provision for restructuring costs at 31 December 2008 represents the Authority's best estimate of the level of provisions required in respect of the Group's remaining obligations under the various restructuring schemes.

(c) Other Employee Related Accruals

Other employee related accruals consist of short-term employee benefits such as employee remuneration, bonuses and holiday leave provided for in accordance with IAS 19 *Employee Benefits*.

20 Pension arrangements

The Group is the principal sponsoring employer of the RTÉ Superannuation Scheme (a funded contributory defined benefit pension scheme to which no new employees have been admitted since 1989) and the RTÉ Defined Contribution Pension Scheme and also makes contributions to a number of other smaller defined contribution pension schemes on behalf of employees.

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 2009 and was completed subsequent to the year end by the actuaries, Mercer, who are neither officers nor employees of the Group. This actuarial funding valuation, which uses the "attained age" method of valuation to derive the future service cost, discloses the scheme to have a deficit of €102.3 million (1 January 2008: surplus €41.2 million), with allowance being made in the liabilities for post retirement increases on a full parity basis. The actuarial funding valuation report is not available for public inspection; however, the results of valuations are advised to members.

The employer pension contributions charged in respect of each year for the various schemes were:

	2008 €'000	2007 €'000
RTÉ Superannuation Scheme		
- current service cost	8,670	10,107
- past service cost	-	688
	8,670	10,795
RTÉ Defined Contribution Pension Scheme	6,513	5,955
Other schemes	634	638

As required by the accounting standard IAS 19, 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. The IAS 19 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 major assumptions used for the purposes of the IAS 19 based accounting valuation of the RTÉ Superannuation Scheme were:

Valuation method	2008 Projected unit	2007 Projected unit	2006 Projected unit
Projected rate of increase in salaries	2.75%	4.00%	3.60%
Projected rate of increase in pensions in payment	2.75%	4.00%	3.60%
Discount rate	5.90%	5.50%	4.50%
Inflation assumption	1.80%	2.25%	2.00%
Mortality	Years	Years	Years
Life Expectancy Future Retirees			
Male of age 65	21.4	20.5	20.2
Female of age 65	24.4	23.5	23.2
Life Expectancy Existing Pensioners			
Male of age 65	20.2	19.5	19.0
Female of age 65	23.1	22.4	22.0

The weighted average plan asset allocation at the year end were as follows:

Asset category	2008	2007
Equities	42.9%	55.4%
Bonds	40.6%	25.4%
Property	8.0%	9.3%
Other	8.5%	9.9%
	100%	100%

Notes (continued)

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20 Pension arrangements (continued)

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at the balance sheet date were:

	2008		2007		2006	
	Long term rate of return expected	Fair value €'000	Long term rate of return expected	Fair value €'000	Long term rate of return expected	Fair value €'000
Equities	7.85%	314,298	7.30%	552,621	6.75%	794,133
Bonds	4.80%	298,132	4.30%	253,374	3.75%	117,371
Property	6.00%	58,875	5.30%	92,416	4.75%	85,792
Other	5.35%	62,129	4.00%	98,319	2.00%	39,764
Total fair value of assets		733,434		996,730		1,037,060
Actuarial value of the liability		(820,051)		(979,195)		(1,023,188)
(Deficit) / Surplus in RTÉ Superannuation scheme		(86,617)		17,535		13,872
Net Pension (Liability) / Asset Recognised		(86,617)		17,535		13,872

Movement in Present Value of Defined Benefit Obligations

	2008 €'000	2007 €'000
Defined Benefit Obligations at 1 January	979,195	1,023,188
Current service cost (see below)	8,670	10,107
Past service cost	-	688
Member contributions	3,436	3,320
Benefits paid by the plan	(34,197)	(32,569)
Interest cost	53,573	45,914
Actuarial gains recognised in equity (see below)	(190,626)	(71,453)
Defined Benefit Obligations at 31 December	820,051	979,195

Movement in Present Value of Plan Assets

	2008 €'000	2007 €'000
Fair Value of Plan Assets at 1 January	996,730	1,037,060
Authority contributions	4,057	4,586
Member contributions	3,436	3,320
Benefits paid by the plan	(34,197)	(32,569)
Expected return on plan assets	59,298	62,098
Actuarial losses recognised in equity	(295,890)	(77,765)
Fair Value of Plan Assets at 31 December	733,434	996,730

Expense Recognised in Group Income Statement

	2008 €'000	2007 €'000
Charged to Operating Costs		
Current service costs	8,670	10,107
Past service costs	-	688
	8,670	10,795
Credited to Net Finance Income		
Expected return on pension scheme assets	59,298	62,098
Interest on pension scheme liabilities	(53,573)	(45,914)
	5,725	16,184
Actual Return on Plan Assets	(236,592)	(15,667)

20 Pension arrangements (continued)**Actuarial Gains and Losses Recognised directly in Equity**

	2008 €'000	2007 €'000
Cumulative amount at 1 January	(4,200)	2,112
Actual return less expected return on pension scheme assets	(295,890)	(77,765)
Experience gains and losses arising on the scheme liabilities	(3,917)	(2,967)
Changes in assumptions underlying the present value of the scheme liabilities	194,543	74,420
Cumulative amount at 31 December	(109,464)	(4,200)

The employer contribution rate to the RTÉ Superannuation Scheme for the year ended 31 December 2008 was 8% of employee members' pensionable earnings (2007: 8%). The actuaries to the scheme have carried out a long term actuarial funding valuation which gave rise to a deficit on this basis of €102.3 million as at 31 December 2008 (1 January 2008: surplus of €41.2 million). The actuaries have also carried out a valuation in accordance with the Minimum Funding Standard provisions of the *Pensions Act 1990*, and have reported a deficit on this basis of €84.1 million. As a consequence the Scheme trustees and RTÉ will submit a proposal by June 2010 for the approval of the Pensions Board showing how it is intended that this deficit will be addressed.

Historical Information

	2008 €'000	2007 €'000	2006 €'000	2005 €'000	2004 €'000
Present value of the defined benefit obligation	(820,051)	(979,195)	(1,023,188)	(936,381)	(795,087)
Fair value of the plan assets	733,434	996,730	1,037,060	939,634	798,304
(Deficit) / surplus in the plan	(86,617)	17,535	13,872	3,253	3,217
Difference between expected and actual return on assets Expressed as a percentage of scheme assets	(295,890) (40.3%)	(77,765) (7.8%)	64,275 6.2%	111,199 11.8%	14,912 1.9%
Experience loss arising on scheme liabilities Expressed as a percentage of scheme liabilities	(3,917) (0.5%)	(2,967) (0.3%)	(30,907) (3.0%)	(15,139) (1.6%)	(3,977) (0.5%)
Effect of changes in actuarial assumptions Expressed as a percentage of scheme liabilities	194,543) 23.7%	74,420 7.6%	(31,256) (3.1%)	(103,200) (11.0%)	(71,163) (9.0%)
Total actuarial gains and losses Expressed as a percentage of scheme liabilities	(105,264) (12.9%)	(6,312) (0.6%)	2,112 0.2%	(7,140) (0.8%)	(60,228) (7.6%)

The Group expects €3.585 million in contributions to be paid to the defined benefit scheme in 2009.

21 Deferred Tax**Group****Recognised Deferred Tax Assets and Liabilities**

	Assets Net		(Liabilities) Net	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Property, plant and equipment	-	-	(45)	(1,902)
Defined benefit pension scheme	-	-	-	(2,192)
Trade and other payables	1,059	857	-	-
Inventories	-	-	(3,758)	(6,508)
Others	-	-	(372)	(620)
Tax losses	4,039	-	-	-
Net Tax Assets / (Liabilities)	5,098	857	(4,175)	(11,222)

Unrecognised Deferred Tax Assets

In December 2008 a settlement was reached with Revenue regarding the availability of past losses for the calculation of corporation tax. As such the Group has trading losses forward of €540 million at 31 December 2008, however given the uncertainty over when these losses may be utilised, a deferred tax asset has only been recognised in respect of IFRS transitional adjustments in respect of which deferred tax liabilities had already been recognised in prior years.

Notes (continued)

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21 Deferred Tax (continued)

Movement in Temporary Differences during 2008

	Opening Balance	Recognised in Income	Recognised in Equity	Closing Balance
Property, plant and equipment	(1,902)	1,857	-	(45)
Pension liability	(2,192)	-	2,192	-
Trade and other payables	857	202	-	1,059
Inventories	(6,508)	2,750	-	(3,758)
Others	(620)	248	-	(372)
Tax losses	-	4,039	-	4,039
	(10,365)	9,096	2,192	923

Movement in Temporary Differences during 2007

	Opening Balance	Recognised in Income	Recognised in Equity	Closing Balance
Property, plant and equipment	(2,828)	926	-	(1,902)
Pension asset	(1,734)	-	(458)	(2,192)
Trade and other payables	219	638	-	857
Inventories	(6,508)	-	-	(6,508)
Others	(620)	-	-	(620)
	(11,471)	1,564	(458)	(10,365)

RTÉ

Recognised Deferred Tax Assets and Liabilities

	Assets Net		(Liabilities) Net	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Property, plant and equipment	786	-	-	(313)
Defined benefit pension scheme	-	-	-	(2,192)
Trade and other payables	1,059	857	-	-
Inventories	-	-	(3,826)	(6,422)
Others	-	-	(213)	(355)
Tax losses	4,039	-	-	-
Net Tax Assets / (Liabilities)	5,884	857	(4,039)	(9,282)

Unrecognised Deferred Tax Assets

In December 2008 a settlement was reached with Revenue regarding the availability of past losses for the calculation of corporation tax. As such the Group has trading losses forward of €540 million at 31 December 2008, however given the uncertainty over when these losses may be utilised, a deferred tax asset has only been recognised in respect of IFRS transitional adjustments in respect of which deferred tax liabilities had already been recognised in prior years.

Movement in Temporary Differences during 2008

	Opening Balance	Recognised in Income	Recognised in Equity	Closing Balance
Property, plant and equipment	(313)	1,099	-	786
Pension liability	(2,192)	-	2,192	-
Trade and other payables	857	202	-	1,059
Inventories	(6,422)	2,596	-	(3,826)
Others	(355)	142	-	(213)
Tax losses	-	4,039	-	4,039
	(8,425)	8,078	2,192	1,845

Movement in Temporary Differences during 2007

	Opening Balance	Recognised in Income	Recognised in Equity	Closing Balance
Property, plant and equipment	(1,367)	1,054	-	(313)
Pension asset	(1,734)	-	(458)	(2,192)
Trade and other payables	219	638	-	857
Inventories	(6,422)	-	-	(6,422)
Others	(355)	-	-	(355)
	(9,659)	1,692	(458)	(8,425)

22 Financial Instruments (Group and RTÉ)

(a) Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risk.

The RTÉ Authority 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, foreign exchange risk and counterparty credit risk.

Credit risk

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, and arises principally from the Group's receivables from customers and deposit investments.

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables and other receivables. 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.

Cash and short term bank deposits are invested with institutions of an acceptable credit rating with limits on amounts held with individual banks or institutions at any one time. No amounts greater than 20% of the Group's cash balances were held with any one institution at the balance sheet date. The maximum exposure to credit risk is represented by the carrying amount of the financial assets in the balance sheet.

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 Group's policy is to invest excess cash primarily in term deposit accounts, spread over a number of institutions.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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 and sports rights 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 forward contracts have a maturity date of less than 18 months from the balance sheet date.

RTÉ decides whether to apply hedge accounting to its derivative financial instruments on a transaction by transaction basis. Hedge accounting has not been applied to any of the Group's derivative financial instruments at 31 December 2008 or 31 December 2007.

Notes (continued)

forming part of the Group financial statements

22 Financial Instruments (continued)

(b) Credit risk

(i) Exposure to credit risk

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

	Note	Carrying amount	
		2008 €'000	2007 €'000
Trade receivables	12	52,803	61,294
Cash and cash equivalents	13	68,267	16,730
Liquid investments	14	-	73,405

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

	Carrying amount	
	2008 €'000	2007 €'000
Ireland	49,403	57,573
United Kingdom	3,316	3,660
Other Regions	84	61

All other financial assets are held with counterparties in Ireland.

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

	Note	Carrying amount	
		2008 €'000	2007 €'000
Non-agency debtors		11,335	12,396
Other debtors - agency		41,468	48,898
Trade Receivables	12	52,803	61,294

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 €6.2 million (11%) of the trade receivables carrying amount at 31 December 2008 (2007: €6.6 million).

(ii) Impairment losses

The aging of trade receivables at the reporting date was:

	Gross	Impairment	Gross	Impairment
	2008 €'000	2008 €'000	2007 €'000	2007 €'000
Not past due	26,675	-	29,774	-
Past due 0-30 days	26,059	1,325	29,605	-
Past due 31-120 days	1,761	775	1,847	-
Greater than 120 days	666	258	4,239	4,171
	55,161	2,358	65,465	4,171

The movement in the allowance for impairment in respect of Trade Receivables during the year was:

	2008 €'000	2007 €'000
Balance at 1 January	4,171	4,361
Impairment loss recognised	(14)	(81)
Bad debts written off in the year	(1,799)	(109)
Balance at 31 December	2,358	4,171

22 Financial Instruments (continued)**(c) Liquidity risk**

The following are the contractual maturities of financial liabilities:

31 December 2008

	Carrying amount €'000	Contractual cash flows €'000	6 mths or less €'000	6-12 mths €'000	1-2 years €'000
Non-Derivative Financial Liabilities					
Trade payables	9,257	9,257	9,257	-	-
Accruals	60,720	60,720	60,720	-	-
Derivative Financial Liabilities					
Forward exchange contracts:					
Outflow	148	22,775	10,671	8,510	3,594
	70,125	92,752	80,648	8,510	3,594

31 December 2007

	Carrying amount €'000	Contractual cash flows €'000	6 mths or less €'000	6-12 mths €'000	1-2 years €'000
Non-Derivative Financial Liabilities					
Trade payables	6,716	6,716	6,716	-	-
Accruals	55,432	55,432	55,432	-	-
Derivative Financial Liabilities					
Forward exchange contracts:					
Outflow	984	17,193	9,819	7,374	-
	63,132	79,341	71,967	7,374	-

(d) Currency risk**(i) Exposure to 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 Dollars and Sterling.

The group primarily uses forward exchange contracts to hedge its currency risk. Changes in the fair value of forward foreign exchange contracts are recognised in the income statement. The fair value of forward exchange contracts is based on their spot price.

At 31 December 2008 the fair value of forward contracts was €148,000 (2007: € 984,000).

Breakdown of Trade Payables by Currency

	2008 €'000	2007 €'000
Euro	8,703	6,418
GBP	442	215
USD	83	7
Other	28	75
	9,256	6,715

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2008 Euro	2007 Euro	2008 Euro	2007 Euro
USD 1	1.4708	1.3082	1.3917	1.4721
GBP 1	0.7963	0.68611	0.9525	0.73335

Notes (continued)

forming part of the Group financial statements

22 Financial Instruments (continued)

(ii) Sensitivity analysis

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 the risk of movements in foreign exchange rates.

(e) Interest rate risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying Amount	
	2008	2007
	€'000	€'000
Fixed Rate Instruments		
Financial assets	56,176	82,314
Variable Rate Instruments		
Financial assets	12,091	7,821

An increase of 100 basis points in interest rates would have decreased the deficit by €0.4 million (increased the surplus in 2007 by €0.8 million).

(f) Fair Values

(i) Fair Values versus Carrying Amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	31 December 2008		31 December 2007	
	Carrying amount €'000	Fair value €'000	Carrying amount €'000	Fair value €'000
Trade receivables	52,803	52,803	61,294	61,294
Cash and cash equivalents	68,267	68,267	16,730	16,730
Liquid investments	-	-	73,405	73,405
Forward exchange contracts:				
Assets	-	-	-	-
Liabilities	(148)	(148)	(984)	(984)
Trade payables	(9,258)	(9,258)	(6,716)	(6,716)
Accruals	(60,720)	(60,720)	(48,666)	(48,666)

(ii) Interest rates used for determining fair value

All derivative financial instruments at 31 December 2008 and 31 December 2007 had a maturity of less than 18 months from the balance sheet date and therefore the net present value of the derivative financial instruments have not been discounted in determining their fair value as the impact of discounting is not considered to be material.

23 Financial Commitments and Contingencies

(a) Capital Commitments

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Contracted but not provided for	12,545	1,928	1,474	837
Authorised but not contracted for	4,206	3,284	248	2,852
	16,751	5,212	1,722	3,689

(b) Programme/Rights Purchase Commitments

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Contracted but not provided for	84,479	43,140	84,479	43,140

23 Financial Commitments and Contingencies (continued)

(c) Operating Lease Commitments

Gross operating leases, principally in respect of motor vehicles, payable in the future in respect of leases expiring:

	Group		RTÉ	
	2008 €'000	2007 €'000	2008 €'000	2007 €'000
Within one year	52	101	34	73
Within two to five years	7	45	7	41
	59	146	41	114

24 Related Party Transactions

RTÉ is a statutory corporation, established under the *Broadcasting Authority Act, 1960*. The members of the RTÉ Authority are appointed by the Government.

The Group provides advertising and other similar services, and purchases goods and services, in the ordinary course of its business 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, Energy and Natural Resources (DCENR).

For the purposes of the disclosure requirements of IAS 24 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 Authority, the Director-General, the Heads of the Integrated Business Divisions and of the principal corporate functions, including all of the team reporting directly to the Director-General. The total amount of remuneration paid to key management personnel was €4.119 million (2007 €4.428 million) the majority of which comprises short term employee benefits.

At 31 December 2008, the total payables to RTÉ subsidiary undertakings was €43.93 million (2007: €40.19 million).

25 Prior Year Adjustment

Certain individuals are entitled to receive a free television licence under the DSFA Household Benefits Package Scheme. The Department of Social and Family Affairs (DSFA) makes monthly payments to DCENR in respect of the value of these licences. In turn, these amounts form part of the non-repayable "grant in aid" from DCENR to RTÉ.

The administration of the issuance of free licences and the method by which the licences were valued changed with effect from 1 August 2004. Following the implementation of this change, a dispute arose between DCENR and DSFA regarding the amount due from DSFA in respect of licences issued in 2004 and recognised in income by RTÉ in the same year. In 2005, RTÉ recorded a provision for impairment of €3.9 million in respect of the amounts in dispute.

In November 2008, DCENR negotiated an agreement with DSFA in full and final settlement of the outstanding amounts owing from DSFA amounting to €2.0 million.

As part of this agreement, DCENR also agreed to retrospectively alter the basis by which Licence Fee income was historically recognised by RTÉ with effect from 1 September 2004. In effect, this meant that the period end trade and other receivables balance from 2005 to 2007 did not fairly reflect the amounts outstanding at the financial year end notwithstanding that there was minimum impact on the income statement.

In line with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, this change in the basis of recognition of Licence Fee income has been accounted for as a retrospective change in accounting policy and the comparative financial statements for 2007 have been restated.

The opening retained earnings for 2007 have been reduced by €3.4m with a corresponding adjustment to the period-end trade and other receivables at 31 December 2007 to reflect the appropriate receivable balance at that time.

Notes (continued)

forming part of the Group financial statements

25 Prior Year Adjustment (continued)

Effect on Group Balance Sheet

	As previously stated 2007 €000	As restated 2007 €000	Restatement 2007 €000
Trade and other receivables	65,390	61,963	(3,427)
Net decrease in assets			(3,427)
Retained earnings	180,729	177,302	(3,427)
Net decrease in equity			(3,427)

Effect on RTÉ Balance Sheet

	As previously stated 2007 €000	As restated 2007 €000	Restatement 2007 €000
Trade and other receivables	55,612	52,185	(3,427)
Net decrease in assets			(3,427)
Retained earnings	137,654	134,227	(3,427)
Net decrease in equity			(3,427)

Charter

The *Public Service Broadcasting Charter*, published by Government in June 2004, identifies the guiding principles for RTÉ and includes a number of specific reporting requirements. These reporting requirements have been dealt with elsewhere in this report, other than as set out below.

AUDIENCE COUNCIL

Structure and Composition

- The Council acts as an advisory group to the RTÉ Authority
- The Chairman of the Authority's Programme Committee is an ex-officio ordinary member of the Council
- The Council consists of representative and individual members who have a general interest in broadcasting and, in the case of representatives, a specialist interest in one or more of the key strands of programming
- Each Council has a life span of four years and elects a Chairman annually from among its members. A designated Secretary is provided by RTÉ.

The members of the Council participate on a voluntary basis, being reimbursed vouched expenses only.

As noted in last year's report, the initial four-year term of office of the Council was due to end in December 2007. However, in the absence of clarity at that time on the status of any future Council and pending the introduction of the proposed broadcasting legislation, the Minister for Communications, Energy and Natural Resources consented to the RTÉ Authority's request to extend the term of office of the Audience Council for a further year to December 2008, or such shorter period, as was necessitated by the enactment of the forthcoming Broadcasting Bill.

There had been some issues which had been the cause of concern to the Council during its first four years of operation (e.g. vice-chairman, quorum, non-attendance) and at the meeting on 24th January 2008 it adopted new Standing Orders which had been revised to take account of these concerns. The amendments included (i) the establishment of the position of Vice-Chairperson; (ii) the quorum to be 10 or 50% of valid membership +1 whichever is the lesser and (iii) the provision that Council Members who miss three meetings of the Council in any one year or three consecutive meetings spread over two years shall automatically cease to be Members of the Council unless just cause be shown. This latter provision resulted in the membership of the Council reducing by five from 22 to 17 during 2008.

Alison McCullagh and Des Sheridan were elected to serve as Chairperson and Vice-Chairperson respectively for 2008. There were five meetings held during 2008.

During 2008 the Audience Council had presentations from RTÉ executives on the role of the Programme Acceptance Viewer; RTÉ's coverage of the Lisbon Referendum and the procedures in place to ensure balance; a detailed briefing on the Broadcasting Bill which had been published in Spring 2008 with particular emphasis on the section dealing with the appointment of an Audience Council; RTÉ's Interculturalism Policy and Access Services including sub-titling.

Other specific issues which arose during the year included the decision to cease transmission on Medium Wave; the decision to enter Dustin as Ireland's representative at Eurovision; promotion of the Irish language and Arts programming.

The relationship with the BBCNI Audience Council was further developed and consolidated during 2008. It had been agreed at a meeting between the Chairpersons of the RTÉ and BBCNI Audience Councils in Autumn 2007 that it would be beneficial if members of each Council could attend a meeting of the other's in an observer capacity. To this end, representatives from the BBCNI Audience Council attended the March meeting of the RTÉ Audience Council and representatives of the RTÉ Audience Council attended a meeting of the BBCNI Council in June. There was a joint meeting of both Councils hosted by RTÉ in September 2008. RTÉ's Director-General and the Controller of BBCNI as well as senior executives from both organisations also attended. One of the major issues of mutual interest to come out at this meeting was the switchover from Analogue to DTT. Another issue of common interest was engagement with the audience. There was also a suggestion that joint research projects on issues of mutual interest might be looked at.

It was also agreed that the possibility of a bi-annual meeting of the three Audience Councils on the island of Ireland (i.e. RTÉ, BBCNI and the Council for TG4 (to be established under the new legislation)) be explored as it could provide a useful forum to exchange views and share ideas of mutual interest.

The Council held its final meeting on 13th November 2008. An update to the Final Report prepared in November 2007 was agreed at that meeting and submitted to the Authority thereafter. Members wished to reiterate the importance of some continuity of membership on the new Council.

Charter (continued)

2008 Statement of Commitments

In the first quarter of the year, RTÉ published its *Statement of Commitments 2008*. This document was circulated widely and was placed on RTÉ.ie, where it remained for the year. The statement detailed quantitative commitments in relation to corporate and output activities that are assessed annually on behalf of the Minister for Communications, Energy and Natural Resources.

RTÉ Corporate Commitments

Following the publication of RTÉ's *Strategic Corporate Plan, 2006 – 2010* in March 2006 a second iteration was published in July 2007. This document, which is monitored on an ongoing basis by the Executive and the Authority, is helping to ensure strategic on-going planning across the organisation. A third iteration of the *Strategic Corporate Plan* will be published at the end of 2008.

RTÉ will continue to work with the Department of Communications, Energy and Natural Resources (DCENR) and the Oireachtas Joint Committee on Communications, Energy and Natural Resources, on the development of comprehensive broadcasting legislation.

The Authority adopted RTÉ's first *Corporate Responsibility Report* in 2006; it was then published and widely disseminated. The second edition was published in 2007 and a third edition will be published in 2008.

The Irish language translation service piloted in 2007, as part of RTÉ being in a position to meet fully all the requirements of the *Official Language Act* once it is applied to RTÉ, will be consolidated in 2008.

RTÉ, in Q3 2007, established an Audience Reaction Panel which will be consolidated during 2008 to provide a direct channel of communication between a representative sample of the audience and RTÉ.

During 2008, RTÉ will partner the Dublin Transportation Office in their campaign to encourage car users to take personal responsibility for reducing congestion. We will promote the campaign to all staff and implement a workplace travel plan during 2008.

RTÉ will continue its interaction with, and service to, young people in an educational and scientific context by its sponsorship role in *BT Young Scientist and Technology Exhibition*.

By the end of 2008, RTÉ will publish a comprehensive action plan on interculturalism - mainstreaming cultural diversity across output, staff training and recruitment.

Results

RTÉ submitted a transition *Strategic Corporate Plan* to DCENR at the end of 2008. Because of the uncertain economic situation and the related difficulties associated with accurate forecasting, this plan was for one-year only. (The previous two plans were five-year rolling plans).

The Broadcasting Bill 2008 completed Committee stage by the end of 2008 and should be enacted in 2009.

The third edition of RTÉ's *Corporate Responsibility Report* was issued in Autumn 2008; it is available on RTÉ.ie (www.rte.ie/about/policies.html) and hard copies were circulated to key stakeholders and other interested parties.

The Irish language service was consolidated in 2008 and proved successful and cost-efficient.

The RTÉ Audience Reaction Panel continued during 2008 – and has been extended for 2009. It is proving an extremely useful source of data for output IBDs and also as a source of securing, on occasion, audience reaction around a specific topic.

RTÉ was unable to implement the proposed workplace travel plan during 2008 as committed. This was due to a complexity of reasons including traffic realignment within the grounds, resources and personnel in a third party mobility management company. It is scheduled to be implemented early in 2009.

RTÉ extended its contribution (benefit-in-kind) to the *BT Young Scientist and Technology Exhibition*, involving a presence by all output areas during the event and some TV coverage, pre and post the exhibition.

RTÉ established a cross-IBD group to develop its Intercultural Policy and reported on it and key actions in the third edition of RTÉ's *Corporate Responsibility Report* (www.rte.ie/about/policies.html).

RTÉ Radio Commitments

RTÉ Radio 1 Commitments	Min. Target		Results
Regional:			
• Regional Focus (cross genre)	10 hours	Special week of programming from a county/area that does not have a regular RTÉ presence (Co. Mayo)	Commitment not achieved - cancelled
• Outside Broadcasts	40 hours	Main daytime and weekend shows should transmit from a regional location on a regular basis	Commitment exceeded by 18%
• Special Events Coverage (ex Regions)	15 hours	Special series of recordings and Outside Broadcasts from national events (e.g. National Ploughing Championships, Arts Festivals)	14 hours achieved
• Local Government	40 hours	<i>The Late Debate</i> live from Regional Studios 3 days per week	Commitment exceeded by 55%.
Sport	25 hours	Live coverage of Heineken Cup rugby	Commitment exceeded by 12%
	12 hours	Live coverage 6 Nations rugby	Commitment exceeded by 25%
	24 hours	Live coverage of Ireland's Football Matches – home and away	18 hours achieved
		Full coverage of the Olympics – live coverage of all Irish interest/participation with additional coverage through general programmes	Commitment achieved
News and Current Affairs	1,228 hours	Continuation of all main programming	Commitment 94% achieved (1,152 hours)
Multicultural Society (Cross genre)	30 hours	Continuation of programme on Diversity in Intercultural Ireland (<i>Spectrum</i>)	Commitment exceeded by 35%
	10 hours	A week of special programming to reflect Intercultural Week 7 – 14 April 2008	7 hours achieved
History (Factual)	6 hours	Eight Thomas Davis Lectures on <i>The Irish in the Great War</i> and four public debates on the effects of the Great War	Commitment exceeded by 8%
Music	20 hours	Ensure full coverage of all the major music festivals in Ireland including <i>Fleadh Cheoil na hEireann</i> , <i>Willie Clancy Summer School</i> , <i>An tOireachtas</i> and contemporary music festivals	Commitment achieved
	8 hours	Maintain the number of live performances in RTÉ Radio 1 general programming – 2 per week	Commitment exceeded by 75%
	2 hours	Community Music Project – cross-genre focus on young musicians in Co. Mayo	Commitment not achieved

Charter (continued)

RTÉ Radio Commitments (continued)

RTÉ Radio 1 Commitments <small>(continued)</small>	Min. Target		Results
Irish Language Programming	6 hours	New Irish language Arts Portraits series	Commitment 92% achieved
	6.5 hours	New 13 part series of <i>Scriobhnóirí Faoi Chaibidil</i>	Commitment achieved
	3 hours	Commission a new series based on the life and times of Seamus Ennis	Commitment exceeded by 50%
	12 hours	<i>Buille Faoi Thuairim</i> / new entertainment series	7.5 hours achieved
	2 hours	Series on the History of Tara	Transmitted in January 2009
	2 hours	400th Anniversary of the Plantation of Ulster	Transmitted in January 2009
	15 hours	<i>Philip King Show</i>	Commitment achieved
	50 hours	<i>Nuacht</i>	Commitment exceeded by 4%
Young Peoples	4 hours	<i>Othello in Offaly</i> – a series for Leaving Certificate students including a week of workshops	Commitment exceeded by 58%
Drama	6 hours	Community Drama Project – experimental project taking radio drama into communities around the country featuring issues relevant to the lives of the people there	Commitment exceeded by 33%
Science (Factual)	11 hours	Science Magazine series and Planet Earth road show project	5.5 hours achieved
RTÉ 2fm Commitments			
Student Access (Children's and Education)	9 hours	Examination focus	Commitment exceeded by 67%
	6 hours	A series of radio programmes made by transition year students, under the guidance of an RTÉ 2fm production team	Commitment achieved
	24 One Day Workshops	Radio workshops in Schools for TY Students	Commitment achieved
New and original music Production	2 major festivals	Coverage of summer music festivals through Outside Broadcast coverage - <i>Oxegen</i> and <i>Electric Picnic</i> festivals	Commitment achieved
	40 sessions	Acoustic Studio band sessions recorded in Studio 8 (day long sessions)	Commitment exceeded by 15%
	140 hours	Live music output (including dance/ <i>Oxegen</i> 10 hours per day/ <i>Hifi</i> 10 hours per day)	Commitment exceeded by 52%
	50 hours	Provision of live music output for RTÉ 2XM (RTÉ Digital)	Commitment exceeded by 104%
EBU	30 offerings	Live Recorded music	Commitment exceeded by 93%
		Supporting 2 Irish bands at the 2008 <i>Eurosonic Festival</i>	Commitment achieved

RTÉ Radio Commitments (continued)

RTÉ 2fm Commitments (continued)	Min. Target		Results
Regional (cross genre)	500 hours	Regional Broadcasting	Commitment exceeded by 23%
Sports	50 hours	Maintain 2007 output	Commitment exceeded by 4%
Alternative music	1,000 hours	20 hours weekly – new Irish music, supporting composers, singers and musicians	Commitment exceeded by 4%
News and Current Affairs	370 hours	Maintain the current levels of news and current affairs output	Commitment 99% achieved
Entertainment	40 hours	New voices to national radio	Commitment exceeded by 80%
RTÉ Raidió na Gaeltachta Commitments			
	Min. Target		Results
Drama	12 hours	Drama Serial - 15 minutes per week Young peoples dramas (4 x 30mins)	9 hours achieved
Factual	20 hours	Weekly Expert discussion programme on language history and grammar – <i>Focal Faire</i> (40 x 30 minutes)	Commitment achieved
	6.75 hours	Documentaries/Features – 9 x 45 minutes	Commitment achieved
	27 hours	Weekly interview series from Dublin <i>Agallaimh ón Ardchathair</i> (36 x 45 minutes)	Commitment achieved
Young Peoples (Childrens and Education)	60 hours	<i>iClub</i> – Youth Programme – 40 x 45 minutes	Commitment achieved
		Education Programme <i>Céim ar Chéim</i> – 40 x 45 minutes	Commitment achieved
Regional (cross genre)	40 hours	<i>Cois Laoi</i> – 40 x 60 minutes	Commitment achieved
	18 hours	<i>Blas</i> – 40 x 28 minutes	Commitment achieved
	120 hours	Magazine programme from Dublin - 4 programmes a week x 45 minutes x 40 weeks	Commitment achieved
	40 hours	<i>Thar Tír Isteach</i> – music programme from Belfast 40 x 60 minutes	Commitment achieved
	40 hours	<i>Oideas agus Oidhreacht</i> – 40 x 60 minutes	Commitment achieved
News and Current Affairs	870 hours	Maintain existing news services	Commitment achieved

Charter (continued)

RTÉ Radio Commitments (continued)

RTÉ lyric fm Commitments	Min. Target		Results
Education and Outreach	45 visits	Education and Outreach visits to schools and 3 rd level institutions (not broadcasts)	Commitment achieved
		Appoint Composer-in-Residence to strengthen educational and outreach activities	Commitment achieved
Regional Music and Arts	185 OBs	Maintain coverage of regional festivals, venues and events	Commitment exceeded by 4%
Speech commissions (Factual and arts)	13 hours	Maintain and develop the extra hours of contemporary spoken arts	Commitment achieved
News and Current Affairs	175 hours	Expand RTÉ lyric fm news supplied by bulletins from the News and Current Affairs division and content for own bulletins	Commitment exceeded by 10%
Factual	13 hours	Develop programme strand exploring contemporary music	Commitment achieved
Arts	25 hours	Introduce weekday Arts information bulletins on festivals and events	Commitment exceeded by 24%
EBU	40 offers to EBU	Maintain offers of Performing Groups and Irish material to EBU	Commitment exceeded by 5%
	330 offers from EBU	Take concert material from EBU and broadcast	Commitment exceeded by 14%

RTÉ Television Commitments**RTÉ One Peak Time Commitments**

	Min. Target	Results
Drama	126 hours	Commitment achieved
Factual	377 hours	Commitment achieved
Entertainment and Music	263 hours	Commitment exceeded by 8%
News and Current Affairs and Weather	592 hours	Commitment achieved

RTÉ Two Peak Time Commitments

	Min. Target	Results
Drama	30 hours	Commitment exceeded by 7%
News and Current Affairs and Weather	80 hours	72 hours achieved. (Some <i>News on Two</i> bulletins scheduled outside peak time)
Entertainment and Music	112 hours	Commitment exceeded by 2%
Factual	48 hours	33 hours achieved due to scheduling changes

RTÉ Television across both channels, all times

	Min. Target	Results
Young Peoples	788 hours	Commitment achieved
Sport	969 hours	Commitment exceeded by 5%
Sub-titling	6,700 hours	Commitment exceeded by 14%
News and Current Affairs and Weather	1,167 hours	Commitment exceeded by 6%

Archive programming – specific commitments

	Results
New Programming	
• <i>Hostages</i> : 6 x half hours	Commitment achieved
• <i>War Stories/Korea</i> : 4 x half hours	Commitment achieved
• <i>War Stories/Congo</i> : 2 x half hours	Commitment achieved
• <i>On the Street Where You Live</i> : 6 x half hours	Delayed - to be broadcast in 2009
• <i>Disasters</i> (Series 2): 6 x half hours	Commitment achieved
Take Two - Film Restoration Programming - 52 Weeks Offering for 2008	
• <i>Murphy's Australia</i> : 6 x one hour	Commitment achieved
• <i>I Live Here</i> : 6 x half hours	Commitment not achieved
• <i>We Live Here</i> : 6 x half hours	Commitment not achieved
• <i>Boat Spotting</i> : 6 x half hours	Commitment not achieved

Charter (continued)

RTÉ Television Commitments (continued)

Event Programming – specific commitments

Young Peoples

- New classical music series for teenagers featuring mentors and music students – *Classic Jam*
- New gameshow series exploring what it takes to be a TV Presenter – *It's My Show*

Results

- Commitment achieved
- Commitment achieved

Cross-platform

- Health Watch – January 2008. This is a week long event involving all platforms which will concentrate on health, diet, and exercise and weight loss

- Commitment achieved

RTÉ Publishing Commitments

e-Publishing commitments

- Launch a new Food site on RTÉ.ie

Results

- Commitment achieved
- Food site was launched in December 2007.
- Monthly average of 323k page impressions and 14k unique users by December 2008 (Source: RTÉ data, 2008 monthly average). Video content on the food site is aggregated from RTÉ Television programmes.

- Anticipate and meet changing audience behaviour by providing new RTÉ content and services on mobile, broadband and emerging platforms.

- Commitment achieved
- The following outputs were achieved during 2008:
 - Aertel Digital trial on the DTT pilot in 2008
 - GAA Media Player on www.rte.ie/sport
 - GAA Championship video clips for Vodafone 3G
 - 100+ RTÉ Radio programme podcasts
 - 70% increase in RTÉ SMS alert subscribers for breaking news and business stories, entertainment news, racing tips and event-led news

- Grow the current online audience by increasing monthly usage by at least 20%.

- Commitment achieved
- Online audiences grew 49% year on year, with an October 2008 average of 2.4 million unique users of RTÉ.ie
- Overseas audiences grew by 80% year on year with October 2008 unique users per month reaching 1.1 million (Source: ABC Electronic, Electronic Media Audits Limited, October 2008 Report)

RTÉ Publishing Commitments (continued)**e-Publishing commitments**

- Grow the availability of RTÉ Aertel as a popular information service on new platforms.

Results

Commitment achieved

- In 2008 RTÉ Aertel's multi-platform expansion continued with the service available on four platforms: analogue, web, mobile and the DTT 2008 pilot
- RTÉ Aertel has over 1.8 million regular analogue teletext users (Source: *Behaviour & Attitudes Research 2008*)
- RTÉ Aertel generated an average of 615k online users, generating 5.2 million monthly page impressions (Source: RTÉ data 2008, monthly average)
- The RTÉ Aertel mobile site generated an average of 446k page impressions per month. (Source: RTÉ data 2008, monthly average).

- Ensure all telephone and competition activities between TV and Radio audiences are maintained to the highest integrity.

Commitment achieved

- A formal Policy and Procedures document was devised and implemented for RTÉ Television with a document for RTÉ Radio currently being formalised. There is ongoing liaison and management of new services involving SMS/IVR with all relevant IBDs.

- Live IPTV streaming of a range of acquired programmes from the RTÉ.ie website

Commitment achieved

- The following acquired programmes were made available for live IPTV streaming on RTÉ.ie: *Eastenders, Doctors, Hi-5* and *Raggs*.

- Provide coverage of intercultural week on RTÉ.ie and in *RTÉ Guide*

Commitment achieved

- Created www.rte.ie/diversity - the website to compliment the RTÉ-wide initiative; this site was shortlisted for the MAMA awards and had 20k page impressions as of early 2009.

RTÉ Guide Commitments

- Extend *RTÉ Guide* brand to new audiences through multimedia projects.

Results

Commitment achieved

- *RTÉ Guide* Online edition www.rteguide.ie continued to grow and the site generated 452k page impressions with 100k unique users (Source: RTÉ data, 2008 monthly average)
- Free daily text alerts kept the user up to date with the latest in TV and entertainment news and a weekly e-mail update is sent to subscribing users to bring the *RTÉ Guide* to reader's desktops.

RTÉ Performing Groups**Commitments**

RTÉ Performing Groups will give a total of 190 public performances.

These Performances will include:

- 62 – RTÉ National Symphony Orchestra (RTÉ NSO)
- 6 – RTÉ NSO with the RTÉ Philharmonic Choir
- 80 – RTÉ Concert Orchestra (RTÉ CO)
- 30 – RTÉ Vanbrugh Quartet
- 9 – RTÉ Cor na nÓg
- 3 – Guest ensembles

The RTÉ Performing Groups will also engage in a total of 84 education related performances, workshops and talks and be involved in Television, Radio and Recordings.

Results

Commitment achieved

Commitment achieved

Commitment exceeded by 4%

Commitment achieved

8 performances achieved

Commitment achieved

Commitment exceeded by 2%

Charter (continued)

RTÉ News and Current Affairs Commitments

Commitments - RTÉ One

RTÉ One output in 2008 will include 1,005 hours of material (excluding weather) produced by the News and Current Affairs IBD including:

- 564 hours of material transmitted in peak time
- Comprehensive news and current affairs coverage
- Investigative current affairs programming
- *One to One* personal interview series
- *Nuacht* and *Cinnlnte Nuachta* (55 hours), *Pobal* and *Nuacht Pobail*
- *Nationwide*, *Capital D*, *Oireachtas Report*, *European Parliament* and *The Week in Politics*

Results

Commitment exceeded by 6%

Commitment achieved

Commitment achieved

Commitment achieved

Commitment achieved

Commitment 98% achieved

Commitment achieved

Commitments - RTÉ Two

The News and Current Affairs IBD will contribute:

- 84 hours of news, including 69 hours in peak time
- 32 hours of Young People's programming, *News2day*

Results

75 hours achieved

Commitment exceeded by 9%

Commitment to TG4

- Daily *Nuacht*, news documentaries and summer regional programme and *Nuacht Pobail*

Results

Daily *Nuacht* and Summer regional programmes delivered. As *Nuacht Pobail* was produced as part of the *Pobal* series it was not transmitted on TG 4.

Commitments - RTÉ Radio

News and Current Affairs IBD is planning to provide the following programming for the radio schedules.

- 1,228 hours for RTÉ Radio 1, including bulletins, *Morning Ireland*, *Nuacht*, *News at One* and *This Week*.
- 370 hours for RTÉ 2fm including bulletins and *Nuacht*
- 130 hours direct provision of news for RTÉ lyric fm including lyric *Nuacht*

Results

Commitment 94% achieved

Commitment 99% achieved

Commitment exceeded by 13%

Irish Language Commitments

Commitments – News and Current Affairs

- Maintain current levels of staff with competence in Irish
- Continue to develop *Pobal* as a bilingual programme
- Extend *Nuacht* regional coverage through video journalist presence in Mayo and North Connemara

Results

Commitment achieved

Commitment achieved

In response to the deteriorating revenue position during the year this initiative did not proceed.

Commitments – Publishing

- Irish Language Website: aggregate Irish language output across all services on a common portal to include audio/video content such as *Nuacht*, *Pobal*.

Results

Commitment achieved.

RTÉ.ie/nuacht has been running for more than a year with text of *Cinnlíní Nuachta* and on-demand video of the *Cinnlíní Nuachta* and *Nuacht an Lae* bulletins.

Commitments – RTÉ Performing Groups

- RTÉ Performing Groups, primarily through its amateur children's choir, RTÉ Cór na nÓg, will continue to maintain its artistic capacity to perform live and recorded music in the Irish Language and will make such music available for broadcast on other RTÉ media platforms including Raidió na Gaeltachta and online.

Results

In 2008, RTÉ Cór na nÓg recorded four tracks in Irish for broadcast on Raidió na Gaeltachta.

There was also a follow up interview with members of RTÉ Cór na nÓg "as Gaeilge" on *i-Club* - a programme aimed at RnaG's younger listeners.

In addition, the choir regularly performed *Beidh Aonach Amárach* in live concerts and their recording of *Don óiche úd i mBeithil* featured on the *RTÉ Guide* Christmas CD.

Commitments – RTÉ Radio

RTÉ Radio 1:

- In 2008 Radio is committed to having Irish Language Programmes as a central part of our programme output. We will continue to provide a daily output of *Nuacht* and will have a designated Irish Language half hour slot on a weekly basis. RTÉ Radio 1 will undertake to commission new programmes across a range of genres and will actively promote events and festivals that have a significant Irish Language content. RTÉ Radio is committed to encouraging creativity in Irish Language and will continue to sponsor such events as New Irish Drama at *An tOireachtas* as well as transmitting a selection of Irish Language Dramas in 2008

Results

2008 was a year of consolidation of our Irish Language output. A full 52 week schedule was maintained with a strong cross section of programme topics being covered. These include innovative programmes on the life of collector and musician Seamus Ennis as well as another series of *Buille Faoi Thuairim*. Another 13-part series of *Scríobhnóirí Faoi Chaibidil* was transmitted and a new Arts series entitled *Cuisle na nEalaíon* was transmitted in the last quarter of 2008.

RTÉ Radio maintained its commitment to Irish Language Drama through its sponsorship of New Irish Drama competition at *An tOireachtas* and transmitted the winning entries as part of its *Seachtain na Gaeilge* output.

- RTÉ Radio will actively encourage the use of Irish in its general programme output particularly during events such as *Seachtain na Gaeilge* in which continuity announcements will be in Irish and all music programmes will include songs with Irish Language lyrics

General programming saw an increase in the use of Irish and items relating to Irish Language issues were covered in all the main Daytime programmes. There was also an increase in the use of Irish in RTÉ Radio 1 music output with many musical items being introduced in Irish by presenters.

Radio played a significant part in *Seachtain na Gaeilge* where there was sustained use of Irish across the RTÉ Radio 1 schedule from continuity announcements to presenters using Irish in a proactive way.

- In 2008 RTÉ Radio will form a panel of new producers and will seek to recruit a number with competence in Irish

In 2008 RTÉ recruited a panel of new producers and a significant percentage of those recruited have an ability to produce Irish Language programmes.

Charter (continued)

Irish Language Commitments (continued)

Commitments - RTÉ Radio (continued)

RTÉ Raidió na Gaeltachta:

RTÉ Raidió na Gaeltachta will fulfil its role as Ireland's leading Irish language radio service for local, regional, national and international listeners. Specifically, RTÉ Raidió na Gaeltachta will:

- Expand its regional output to include more programmes from urban centres
- Enhance and extend its presence in the Eastern Region by a more extensive series of Outside Broadcasts
- Offer comprehensive coverage of 2008's main sporting events including the Olympics from Beijing and the GAA National League and Championships
- Increase its annual hours of factual production to include weekly current affairs and literary strands
- Publish a CD commemorating 35 years of the Sean-Nós singing competition *Corn Uí Riada* as well as a CD celebrating music and song recorded by RTÉ Raidió na Gaeltachta at the *Willie Clancy Summer School* since 1972
- Add to the range of programmes available to podcast. These include *Nuacht a hAon*, *Rónán Beo@3*, *Focal Faire* and *Céim ar Chéim*

Results

Commitment achieved.

Regional input increased with more programmes from urban centres including the following broadcasts:
 Belfast *Barrscéalta* and *Nuacht a hAon*
 Limerick *An Saol ó Dheas*
 Sligo *Barrscéalta*

Commitment achieved.

Outside Broadcasts in the Eastern Region of the programme *Glór Anoir* were broadcast from Clondalkin and Rath Cairn, Co. Meath

Commitment achieved.

Two reporters extensively covered the Beijing Olympics for the service.

A special programme was added to the schedule to cover National League and National Championship matches played on Saturday evenings.

Commitment achieved.

A new live current affairs programme was introduced to the autumn schedule. *Faol Chaibidil* is broadcast live from Dublin every Sunday from 13:10 – 14:00. Literary strands were also introduced in the autumn schedule including:

- *Dearc* - 30 minute Arts Programme and
- *Léite Pléite* - 30 minute Literary Programme

Commitment achieved.

The service launched two CDs in 2008.

The first launched by Muiris O Rocháin, in March in Miltown Malbay was a double CD, *Foinn agus Ceol ó Scoil Samhraidh Willie Clancy*, a collection of traditional music recorded by RTÉ Raidió na Gaeltachta at the Annual *Willie Clancy Summer School* since the 70's. This CD is also available to download on iTunes, a first for an RTÉ publication. This venture was officially launched by Cathal Goan, Director-General RTÉ, in Galway in April 2008.

The second CD launched *Corn Uí Riada – Buaiteoirí 1972 – 2008*, a collection of songs by the winners of the Sean Nós competition *Corn Uí Riada* since its inception and the foundation of RTÉ Raidió na Gaeltachta in 1972. The double CD was launched in October 2008 at Oireachtas na Gaeilge by Peadar, son of the late Sean Ó Riada to whom the competition is dedicated.

Commitment achieved

In 2007, two programmes were available to podcast on the RTÉ Raidió na Gaeltachta website. Much progress was made during 2008 and by the end of the year 33 programmes are now available to podcast.

Irish Language Commitments (continued)**Commitments – RTÉ Radio** (continued)**RTÉ 2fm:**

RTÉ 2fm will:

- Maintain its *Nuacht* service, twice daily, Monday to Friday
- Support *Seachtain na Gaeilge* and other Irish language and cultural promotions
- Assist Junior and Leaving Certificate students through the annual exam-brief programmes (broadcast and podcast)

Results

Commitment achieved
Maintains its twice daily *Nuacht* bulletins, Monday to Friday

Commitment achieved
Supports *Seachtain na Gaeilge* and other Irish language promotions

Commitment achieved
Assists second level students by scheduling programmes to help their preparations for the annual public examinations. In addition, at least one of the channel's regular presenters is competent to broadcast in Irish

RTÉ lyric fm:

RTÉ lyric fm will continue its music series *Ag Rince le Ceol* in which guest presenters choose their favourite pieces of music. 13 hours of Irish language programming to be broadcast in 2008.

Commitment achieved
RTÉ lyric fm broadcast 14 hours in total (a music programme presented by Eamonn Ó Catháin)

Commitments – RTÉ Television**RTÉ One:**

In the Name of the Fada - a popular, contemporary learning initiative *In the Name of the Fada* will have accompanying online material which will include a simple language learning component. This initiative will be followed by a repeat of the more advanced learning series, *Turas Teanga*. *Turas Teanga* will start transmission on Sunday 20 April, the Sunday after the last *In the Name of the Fada* and will run every weekend until 5 September. Online access to the two courses will continue and will be a valuable tool for all those interested in learning Irish. The complete *Turas Teanga* learning package – book and three CDs, is on sale all the time from the RTÉ shop.

Commitment achieved
In the Name of the Fada - transmitted in March / April 2008. To complement the programme, a fun and informative six module online Irish language course (*Easy Irish!*) is available on the programme's website on RTÉ.ie

Turas Teanga - 20 episodes transmitted during 2008 and the series has a dedicated website. The learning package continues to be available for purchase through the RTÉ Shop on the RTÉ website

RTÉ Two:

Fluffy Gardens - The series is in the Den Tots schedule again in 2008, with the Irish language version playing 5 days a week at 13.20. It is planned to run it at least twice more in 2008.

Commitment achieved

UNIVERSAL ACCESS TO SERVICES**Television**

The upgrading by RTÉNL of small community television broadcast systems continued during the year. Within the RTÉNL Self Help/Community Systems Project for 2008, a number of old self help sites or community broadcast systems were improved to acceptable maintenance and safety standards and were added to the RTÉNL official site list. The 2008 project focused on three sites which were refurbished during the year and site access issues were also resolved at Fallmore, Co. Mayo and a new system put on air.

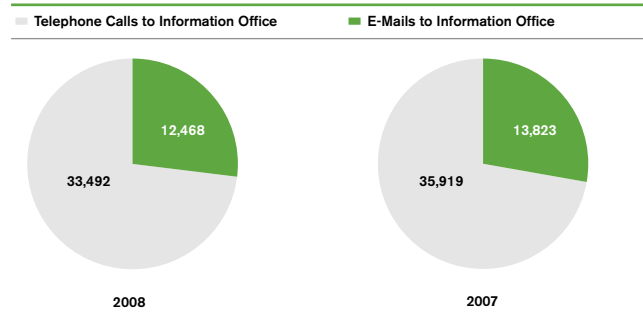
Fallmore, Co. Mayo	on-air
Timoleague, Co. Cork	on-air
Annascaul, Co. Kerry	installed, new ESB electrical connection January 2009
Glenngevlagy, Co. Mayo	installed, new ESB electrical connection January 2009

Radio

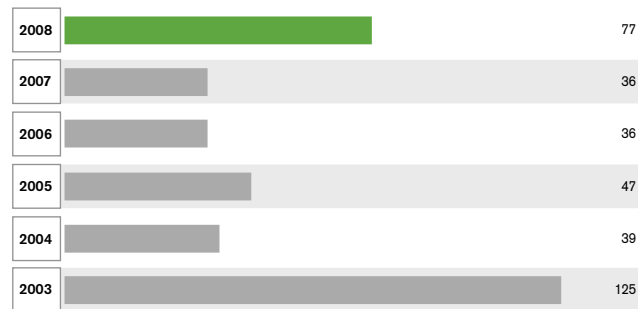
The Digital Audio Broadcasting (DAB) radio service that had been operating in Leinster along the coast between Dublin and Dundalk was extended to Cork and Limerick cities during 2008. The DAB service now carries ten RTÉ Radio services.

Other Statistical Information

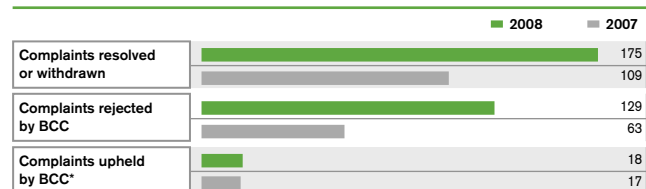
RTÉ Information Unit - enquiries handled



Freedom of Information requests to RTÉ (excl STnaG)



Complaints to BCC about RTÉ output



* In 2008, three complaints were upheld against three Radio programmes and thirteen complaints were upheld against five Television programmes (including eight against one programme). A further two complaints were upheld against advertising / internal promotions broadcast on RTÉ. (Two of the eighteen complaints were upheld in part only). Some of these complaints refer to 2007 due to a carry over from the previous year.

RTÉ Awards 2008

Competition	Entry	Category
Academy Awards ("The Oscars")	Once	Best Original Song
Action on Film Festival, Los Angeles	My Dad	Best Short
Aspen ShortFest Colorado	The Wednesdays	Jury Special Recognition Award
Barcelona Gay and Lesbian Festival	Fairytale of Katmandu	Film Critics' Jury Award
Belfast International Film Festival	New Boy	Highly Commended: Short
Belfast International Film Festival	The Sound Of People	Short Film Category
Berlinale 08	New Boy	Special Mention
Boston Irish Film Festival	At Home With The Clearys	Best Documentary
British Film Awards	Once: John Carney, writer and director	Most Promising Newcomer
Business Journalist Awards (UCD)	Prime Time: David Murphy and Mark Lappin	Business Broadcast
Celtic Media Festival	At Home With The Clearys	First Time Director Award
Celtic Media Festival	Get Collins	Jury Award
Celtic Media Festival	On The Block	Best Young People's Programme
Celtic Media Festival	Prosperity	Best Drama
Celtic Media Festival	RTÉ Radio 1	Radio Station Of The Year
Chicago Irish Film Festival	The Wednesdays	Audience Award
Cinemagic	New Boy	Children's Jury Award
Circum	VJ: Seán Mac an tSithigh	Special Commendation, VJ Category
Civis European Multicultural Award	Birds In The Sky	Radio Category
Clermont-Ferrand International Film Festival	The Wednesdays	International Audience Award
Cork Film Festival	New Boy	Audience Award for Best International Short
Cumann Camogaíochta na nGael Media Awards	RTÉ Raidió na Gaeltachta	Camogie promotion
Digital Media Awards	Derek Mooney's Dawn Chorus	Business to Consumer Innovation
Dingle Film Festival	New Boy	Best Short Film
EBUconnect	Watch This (RTÉ Two Christmas Films)	Best Film Promotion
Excellence in Media Foundation, USA	Little Brazil, Gort, Ireland	Silver Angel Award
Festival Opalciné	The Sound Of People	Jury Award
FIFA (Int. Festival Arts Festivals Canada)	Eileen Gray: Invitation To A Voyage	Best Portrait
Foyle International Film Festival	The Sound Of People	Highly Commended, Shorts
Galway Film Fleadh	32A	Best First Film Award
Galway Film Fleadh	Granny O Grimm's Sleeping Beauty	Best Irish Short Animation
Huesca Film Festival, Spain	The Sound Of People	Special Jury Award
Hugo Awards, Chicago	Being John Banville	Documentary: Arts and Humanities
Hugo Awards, Chicago	Prosperity	Dramatic Series
Hugo Awards, Chicago	The Catalpa Rescue	Cinematography
Hugo Awards, Chicago	The Killings At Coolacrease	Documentary: History and Biography
IFTA	Diarmuid's Pony Kids	Best Factual Entertainment
IFTA	Garage: Lenny Abrahamson	Best Film Director
IFTA	Garage: Mark O'Halloran	Best Script, Film
IFTA	Garage: Pat Shortt	Best Lead Actor, Film
IFTA	Kathryn Thomas	People's Choice Award Personality of the Year
IFTA	New Boy	Best Short Film
IFTA	Podge and Rodge	Best Entertainment
IFTA	Prime Time: Not Seen, Not Heard	Best Current Affairs Programme
IFTA	Prosperity: Lenny Abrahamson	Best Director, TV
IFTA	Prosperity: Mark O'Halloran	Best Script, TV
IFTA	Tall, Dark and Ó hAilpín	Best Sport Programme
IFTA	The Clinic: Aisling O'Sullivan	Best Lead Actress, TV
IFTA	The Hospice	Best Documentary Series
IFTA	At Home With The Clearys	Best Single Documentary
IFTA	Garage	Best Film
Independent Spirit Awards	Once	Best Foreign Film
Indie Lisboa, Portugal	New Boy	Indie Junior Best Film Award
Inspired IT Awards	News Now 24 hour online news	Business Services
Institute of Designers of Ireland Awards	Autumn Launch 2008	Graphic Design
Institute of Designers of Ireland Awards	Eurosong 2008	Production Design
Institute of Designers of Ireland Awards	Everything Flows	Graphic Design
Institute of Designers of Ireland Awards	The Late Late Toy Show 2007	Production Design
Institute of Designers of Ireland Awards	New Media	Graphic Design
Institute of Designers of Ireland Awards	Not Enough Hours	Graphic Design
Institute of Designers of Ireland Awards	Patrick: The Blow In Saint	Graphic Design
Institute of Designers of Ireland Awards	Patrick: The Blow In Saint	Production Design
Institute of Designers of Ireland Awards	Secret Of The Stones	Graphic Design
Irish Medical Media Awards	News: Ciaran Mulooly	Medical Journalist of the Year
Irish Medical Media Awards	Prime Time Investigates: Canadian Health System	Consumer Broadcast Award
Irish Medical Media Awards	Surgeons: The Brain	Consumer Documentary
Irish Web Awards	RTÉ You Tube	Best Videocaster
Justice Media Awards	The Devil In The Detail	TV Features and Documentaries
Justice Media Awards	Victims' Rights	Certificate of Merit
Kerry Film Festival	New Boy	Children's Audience Award
Madrid Documentary Festival	Fairytale of Kathmandu	Jury Prize, Silver Medal
Malmer en Mars, France	New Boy	The Professional Panel's Award
Malmer en Mars, France	New Boy	Audience Award for Short Film
MAMA Multicultural Awards	In The Name Of The Fada	Foras Na Gaeilge Award
MAMA Multicultural Awards	Spectrum	Media
MAMCA Awards	News report by Cathy Halloran	Mid West Arts, Media and Culture Awards
Melbourne International Film Festival	New Boy	Shannon's Way Award for Human Rights Shorts
New York Festivals Radio	RTÉ lyric fm: Waiting For The Sun	Finalist Certificate
New York Festivals Radio	RTÉ Radio 1: No Cure For Mickey Finn	Finalist Certificate
New York Festivals Radio	RTÉ Radio 1: One In Eleven	Bronze World Medal: Health/Medical
New York Festivals Radio	RTÉ Radio 1: One In Eleven	Bronze World Medal: UN Public Information
New York Festivals Radio	RTÉ Radio 1: The Diary of Leanne Wolfe	World Gold Medal: Social Issues
New York Festivals Radio	RTÉ Radio 1: The Long Goodbye	Silver World Medal: Human Relations
New York Festivals Radio	RTÉ Radio 1: The Rights Of The Child	Silver World Medal: Best Drama Special

Other Statistical Information (continued)

RTÉ Awards 2008 (continued)

Competition	Entry	Category
New York Festivals Radio	RTÉ Radio 1: Two Men Meet	Silver World Medal: Best Writing
New York Festivals Radio	RTÉ Radio 1: Harmony Heights	Bronze World Medal: Nat/International
New York Festivals Radio	RTÉ Raidió na Gaeltachta: Ciara Na Gruaige Rua	Silver World Medal: Breaking News
New York Festivals TV	My Parents' Wedding	Finalist Certificate
New York Festivals TV	Reaching for Glory	Gold World Medal
New York Festivals TV	Soul of Ireland	Finalist Certificate
New York Festivals TV	Thomas Lynch: The Undertaking	Silver World Medal
NYC Downtown Short Film Festival	The Wednesdays	Audience Choice Award
Oberhausen Film Festival	The Sound Of People	Special Mention
Oireachtas na Cásca	Admhmaidin	Radio Programme of Year
Oireachtas na Cásca	Micheál Ó Sé	Radio Personality of Year
Oireachtas na Cásca	Sharon Ni Bheoláin	Newsreader of the Year
Ourense International Film Festival	Fairytales of Katmandu	Best Director
Palm Springs Short Fest	Granny O Grimm's Sleeping Beauty	Audience Award
PPI Awards	Artzone (RTÉ lyric fm)	Bronze: Music Special
PPI Awards	Bye Bye Bertie (RTÉ Radio 1)	Winner: News Story
PPI Awards	Colm Hayes (RTÉ 2fm)	Bronze: Music Broadcaster of the Year
PPI Awards	Drivetime Radio Diaries	Bronze: Short Feature
PPI Awards	Drivetime Sport	Bronze: Sports Programme
PPI Awards	Farmweek (RTÉ Radio 1)	Silver: Community / Social Action
PPI Awards	Jazz On The Bay (RTÉ Radio 1)	Winner: Music Programme – Specialist
PPI Awards	Jim Jim's Dad (RTÉ 2fm)	Silver: On-Air Competition
PPI Awards	Jim Nugent (RTÉ 2fm)	Silver: Music Broadcaster of the Year
PPI Awards	Maisie Goes To Liverpool	Bronze: Light Entertainment Programme
PPI Awards	Marian Finucane	Outstanding Achievement
PPI Awards	Meat Factory Worms (RTÉ Radio 1)	Winner: Short Feature
PPI Awards	Morning Ireland	Winner: News Programme
PPI Awards	Movies and Musicals (RTÉ lyric fm)	Silver: Light Entertainment Programme
PPI Awards	News at One	Silver: News Programme
PPI Awards	RTÉ lyric fm	Bronze: National Station of Year
PPI Awards	RTÉ Radio 1	Winner: National Station of Year
PPI Awards	Seán O' Rourke (RTÉ 2fm)	Winner: News Broadcaster of the Year
PPI Awards	RTÉ 2fm	Silver: Station Imaging
PPI Awards	The Colm and Jim Jim Show (RTÉ 2fm)	Bronze: Breakfast Programme
PPI Awards	The Diary of Leanne Wolfe	Winner: Documentary
PPI Awards	The Pat Kenny Show: Finglas OB	Winner: Current Affairs Programme
PPI Awards	The Shepherd (RTÉ Radio 1)	Winner: Drama
PPI Awards	Will Leahy Show (RTÉ 2fm)	Silver: Music Programme - General
Premios Ondas	The Diary of Leanne Wolfe	International Radio Award
Prix Danube	On The Block	Best Documentary
Prix Italia	At Home With The Clearys	Documentary - General
Prix Jeunesse	On The Block	Runner Up: 7-11 Years
Prix Jeunesse	On The Block	Theme Prize
Prix Jeunesse	On The Block	Heart Prize
Radharc Awards	AIDS in Africa	Overall Award
Radharc Awards	What In The World: Kampuchea	Highly Commended
Radio Advertising Awards	Radio	Best Radio Station
Rhode Island IFF	New Boy	Best Short
RNLI Awards	Tom MacSweeney	Maritime Person of the Year
RTÉ Guide Awards	Bill O'Herlihy	Favourite TV Sports Presenter
RTÉ Guide Awards	The Colm and Jim-Jim Breakfast Show	Favourite Radio Programme
RTÉ Guide Awards	Gráinne Seoige	Best Dressed Female TV
RTÉ Guide Awards	Prime Time	Favourite Current Affairs
RTÉ Guide Awards	Ryan Tubridy	Favourite Irish TV Personality
RTÉ Guide Awards	Six-One News	Best TV News Team
RTÉ Guide Awards	The Clinic	Favourite Irish Drama
Seattle International Film Festival	New Boy	Special Jury Prize for Short Film
Sharks International Promo Awards	007 on RTÉ Two	Best Film: Bronze
Sharks International Promo Awards	Best From The US	Best Entertainment: Silver
Sharks International Promo Awards	Lost	Best Editing: Silver
Sharks International Promo Awards	Olympic Launch	Gold: Sports Promo
Sharks International Promo Awards	Olympic Launch	Best Graphics: Gold
Sharks International Promo Awards	Olympics Launch	Best Sound: Silver
Sharks International Promo Awards	Podge and Rodge	Promo Print: Bronze
Sharks International Promo Awards	RBS 6 Nations	Promo Print: Silver
Sharks International Promo Awards	RTÉ lyric fm	Best Station Promotion: Silver
Sharks International Promo Awards	RTÉ One: Winter	Best Station Ident: Bronze
Sharks International Promo Awards	Sport in 2008	Best Graphics: Silver
Sharks International Promo Awards	The Art of Hurling	Best Sponsorship Sting: Bronze
Sharks International Promo Awards	The Café	Best Direction: Silver
Sharks International Promo Awards	The Den At Christmas	Promo Campaign: Silver
Sharks International Promo Awards	Xmas Movies on Two	Best Film: Bronze
Sharks International Promo Awards	Xmas Movies on Two	Best Scriptwriting: Bronze
Third Coast Audio Festival, Chicago	The Diary of Leanne Wolfe	Radio Impact Award
Tiernan McBride Award	32A	Best Script
Tirana Film Festival	New Boy	Audience Award and Special Mention
Transport Journalist of Year	David Murphy, RTÉ News	Runner Up
Tribeca Film Festival	Eden	Best Actress: Eileen Walsh
Tribeca Film Festival	New Boy	Best Narrative Short
TV Now Magazine Awards	Anne Doyle	Favourite News Presenter
TV Now Magazine Awards	Fair City	Favourite Soap
TV Now Magazine Awards	Kathryn Thomas	Favourite Female Presenter
TV Now Magazine Awards	RTÉ Sports at the Six Nations Cup	Most Sensational Moment
TV Now Magazine Awards	Ryan Tubridy	Favourite Male Presenter
TV Now Magazine Awards	The Clinic	Favourite Drama
TV Now Magazine Awards	You're A Star	Favourite Reality TV Show
Vail Film Festival, Colorado	New Boy	Best Short Film
WorldFest Heuston Film Festival	Souls Of The Sea	Silver Remi Award
Zebbies (Irish Playwrights and Screen Writers)	Mark O'Halloran: Prosperity	Best TV Script

Financial History

	IFRS 2008 €'000	IFRS 2007 €'000	IFRS 2006 €'000	Irish GAAP 2005 €'000	Irish GAAP 2004 €'000
INCOME STATEMENT					
Television Licence Fees	200,852	195,699	182,835	170,131	166,164
Commercial income	239,908	245,453	222,186	199,757	176,718
Total revenue	440,760	441,152	405,021	369,888	342,882
Operating costs	(460,510)	(430,189)	(403,660)	(366,764)	(337,231)
(Deficit) / Surplus before financing and tax	(19,750)	10,963	1,361	3,124	5,651
Finance income	5,363	3,970	2,392	1,597	1,160
Finance expense	(764)	(1,534)	(1,227)	(445)	(571)
Net defined benefit pension related finance income	5,725	16,184	14,485	12,185	15,730
(Deficit) / Surplus before income tax	(9,426)	29,583	17,011	16,461	21,970
Income Tax credit / (expense)	9,459	(3,154)	937	-	(3,266)
Surplus for the year after tax	33	26,429	17,948	16,461	18,704
BALANCE SHEET					
Non-current and current assets					
Property, plant and equipment	108,931	79,096	80,012	91,690	93,643
Intangible assets	4,973	4,515	3,346	-	-
Financial assets	-	-	-	-	1,615
Pension asset	-	17,535	13,872	3,253	3,217
Inventories	41,314	44,387	41,453	-	-
Other assets	134,418	175,922	154,855	130,168	119,515
Total assets	289,636	321,455	293,538	225,111	217,990
Non-current and current liabilities					
Employee benefits - restructuring provision	16,343	17,439	20,510	26,994	33,589
Deferred tax liability	-	10,365	11,471	-	-
Capital grants	-	-	-	13,370	14,663
Pension liability	86,617	-	-	-	-
Other liabilities	112,413	112,922	100,487	89,200	83,512
Total liabilities	215,373	140,726	132,468	129,564	131,764
Equity	74,263	180,729	161,070	95,547	86,226
Total equity and liabilities	289,636	321,455	293,538	225,111	217,990
CASH FLOW					
Net cash generated from operating activities	18,437	31,224	25,611	20,690	30,821
Net cash flow from (acquisition)/disposal of property, plant, equipment and intangible assets	(45,907)	(22,689)	(13,612)	(10,710)	7,022
EMPLOYEE HEADCOUNT					
RTÉ (excl. TG4)	2,351	2,307	2,283	2,239	2,133
TG4	-	-	-	107	110
Total at 31 December	2,351	2,307	2,283	2,346	2,243

Notes

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