

Statement and Certification of Qualifying Income

Audiovisual on-demand media service providers

Introduction

In accordance with Part 1 of the Levy Reconciliation Process published by Coimisiún na Meán (the “**Commission**”), the Commission has set out the following work programme for audiovisual on-demand media service providers to provide the Commission with their statements of qualifying income, duly certified by their auditors.

The Commission has formulated a two-step process to provide an acceptable level of comfort that each provider’s statement of qualifying income has been properly prepared by a provider in the first instance, and secondly, that the statement of qualifying income is certified as accurate by the relevant provider’s auditors.

This document includes details of the two-step process as follows:

1. Agreed-Upon Procedures to be completed by an Independent Accountant

Section 1 of this document sets out the agreed-upon procedures to be completed. It includes:

- an example letter of engagement from the independent accountant to the provider;
- Appendix A - a sample statement of qualifying income to be provided by the directors of the provider; and
- Appendix B - a sample form of report from the independent accountant to the provider;
- Sample size Guidance (adjusted sample size).

The independent accountant may also be the auditor of the company.

This set of agreed-upon procedures is designed to ensure that in preparing the statement of qualifying income, the company has fully complied with the requirements of the Commission in this regard and has used the basis of calculation of qualifying income as set out in the relevant levy order.

2. Preparation of certificate supporting statement of qualifying income

The statement of qualifying income must be certified by a Qualified Person¹.

Section 2 includes:

- a sample letter of engagement from a qualified person to the provider;
- a sample form of certificate from the qualified person to the provider; and
- Standard Sample size Guidance

¹ “Qualified person” means a person who is qualified for appointment as auditor of a company under section 468 (6) of the Companies Act 2014 as amended.

Audiovisual on-demand media service providers

The Commission requires each provider to provide a certificate supporting the statement of qualifying income in accordance with the two-step process outlined above. Once completed, the following documents must be submitted to the Commission:

- a copy of the statement of qualifying income;
- the certificate of the qualified person; and
- a copy of the audited accounts for the relevant period.

Timeline

Queries in relation to these requirements from providers or their qualified person(s) should be directed to the Commission at levy@cnam.ie.

Submissions relating to levy year 2025, should be made to levy@cnam.ie, by 30 June 2026.

Please note that a late submission will result in a delay to the reconciliation process for levy year 2025.

Section 1: Agreed-Upon Procedures to be completed by an Independent Accountant

Sample documents for Agreed-Upon Procedures

A sample draft engagement letter between an Independent Accountant and a provider is set out below for convenience. However, it is up to the provider and the Independent Accountant engaged by the provider to agree the specific contract terms for this engagement between themselves.

This sample letter is not intended to either prescribe terms and conditions between the provider and the appointed Independent Accountant or to prevent the provider and the appointed Independent Accountant from agreeing different terms and conditions.

1.1 Sample letter of engagement of Independent Accountant

In this letter of engagement:

“**Levy Order**” means S.I. No. 698 of 2024, the Broadcasting Act 2009 (Section 21) Levy (No. 2) Order 2024.

“**Provider Name**” or “**the Company**” refers to the organisation that is required to complete a Statement of Qualifying Income (the “Statement”).

“**Independent Accountant Name**” refers to the [insert profession, e.g. Accountant] performing the procedures, who could be the person who audited the provider’s financial statements referred to in Articles 12 and 13 of the Levy Order.

NOTE: The Qualified Person may wish to include additional paragraphs relating to (a) other legislative responsibilities (e.g. reporting to the Office of the Director of Corporate Enforcement (if applicable), the Criminal Justice (Theft and Fraud Offences) Act, 2001 and the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010) and (b) their standard Terms of Business covering such matters as resolving disputes, liability limits and electronic communications.

PRIVATE & CONFIDENTIAL

The Directors
[Provider Name]
[address]

[date]

Dear Sirs,

Introduction

[Provider Name] (“the Company”) is required to submit to Coimisiún na Meán (“The Commission”) the Directors’ Statement of Qualifying Income (the “Statement”) and supporting documentation, the report prepared by the independent accountants [Independent Accountant Name] on the Directors’ Statement of Qualifying Income, and the representation letter, if any, relating to that report.

Accordingly, this letter (including the Appendices [and the Terms of Business]²) sets out the following:

- (i) our understanding of the Company’s instructions to [Independent Accountant Name] is to provide the services set out below (the “Services”) to the Company;
- (ii) the respective areas of responsibility of the Company and [Independent Accountant Name];
- (iii) the terms upon which the [Independent Accountant Name] is to provide those Services; and
- (iv) the inherent limitations of this limited scope engagement.

The directors of the Company are responsible for:

- (i) ensuring that the Company maintains accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company;
- (ii) making available to us, as and when required, all the Company’s accounting records, all other relevant records, including minutes of all Directors’, management and shareholders’ meetings, and such information and explanations which we consider necessary for the performance of the Services;
- (iii) properly recording transactions in the accounting records and for establishing and maintaining internal control sufficient to permit the preparation of financial information;
- (iv) identifying and ensuring that the Company complies with the laws, and regulations applicable to its activities and any other contracts or agreements it has entered into on which we may be asked to report;
- (v) making available to us, on a timely basis, all information related to the Company or transaction(s) and Company personnel to whom we may direct inquiries, as applicable and as necessary in performance of the Services; and

² Delete if [Independent Accountant Name] does not usually include Terms of Business.

- (vi) providing to [Independent Accountant Name] all the information that is relevant, and will, as necessary, update and correct such information. We will rely solely on the Company for the truth, accuracy and completeness of the information communicated to us and will perform no audit or other procedures to check, verify or otherwise test the information you provide except to the extent expressly stated in this letter.

Services to be provided

1. We will complete the specified limited scope of procedures set out in section 1.3 - Appendix B in respect of the Statement for the period covering <dd Month yyyy> (the “Statement”) attached in Appendix A.
2. The Company is responsible for determining whether the scope of our work specified in Appendix B is sufficient for your purposes.
3. The Statement has been prepared by and remains the sole responsibility of the Company’s directors.
4. Upon completion of the Agreed-Upon Procedures, and provided the findings support this, [Independent Accountant Name] will provide the Company with a Report in the form of the draft Report attached at Appendix B (the “Report”). Our Report is provided solely for the Company’s use and benefit and to certify the qualifying income outlined by the Company in the Statement.
5. Our Report is not to be used for any other purpose nor is it to be copied, distributed or otherwise made available (other than submission to the Commission) or referred to without our prior written consent. [Independent Accountant Name] will not accept any liability or responsibility to any third party to whom the Report is shown or into whose hands it may come.
6. The Services do not constitute an audit or a review made in accordance with International Standards on Auditing (Ireland) or International Standards on Review Engagements.
7. [Independent Accountant Name] have agreed that we have not been engaged to, and will not, perform an audit or a review, the objective of which would be the expression of an opinion on the Statement. Accordingly, we will not express such an opinion. If we were to perform additional procedures or if we were to perform an audit or review of the Statement, other matters might come to our attention that would be reported to you. Our Report will relate only to the Statement and will not extend to any financial statements of the Company taken as a whole. Our work will be performed in accordance with the guidance contained in International Standard on Related Services 4400 “Engagements to Perform Agreed-Upon Procedures Regarding Financial Information”.
8. [The audit work of [Independent Accountant Name] on the financial statements of the Company was and is carried out in accordance with statutory obligations and the audit reports were and are intended for the sole benefit of the Company and the Company’s shareholders respectively as a body, to whom they are addressed. The audit of the Company’s financial statements was not and will not be planned or conducted in contemplation of the requirements of anyone other than the members as a body, and consequently the audit work is not intended to address or reflect matters in which anyone other than the members as a body may be interested.

[Independent Accountant Name] will not, by virtue of preparing this Report, or otherwise in connection with this engagement, assume any responsibility whether in contract, tort (including without limitation negligence) or otherwise in relation to the audits of the Company's financial statements; [Independent Accountant Name] and its respective partners, employees, agents and contractors shall have no liability whether in contract, tort (including without limitation negligence) or otherwise to any third parties in relation to the audits of the Company's financial statements.]³

Scope of our work

The scope of our work and the procedures we shall carry out in preparing our Report are outlined in Appendix B. If the scope and procedures do not meet the Company's requirements, please inform us so that we can discuss a different scope or additional or alternative procedures. The Company should understand that there is no guarantee that these procedures will result in the identification of all matters which may be of interest to you.

Our work will be based primarily on internal management information and will be carried out on the assumption that information provided to us by the Company is reliable and, in all material respects, accurate and complete. We will not subject the information provided by the Company or contained in our reports and letters to checking or verification procedures except to the extent expressly stated. This is normal practice when carrying out such limited scope services, but contrasts significantly with, for example, an audit. Even audit work, with a significant level of detailed testing of transactions and balances, provides no guarantee that fraud will be detected. The Company must therefore understand that the Services are not designed to and are not likely to reveal fraud or misrepresentation by either the management or employees of the Company. Accordingly, we cannot accept responsibility for detecting fraud (whether by management, employees or by external parties) or for misrepresentation by the management or employees of the Company.

Should the Company wish us to carry out work specifically designed to detect fraud (or other verification work in particular areas) we will be pleased to discuss this, but the Company should understand that such work normally requires a very different approach, a longer time scale and we would have to agree specific terms on which we would (or would not) undertake the work.

Timetable

We expect to be able to commence the Services on [date] and expect our Report to be completed by [date]. Our work will depend upon receiving without undue delay full co-operation from all relevant officials of the Company and their disclosure to us of all the accounting records of the Company and all other records and related information (including certain representations) we may need for the purpose of our work.

Fees

Our fees together with VAT and out of pocket expenses, will be agreed with and billed to the Company.

In the event that we (i) identify any matter which we may be required by law to report to the authorities or (ii) we are required by regulation, statute, court order or other legal process to respond to the authorities' queries on our report or (iii) that we agree at our sole discretion following a request made by you, to produce our working papers or our personnel as witnesses with respect to our engagement for you, you will reimburse us for our professional time and expenses, as well as the fees and expenses of our legal and other advisers reasonably incurred in fulfilling our reporting obligations. This paragraph shall not apply in the event of legal proceedings brought against us by you in relation to this engagement, or to a regulatory inspection or investigation of [Independent Accountant Name].

³ Insert only if [Independent Accountant Name] is also that Statutory Auditor of [Broadcaster Name]

Terms of Business

The attached Terms of Business set out the duties of all parties in respect of the Services. The Terms of Business amongst other things:

- a. limit our liability to a maximum amount of [fixed amount or multiple of fees] and, subject to that overall financial limit, to the part of any loss suffered which is proportional to our responsibility. This limit applies to the Services set out in this letter; and
- b. limit the period within which a claim may be brought.

This letter, including its Appendices and the attached Terms of Business together comprise the entire contract (the “Contract”) for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations and shall supersede all previous contracts, letters of engagement, undertakings, agreements and correspondence regarding the Services.]⁴

Quality of service

[Independent Accountant Name] will investigate all complaints made known to them. The Company has the right to take any complaint to [Chartered Accountants Ireland [or insert name of other bodies] member body]. The company may obtain an explanation of the mechanisms that operate in respect of a complaint to Chartered Accountants Ireland from their website, www.cai.ie. for insert appropriate details for other bodies].

Applicable law

This agreement shall be governed by and interpreted and construed in accordance with Irish Law.

The company and [Independent Accountant Name] irrevocably agree that the Courts of Ireland shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

Acknowledgement and acceptance

Please acknowledge your acceptance of the terms of our engagement under the Contract by signing the confirmation below and returning a copy of this letter, including the Appendices, to us at the above address marked for the attention of [Relevant Person], whereupon the Contract will take effect from the date of the commencement by us of the Services.

If you have any questions regarding this Contract, please do not hesitate to contact us.

Yours faithfully,

[Independent Accountant Name]

⁴ Delete if [Independent Accountant Name] does not usually include Terms of Business.

Confirmation of the Contract

Having read the Contract comprising the letter of engagement, including its Appendices with [Independent Accountant Name] dated [date], I acknowledge acceptance of and agree to engage [Independent Accountant Name] upon the provisions of the same and confirm that I am authorised to sign for an on behalf of [Provider Name].

Signed:

Name and position:

On behalf of [Provider Name]

Date:

1.2 APPENDIX A – Sample Statement completed by director of the provider

Director of Finance and Procurement
Coimisiún na Meán
1 Shelbourne Buildings
Shelbourne Road
Dublin 4, D04 NP20
Ireland

[Date]

Dear Sir/Madam,

Re: [Provider Name] ("the Company")

In accordance with your request dated [date] we provide the Statement of Qualifying Income for the period covering [state period] in accordance with Articles 12(1) and 12(2) of the Broadcasting Act 2009 (Section 21) Levy (No. 2) Order 2024 (the "Levy Order").

We confirm that the Company maintains proper books of account which disclose with reasonable accuracy, at any time, the financial position of the Company. The qualifying income as stated below is in compliance with the terms as requested by you and in accordance with the Act.

Total VAT – exclusive Income (including In – Kind) for period [Detail period covered] of which:	In EURO (€) and in full amount
Government or Public Body	
Money Received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media	
Income generated by a provider from the provision of an audiovisual on-demand media service as outline in paragraph 4 of Schedule 10 of the Levy Order	
Income from commercial communications, including late payment surcharges, cancellation penalties, and agent commissions, net of any early payment or volume discounts as outlined in paragraphs 6, 7 and 8 of Schedule 10 of the Levy Order	
Non-cash consideration from commercial communications	
Income from interactive services before deduction of qualifying costs	
Total Allowable Deductions from VAT exclusive Income for period [Detail period covered] of which:	
Agent commission in respect of commercial communications subject to the limitations set out in paragraph 8 of Schedule 10 of the Levy Order	
Bad debt on qualifying incomes	
Total [Insert Company name] Qualifying Income for period [Insert period covered]	

Audiovisual on-demand media service providers

We confirm that the qualifying income of € [state amount of qualifying income] has been calculated in accordance with the provisions of the Levy Order.

We confirm that all qualifying income have been apportioned to the service in which it was raised. Where such an apportionment is not possible, qualifying income have been spread across all services provided based on percentage breakdown of apportioned qualifying income of all the services provided.

Supporting documentation in respect of the information above can be inspected at the Company's premises at [Company premises]

Yours faithfully,

Director

1.3 Limited scope procedures performed on the Schedule in Appendix A

The following procedures should only be conducted in respect of amounts shown on the Schedule in Appendix A, **in excess of** the higher of €5,000 or 1.5% of prior year Qualifying Income.

Individual line-item amounts on the calculation of Qualifying Income below the materiality level calculated above do not need to be tested.

Individual line items which are added to and then deducted from Qualifying Income, need only be tested on one side – i.e. if tested on the income side, the line item does not need to be tested again on the deduction side and vice versa.

If, by virtue of applying the materiality level calculated above, the total of line item amounts which are not tested is in excess of 2%/3%/4%* of prior year Qualifying Income, then additional line items should be tested sufficient to bring the total untested balance below the 2%/3%/4%* threshold.

* the % threshold should be selected based on the risk rating (Low (4%)/Moderate (3%)/High (2%)) for the provider as notified to the provider by the Commission.

Limited scope procedures performed on the Schedule in Appendix A

1. Understand the terms and conditions of the Broadcasting Act 2009 (as amended) (the “Act”) and the S.I. No. 698 of 2024, the Broadcasting Act 2009 (Section 21) Levy (No. 2) Order 2024 (the “Levy Order”) by reviewing the Act and other relevant information.
2. Obtain from management the detailed calculation of the qualifying income in the format detailed on the Schedule in Appendix A.
3. Agree the total VAT exclusive income for the period shown on the Schedule to the books and records of the company and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Ensure that all income is VAT exclusive.
4. Check that any government and public body grants on the Schedule are in compliance with paragraph 2 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of government grants and public body grants;
 - If government grants and public body grants received cover more than one sector of services (e.g., TV programmes, sound broadcasting, audiovisual on demand and designated online services), management needs to provide details on how the grants were allocated among these sectors.

- In accordance with the sample size guidelines attached in Table A, select the required sample of government grants and public body grants and:
 - a) verify that government and public body grants have been allocated in accordance with the director's specified allocation.
 - b) vouch each item in the sample to source documentation.
 - c) trace each item in the sample to bank statements.
 - d) ensure that the total allocation of government and public grants across all service sectors is reconciled back to the trial balance.

- 5. Check that any monies received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media on the Statement are in compliance with paragraph 3 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of money received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of monies received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media and:
 - a) vouch each item in the sample to source documentation;
 - b) trace each item in the sample to bank statements.

- 6. Check that any income generated by a provider from the provision of an audiovisual on-demand media service, including all income relating to the provision of such service including (but not limited to) public funding and/or income from subscriptions, transactions (including pay-per-view, rental and purchase of programmes) and/or advertising on the Statement are in compliance with paragraph 4 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of income generated by a provider from the provision of an audiovisual on-demand media service;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of income generated by a provider from the provision of an audiovisual on-demand media service and:
 - a) vouch each item in the sample to source documentation;
 - b) trace each item in the sample to bank statements.

7. Check that income from commercial communications, including late payment surcharges, cancellation penalties, and agent commissions, net of any early payment or volume discounts allowed on the Statement is in compliance with paragraphs 6, 7 and 8 of Schedule 10 of the Levy Order and
 - Ensure the amount included in the Statement properly reconciles to the trial balance.
 - Obtain from management and check the mathematical accuracy of income from Commercial Communications including agents' commissions;
 - Obtain from management and check the mathematical accuracy of a detailed listing of late payment surcharges or cancellation penalties on commercial communications shown on the Statement are in compliance with paragraphs 6 and 7 of Schedule 10 of the Levy Order;
 - Obtain from management and check the mathematical accuracy of a detailed listing of discounts on commercial communications allowable for deduction
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of income from Commercial Communications including agents' commissions and:
 - vouch each item in the sample to source documentation;
 - trace each item in the sample to bank statements.

8. Check that any non-cash consideration from commercial communications including agents' commissions shown on the Statement is in compliance with paragraph 12 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of non-cash consideration from commercial communications including agent's commission;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of non-cash consideration from commercial communications including agent's commission and:
 - vouch each item in the sample to source documentation;

9. Check that any interactive income before deducting qualifying costs shown on the Statement is in compliance with paragraph 13 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of the interactive income;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of interactive income and:
 - vouch each item in the sample to source documentation;
 - trace each item in the sample to bank statements.

10. Ensure that the total income as shown on the Statement is properly reconciled to the total of all the income amounts shown on the trial balance.

11. Check that any deduction of agents' commissions in respect of commercial communications shown on the Statement are in compliance with paragraph 8 of Schedule 10 of the Levy Order and, deduction of late payment surcharges, cancellation penalties, early payment discounts and/or volume discount, are in compliance with paragraphs 6 and 7 of Schedule 10 of the Levy Order
 - Ensure the amount included in the Statement properly reconciles to the trial balance;

- Obtain from management and check the mathematical accuracy of a detailed listing of agents' commissions;
 - Ensure that the deductible for agent's commission does not exceed 15% of the total relevant income included in paragraph 7 above as appropriate.
 - Obtain from management and check the mathematical accuracy of a detailed listing of late payment surcharges on commercial communications allowable for deduction;
 - Obtain from management and check the mathematical accuracy of a detailed listing of discounts on commercial communications available for deduction.
 - In accordance with the sample guidelines attached in Section 1.4, select the required sample of agents' commissions and deductions and vouch each item in the sample to source documentation.
12. Check that any deduction of bad debts on qualifying incomes shown on the Statement are in compliance with paragraph 9 and 10 of Schedule 10 of the Levy Order, which are understood to mean that a deduction from qualifying income can be made for that element of the year end bad debt provision relating to commercial communication debt, in so far as that debt has been provided for in the current year & not previously provided for. In summary, a deduction can only be made from qualifying income for that element of the year end bad debt provision which relates to commercial communications debt provided for in the current year. A deduction cannot be made for the element of the provision not relating to commercial communications debt or to commercial communications debt previously provided. Test the amount deducted as follows:
- Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Ensure that any bad debts included in the Statement:
 - a) have been included in commercial communications income either in step 7 above or in previous statements of qualifying income; and
 - b) obtain from management and check the mathematical accuracy of a detailed listing of bad debts;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of bad debts and vouch each item in the sample to source documentation.
13. Re-calculate the qualifying income amount shown on the Statement to ensure that it is mathematically correct.

1.4 Sample size Guidance

Table A

Select your sample size based on the risk rating (Low/Moderate/High) for the provider as notified to the provider by The Commission.

<p>Sample Size Table A would typically incorporate a risk rating based on the timely submission of Levy Information Requests and Invoice payments. Please refer to Section 3 for the standard procedure. For reference, the criteria used to determine a broadcaster's risk rating are also outlined in Section 3 of this document.</p> <p>For Levy Year 2025, Table A has been adjusted for the Audiovisual on-demand media sector, as the criteria for determining risk ratings were not communicated in advance.</p> <p>For service providers who have received a risk rating under other Levy Categories, you may refer to the standard sample size guidance outlined in Section 3.</p> <p>For Levy year 2025 and beyond, standard Sample Size Guidance will be used.</p>
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For information, the criteria used to arrive at the risk rating for a provider are set out in Section 3 of this document. You are not required or requested to do any work in relation to Section 3.

Risk Rating	Low	Moderate	High
Number of items in population	Sample size	Sample size	Sample size
>200	16	30	55
>100-200	10	16	25
>50-100	5	8	15
<50	3	4	5

Your sample should be selected from the population using haphazard selection.

If the population is less than the minimum sample size shown in the table, the sample size selected should ensure that at least 90% of the value of the population is covered.

1.4 APPENDIX B - A sample form of report from the Independent Accountant to the Provider

The Directors
[Provider Name]
[address]

[Report Date]

Dear Sirs,

In accordance with the terms of reference dated <dd Month yyyy> that you agreed with us, we provide our Report of Factual Findings ("the Report"), with respect to the accompanying Statement of Qualifying Income for the period covering <dd Month yyyy -dd Month yyyy> (Annex 1 of this Report) (the "Statement"). You requested certain procedures to be carried out in connection with your Statement in order to enable you to submit it to Coimisiún na Meán ("the Contracting Authority") in accordance with the request received from the Contracting Authority ("the Obligation").

Objective

Our engagement was to perform certain agreed-upon procedures with regard to the Statement for the Obligation between you and the Contracting Authority. The purpose of this engagement is for us to carry out certain procedures to which we have agreed and to submit to you a report of factual findings with regard to the procedures performed.

Standards and Ethics

Our engagement was undertaken in accordance with:

- International Standard on Related Services ('ISRS') 4400 (Revised) '*Engagements to perform agreed-upon procedures regarding financial information*' as promulgated by the International Federation of Accountants ('IFAC').
- The International Ethics Standards Board for Accountants (IESBA): Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures (AUP) engagements, the Contracting Authority requires that the auditor also complies with the independence requirements set out in the IESBA Code of Ethics for Professional Accountants.

Procedures performed

As requested, we have only performed the procedures listed in Appendix B of the terms of reference for this engagement (see Annex 2 of this Report) in respect of amounts in excess of the higher of €5,000 or 1.5% of prior year Qualifying Income shown on the accompanying Statement.

These procedures have been determined solely by the Contracting Authority and the procedures were performed solely to assist the Contracting Authority in evaluating whether the income declared by you in the accompanying Statement is eligible in accordance with the terms and conditions of the Obligation.

Because the procedures performed by us did not constitute either an audit or a review made in accordance with International Standards on Auditing (Ireland) or International Standards on Review Engagements, we do not express any assurance on the accompanying Statement.

Had we performed additional procedures or had we performed an audit or review of the financial statements of the beneficiary in accordance with International Standards on Auditing (Ireland), other matters might have come to our attention that would have been reported to you.

Sources of Information

The Certificate sets out information provided to us by you in response to specific questions or as obtained and extracted from your accounts and records.

Factual Findings

The total Qualifying Income which is the subject of this engagement amounts to €<xxxxxx>.

[Details of our factual findings which result from the procedures that we performed to be set out here, for example:

1. Understand the terms and conditions of the Broadcasting Act 2009 (as amended) (the “Act”) and the S.I No. 698 of 2024, the Broadcasting Act 2009 (Section 21) Levy (No. 2) Order 2024 (the “Levy Order”) by reviewing the Act and other relevant information.
2. Obtain from management the detailed calculation of the qualifying income in the format detailed on the Schedule in Appendix A.
3. Agree the total VAT exclusive income for the period shown on the Schedule to the books and records of the company and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Ensure that all income is VAT exclusive.
4. Check that any government and public body grants on the Schedule are in compliance with paragraph 2 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of government grants and public body grants;
 - If government grants and public body grants received cover more than one sector of services (e.g., TV programmes, sound broadcasting, audiovisual on demand and designated online services), management needs to provide details on how the grants were allocated among these sectors.
 - In accordance with the sample size guidelines attached in Table A, select the required sample of government grants and public body grants and:
 - a) verify that government and public body grants have been allocated in accordance with the director's specified allocation.
 - b) vouch each item in the sample to source documentation.
 - c) trace each item in the sample to bank statements.
 - d) ensure that the total allocation of government and public grants across all service sectors is reconciled back to the trial balance.

5. Check that any monies received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media on the Statement are in compliance with paragraph 3 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of money received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of monies received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media and:
 - a) vouch each item in the sample to source documentation;
 - b) trace each item in the sample to bank statements.

6. Check that any income generated by a provider from the provision of an audiovisual on-demand media service, including all income relating to the provision of such service including (but not limited to) public funding and/or income from subscriptions, transactions (including pay-per-view, rental and purchase of programmes) and/or advertising on the Statement are in compliance with paragraph 4 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of income generated by a provider from the provision of an audiovisual on-demand media service;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of income generated by a provider from the provision of an audiovisual on-demand media service and:
 - a) vouch each item in the sample to source documentation;
 - b) trace each item in the sample to bank statements.

7. Check that income from commercial communications including agents' commissions on the Statement is in compliance with paragraph 6 of Schedule 10 of the Levy Order and,
 - Ensure the amount included in the Statement properly reconciles to the trial balance.
 - Obtain from management and check the mathematical accuracy of income from Commercial Communications including agents' commissions; In accordance with the sample size guidelines attached in Section 1.4, select the required sample of income from Commercial Communications including agents' commissions and,
 - vouch each item in the sample to source documentation;
 - trace each item in the sample to bank statements.

8. Check that any non-cash consideration from commercial communications including agents' commissions shown on the Statement is in compliance with paragraph 12 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of non-cash consideration from commercial communications including agent's commission;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of non-cash consideration from commercial communications including agent's commission and:
 - vouch each item in the sample to source documentation;

9. Check that any interactive income before deducting qualifying costs shown on the Statement is in compliance with paragraph 13 of Schedule 10 of the Levy Order and:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of the interactive income;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of interactive income and:
 - o vouch each item in the sample to source documentation;
 - o trace each item in the sample to bank statements.

10. Ensure that the total income as shown on the Statement is properly reconciled to the total of all the income amounts shown on the trial balance.

11. Check that any deduction of agents' commissions in respect of commercial communications shown on the Statement are in compliance with paragraph 8 of Schedule 10 of the Levy Order and, any deduction of late payment surcharges, cancellation penalties, early payment discounts and/or volume discounts in respect of commercial communications show on the Statement are in compliance with paragraphs' 6 and 7 of Schedule 10 of the Levy Order;
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Obtain from management and check the mathematical accuracy of a detailed listing of agents' commissions;
 - Ensure that the deductible for agent's commission does not exceed 15% of the total relevant income included in paragraph 7 above as appropriate.
 - Obtain from management and check the mathematical accuracy of a detailed listing of late payment surcharges on commercial communications allowable for deduction;
 - Obtain from management and check the mathematical accuracy of a detailed listing of discounts on commercial communications allowable for deduction;
 -
 - In accordance with the sample guidelines attached in Section 1.4, select the required sample of agents' commissions and deductions and vouch each item in the sample to source documentation.

12. Check that any deduction of bad debts on qualifying incomes shown on the Statement are in compliance with paragraphs 9 and 10 of Schedule 10 of the Levy Order, which are understood to mean that a deduction from qualifying income can be made for that element of the year end bad debt provision relating to commercial communication debt, in so far as that debt has been provided for in the current year & not previously provided for. In summary, a deduction can only be made from qualifying income for that element of the year end bad debt provision which relates to commercial communications debt provided for in the current year. A deduction cannot be made for the element of the provision not relating to commercial communications debt or to commercial communications debt previously provided. Test the amount deducted as follows:
 - Ensure the amount included in the Statement properly reconciles to the trial balance;
 - Ensure that any bad debts included in the Statement:
 - a) have been included in commercial communications income either in step 6 above or in previous statements of qualifying income; and
 - b) Obtain from management and check the mathematical accuracy of a detailed listing of bad debts;
 - In accordance with the sample size guidelines attached in Section 1.4, select the required sample of bad debts and vouch each item in the sample to source documentation.

- Audiovisual on-demand media service providers
13. Re-calculate the qualifying income amount shown on the Statement to ensure that it is mathematically correct

Use of this Report

This Report is solely for the purpose set forth in the above objective.

This Report is prepared solely for your own confidential use and solely for the purpose of submission by you to the Contracting Authority in connection with the requirements as set out in the request received by you from the Contracting Authority. This Report may not be relied upon by you for any other purpose, nor may it be distributed to any other parties.

The Contracting Authority is not a party to the agreement (the terms of reference) between you and us and therefore we do not owe or assume a duty of care to the Contracting Authority who may rely upon this Report at its own risk and discretion. The Contracting Authority can assess for itself the procedures and findings reported by us and draw its own conclusions from the factual findings reported by us.

This Report relates only to the Statement specified above and does not extend to any of your financial statements.

We look forward to discussing our Report with you and would be pleased to provide any further information or assistance which may be required.

Yours faithfully,

[Independent Accountant Name]

Section 2: Certificate supporting statement of qualifying income

Section 2.1 Sample letter of engagement with auditors

An example engagement letter is set out below for convenience. However, it is up to the Service Provider and their Auditor to agree the specific contract terms for this engagement between themselves, and this example letter is not intended to either prescribe terms and conditions between the Service Provider and their Auditor or prevent the Service Provider and their Auditor agreeing different terms and conditions if they wish.

In this letter of engagement:

- **"Service Provider Name or the Company"** refers to the organisation that is required to complete a Statement of Qualifying Income;
- **"the Auditor's Name"** refers to the Provider's auditor who has audited the financial statements referred to in section 468 (6) of the Companies Act 2014 as amended.

NOTE:

The Qualified Person/Auditor may wish to include additional paragraphs relating to (a) other legislative responsibilities (e.g. reporting to the Office of the Director of Corporate Enforcement (if applicable), the Criminal Justice (Theft and Fraud Offences) Act, 2001 and the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010) and (b) their standard Terms of Business covering such matters as resolving disputes, liability limits and electronic communications.

PRIVATE & CONFIDENTIAL

The Directors
[Broadcaster Name]
[address]

[date]

Dear Sirs,

Introduction

[Broadcaster Name] ("the Company") is required to submit to the Coimisiún na Meán ("the Commission") the Directors' Statement of Qualifying Income together with a Certificate in relation to the Directors' Statement of Qualifying Income for the period covering <dd Month yyyy- dd Month yyyy> in accordance with the Broadcasting Act 2009 and S.I. No. 698 of 2024, the Broadcasting Act 2009 (Section 21) Levy (No. 2) Order 2024 (the "Levy Order"). ("the Legal Obligation")

This letter (including the Appendices [and the Terms of Business]⁵) sets out (i) our understanding of your instructions to [Auditor's Name] to provide a certificate as set out below (the "Services") to the directors in respect of the Directors' Statement of Qualifying Income for the period (the "Schedule"), (ii) the respective areas of responsibility of yourselves and [Auditor's Name] and (iii) the terms on which we are to provide those Services.

Respective Responsibilities of Directors and the Auditors

The directors of the Company are responsible for:

- i. ensuring that the Company maintains accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company and, in particular the turnover details required for the purpose of determining the Directors' Statement of Qualifying Income referred to above;
- ii. making available to us, as and when required, all the Company's accounting records, all other relevant records, including minutes of all Directors', management and shareholders' meetings, and such information and explanations which we consider necessary for the performance of the Services;
- iii. properly recording transactions in the accounting records and for establishing and maintaining internal control sufficient to permit the preparation of financial information;
- iv. identifying and ensuring that the Company complies with the laws and regulations applicable to its activities and any other contracts or agreements it has entered into on which we may be asked to report;
- v. making available to us, on a timely basis, all information related to the Company or transaction(s) and Company personnel to whom we may direct inquiries, as applicable and as necessary in performance of the Services; and
- vi. providing to us all the information that is relevant, and will, as necessary, update and correct such information. We will rely solely on you for the truth, accuracy and completeness of the information communicated to us and will perform no audit or other procedures to check, verify or otherwise test the information you provide except to the extent expressly stated in this letter.

For the purposes of our certificate we will be provided by the directors with a Schedule in the format of the draft as set out in Appendix A. We will certify whether the amounts in the Directors' Statement of Qualifying Income agree to the accounting records of the Company.

You are responsible for determining whether the scope of our work specified above is sufficient for your purposes. The Schedule has been prepared by and remains the sole responsibility of the Company's directors. Upon completion of the above procedures, and provided our findings support this, we will provide you with a certificate in the form of the draft certificate attached as Appendix C (the "Certificate"). Our Certificate is addressed to the directors solely for their use in fulfilling their responsibilities for determining the Statement of Qualifying Income for the relevant period. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors and the Commission as a body, for our work, for this report, or for the matters set out therein. Our Certificate is not to be used for any other purpose nor is it to be copied, distributed or otherwise made available or referred to without our prior written consent.

⁵ Delete if Auditors does not usually include Terms of Business

Scope of our work

The scope of our work and the procedures we shall carry out in preparing our Certificate are as set out above, if the scope and procedures do not meet your requirements, please tell us so that we can discuss a different scope or additional or alternative procedures. You should understand that there is no guarantee that these procedures will result in the identification of all matters which may be of interest to you.

Our work will be based primarily on internal management information and will be carried out on the assumption that information provided to us by the Company is reliable and, in all material respects, accurate and complete. We will not subject the information provided by you or contained in our Certificate to checking or verification procedures except to the extent expressly stated.

The Services do not constitute an audit or a review made in accordance with International Standards on Auditing (Ireland) or International Standards on Review Engagements. We have agreed that we have not been engaged to, and will not, perform an audit or a review, the objective of which would be the expression of an opinion on the Schedule. Accordingly, we will not express such an opinion. If we were to perform additional procedures or if we were to perform an audit or review of the Schedule, other matters might come to our attention that would be reported to you. Our Certificate will relate only to the Schedule and will not extend to any financial statements of the Company taken as a whole.

The audit work of [Auditor's Name] on the financial statements of the Company was and is carried out in accordance with statutory obligations and the audit reports were and are intended for the sole benefit of the Company and the Company's shareholders respectively as a body, to whom they are addressed. The audit of the Company's financial statements were not and will not be planned or conducted in contemplation of the requirements of anyone other than the members as a body, and consequently the audit work is not intended to address or reflect matters in which anyone other than the members as a body may be interested.

[Auditor's Name] will not, by virtue of preparing this Report or otherwise in connection with this engagement, assume any responsibility whether in contract, tort (including without limitation negligence) or otherwise in relation to the audits of the Company's financial statements; [Auditor's Name] [and its respective partners, employees, agents and contractors] shall have no liability whether in contract, tort (including without limitation negligence) or otherwise to any third parties in relation to the audits of the Company's financial statements.

Timetable

We expect to be able to commence the Services on [date] and expect our Certificate to be completed by [date]. Our work will depend upon receiving without undue delay full cooperation from all relevant officials of the Company and their disclosure to us of all the accounting records of the Company and all other records and related information (including certain representations) we may need for the purpose of our work.

Fees

The Auditor's fees together with VAT and out of pocket expenses, will be agreed with and billed to the Company.

In the event that we (i) identify any matter which we may be required by law to report to the authorities or (ii) we are required by regulation, statute, court order or other legal process to respond to the authorities' queries on our report or (iii) that we agree at our sole discretion following a request made by you, to produce our working papers or our personnel as witnesses with respect to our engagement for you, you will reimburse us for our professional time and expenses, as well as the fees and expenses of our legal and other advisers reasonably incurred in fulfilling our reporting obligations. This paragraph shall not apply in the event of legal proceedings brought against us by you in relation to this engagement, or to a regulatory inspection or investigation of [Auditor's Name].

Terms of Business

The attached Terms of Business set out the duties of all parties in respect of the Services.

The Terms of Business amongst other things:

- a) limit our liability to a maximum amount of [€XXX] and, subject to that overall financial limit, to the part of any loss suffered which is proportional to our responsibility. This limit applies to the Services set out in this letter; and
- b) limit the period within which a claim may be brought.

This letter, including its Appendices and the attached Terms of Business together comprise the entire contract (the "Contract") for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations and shall supersede all previous contracts, letters of engagement, undertakings, agreements and correspondence regarding the Services.]⁶

Quality of service

The auditor will investigate all complaints made known to him. The Company has the right to take any complaint to [Chartered Accountants Ireland [or insert name of other bodies] member body]. The company may obtain an explanation of the mechanisms that operate in respect of a complaint to Chartered Accountants Ireland from their website, www.cai.ie. for insert appropriate details for other bodies].

Applicable law

This agreement shall be governed by and interpreted and construed in accordance with Irish Law.

The company and the [Auditor's Name] irrevocably agree that the Courts of Ireland shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

Acknowledgement and acceptance

Please acknowledge your acceptance of the terms of our engagement under the Contract by signing the confirmation below and returning a copy of this letter, including the Appendices, to us at the above address marked for the attention of [Relevant Person], whereupon the Contract will take effect from the date of the commencement by us of the Services.

If you have any questions regarding this Contract, please do not hesitate to contact us.

Yours faithfully,
[Auditor's Name]

⁶ Delete if Auditor does not usually include Terms of Business

Confirmation of the Contract

Having read the Contract comprising the letter of engagement, including its Appendices with [Auditor's Name] dated [date], I acknowledge acceptance of and agree to engage [Auditor's Name] upon the provisions of the same and confirm that I am authorised to sign for an on behalf of [Broadcaster Name].

Signed:

Name and position:

On behalf of [Broadcaster Name]

Date:

APPENDIX 1– Directors' Statement of Qualifying Income

As per Appendix A in Section 1 of this Document.

Section 2.2 Appendix C Draft Certificate in support of statement of qualifying income

The Directors
[Provider Name]
[address]

[Certificate Date]

Dear Sirs,

We hold office as auditors of [Broadcaster Name] ("the Company"). We have been requested to provide a Certificate in relation to the Directors' Statement of Qualifying Income for the period covering <dd Month yyyy- dd Month yyyy> to be submitted to the Coimisiún na Meán ("the Commission") in accordance with the Broadcasting Act 2009 and S.I. No. 698 of 2024, the Broadcasting Act 2009 (Section 21) Levy (No. 2) Order 2024 (the "Levy Order"). ("the Legal Obligation"). A copy of the Directors' Statement of Qualifying Income is attached at Appendix 1.

Respective responsibilities of directors and the auditor

The directors of the company are solely responsible for providing to the Commission a Statement of Qualifying Income for the period in accordance with the Legal Obligation. Our responsibility as auditors is to provide a certificate to the directors, which is in compliance with Article 13 (2) of the Levy Order for submission with the Directors' Statement of Qualifying Income prepared in accordance with Article 12 (2) of the Levy Order.

Basis of our Certificate

Our procedures involve agreeing the amounts included in the Directors' Statement of Qualifying Income with the accounting records of the Company.

As our procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing (Ireland) or International Standards on Review Engagements, we do not express any assurance on the accompanying Statement of Qualifying Income. Had we performed additional procedures, or had we performed an audit or review in accordance with International Standards on Auditing (Ireland), other matters might have come to our attention that would have been reported to you. In addition, the procedures were restricted to the matters specified in the Statement of Qualifying Income and did not extend to the Company's financial statements taken as a whole. Therefore, this report does not express any assurance in relation to the financial statements of the Company.

This report is made solely to the Company's directors, as a body. Our work has been undertaken so that we might issue a certificate to the directors, which is in compliance with Article 13 (2) of the Levy Order and for no other purpose. Our report is addressed to the directors solely for their use in fulfilling their responsibilities to the Commission for determining the Statement of Qualifying Income for the relevant period. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's directors as a body, for our work, for this report, or for the matters set out therein.

Certificate

We certify that we have agreed the amounts in the Directors' Statement of Qualifying Income identified above which shows the total Qualifying Income amounting to €<xxxxxx> to the books of account of the Company.

[Auditor's Name]

Section 3. -

Criteria used to determine an Audiovisual on-demand media service provider’s risk rating

Section 3.1– Standard Sample size Guidance

Table A Select your sample size based on the risk rating (Low/Moderate/High) for the Provider as notified to the Service Provider by the Commission.

For information, the criteria used to arrive at the risk rating for a Provider are set out in Section 3.2 of this document. You are not required or requested to do any work in relation to Section 3.2.

Risk Rating	Low	Moderate	High
Number of items in population	Sample size	Sample size	Sample size
>200	16	30	55
>100-200	10	16	25
>50-100	5	8	15
<50	3	4	5

Your sample should be selected from the population using haphazard selection. If the population is less than the minimum sample size shown in the table, the sample size selected should ensure that at least 90% of the value of the population is covered.

Section 3.2 - Risk Criteria: For information only

The Commission will calculate a risk score for each Service Provider. This score will give each Service Provider a Low/Moderate/High risk rating which will be communicated to them. The risk rating will in turn drive the sample sizes to be used by the Service Provider’s Auditor/Accountant when testing the Service Provider’s Qualifying Income Statement.

The questions and scoring scheme to be used by the Commission are set out below;

Questions for the prior levy period	Answer to Question Select (A, B C)	Points awards based on answer given
When was the prior levy period Article 20 Notice – Levy Information Request return submitted? a. On time - 0 b. Within 1 month – 5 b. More than 1 months late – 10		
When was the Certified Qualifying Income return submitted? ⁷ c. On time - 0 d. Within 1 month – 5 e. More than 1 months late – 10		

<p>When were the prior year levies paid to The Commission?</p> <p>Instalment 1</p> <ul style="list-style-type: none"> a. On time (within 30 days of invoice date) - 0 b. Between 31 and 40 days of invoice date – 5 c. More than 40 days of invoice date – 10 <p>Instalment 2</p> <ul style="list-style-type: none"> a. On time (within 30 days of invoice date) - 0 b. Between 31 and 40 days of invoice date – 5 c. More than 40 days of invoice date – 10 <p>Instalment 3</p> <ul style="list-style-type: none"> a. On time (within 30 days of invoice date) - 0 b. Between 31 and 40 days of invoice date – 5 c. More than 40 days of invoice date – 10 <p>Instalment 4</p> <ul style="list-style-type: none"> a. On time (within 30 days of invoice date) - 0 b. Between 31 and 40 days of invoice date – 5 c. More than 40 days of invoice date – 10 		
<p>How close was your Article 20 Notice Levy Information Request Qualifying Income to your Certified Qualifying Income for the prior levy period?</p> <ul style="list-style-type: none"> a. <5% difference – 0 b. 6 – 10% difference - 5 c. >10% difference – 10 		

Risk Rating for Sample sizes	Low	Moderate	High
Total points score based on questions above	50 or less	> 50, <= 70	> 70