

Levy reconciliation process

Leviable amounts are calculated based on the Commission's estimated expenditure and working capital requirements for the levy period stipulated in the levy order and, as applicable, the Qualifying Income or the number of Logged-in Average Monthly Active Recipients (AMARs) submitted by service providers for the base year or base period stipulated in the levy order.

The Commission plans to carry out a levy reconciliation process, which will involve:

1. Requesting a statement and/or certification of Qualifying Income or verification of Logged-in AMARs from service providers confirming the veracity of the submitted Qualifying Income or number of Logged-in AMARs;
2. Consideration, at the end of the levy period, of whether there has been any surplus of income from levies in excess of the estimate of the Commission's properly incurred expenses and working capital requirements for the levy period based on a consideration of the Commission's financial statements as audited and signed off by the Office of the Comptroller and Auditor General; and
3. Apportioning any surplus of income to levy payers in each category in proportion to the amount of the levy paid by each levy payer in that category for the levy period and issuing of credit notes or cash refunds for any such surplus of income.

Part 1: Statement and Certification of Qualifying Income or Logged-in AMAR

The Commission requires a provider to provide to the Commission a statement confirming its Qualifying Income or Logged-in AMARs for the relevant period within the period requested by the Commission. In accordance with the levy order, the provider's statement of qualifying income must be accompanied by a certificate in support of the statement from the person who has audited the provider's accounts.

The Commission aims to publish a Levy Reconciliation Work Programme by the end of July, which will set out the two-step process outlined below to provide an acceptable level of comfort that each provider's statement of Qualifying Income or Logged-in AMARs 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 and/or the Logged-in AMARs are verified by the provider in the manner set out by the Commission.

Part 2: Receipt and consideration of the Commission's audited financial statements

By the end of the September following the end of the Commission's financial year, the Commission typically has a set of Financial Statements, audited and signed off by the Office of the Comptroller and Auditor General of Ireland.

The Actual Expenditure per Levy Category will be presented in the audited Financial Statements in the format outlined in Appendix 1.

Part 3: Calculation and proportionate refund of any surplus income

Following receipt of the Commission's audited Financial Statements from the Office of the Comptroller and Auditor General, the Commission will carry out the levy reconciliation process as follows:

1. The Commission will review the statements and/or certifications of Qualifying Income or verification of Logged-in AMARs provided by service providers as provided pursuant to the levy order (as referred to in Part 1 above).

2. The Commission will then consider its audited Financial Statements, in particular its levy income, as against its actual properly incurred expenditure and working capital requirements in respect of the levy period to determine what, if any, surplus of levy income over expenses properly incurred and working capital requirements has arisen in respect of the levy period in each levy category. The Commission will apportion such surpluses to levy payers in each category in proportion to the amount of levy paid by each levy payer in the levy period. The Commission intends to offset these amounts against future levy obligations of each levy payer, and to issue credit notes accordingly, but may instead issue a cash refund if it deems it appropriate as provided in the Broadcasting Act 2009:

Under Section 21 (11) of the 2009 Broadcasting Act, any surplus of income, from levies imposed in respect of a levy period, over the expenses properly incurred by the Commission in that period and its working capital requirements in that period shall either

- (a) be retained by the Commission to be offset proportionately against subsequent levy obligations of the providers on whom the levy was imposed, or*
- (b) be refunded proportionately to those providers.*

Appendix 1 - Proforma Statement of Income and Expenditure as per draft 2024 financial statements

		2024	2024	2024	2024	2024	2024	2024	2024	2023
		Television programme service	Sound broadcasting service	AudioVisual on-demand media service	Designated online service	Intermediary service	Hosting service	Broadcasting Fund Recoupment	12 months	9.5 months
		Levy	Levy	Levy	Levy	Exchequer	Exchequer	Exchequer	Grand Total	Total
	Note	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Income										
Levy income	2 (a)	x	x	x	x	x	x	x	x	x
Oireachtas Grant	2 (b)	x	x	x	x	x	x	x	x	x
Licensing Fees	3	x	x	x	x	x	x	x	x	x
Other Income	4	x	x	x	x	x	x	x	x	x
Gross Income		XX	XX	XX	XX	XX	XX	XX	XX	XX
Expenditure										
Salary costs	5	x	x	x	x	x	x	x	x	x
Retirement Benefit Costs		x	x	x	x	x	x	x	x	x
Audit & Risk Committee Fees		x	x	x	x	x	x	x	x	x
Professional & Consultancy Fees	7	x	x	x	x	x	x	x	x	x
Legal Fees	8	x	x	x	x	x	x	x	x	x
Administration Expenses	9	x	x	x	x	x	x	x	x	x
Auditors Remuneration		x	x	x	x	x	x	x	x	x
Grant & Development Payments	10	x	x	x	x	x	x	x	x	x
Premises & Related Expenditure	11	x	x	x	x	x	x	x	x	x
Bank Interest and charges		x	x	x	x	x	x	x	x	x
Depreciation	12	x	x	x	x	x	x	x	x	x
Total Expenditure		XX	XX	XX	XX	XX	XX	XX	XX	XX
Surplus / (Deficit) of Income over Expenditure		XX	XX	XX	XX	XX	XX	XX	XX	XX
Refund of Levy	2 (a)	x	x	x	x	x	x	x	x	x
Transfer to Working Capital Reserve	15	x	x	x	x	x	x	x	x	x
Transfer from/(to) Capital Account	16	x	x	x	x	x	x	x	x	x
Surplus / (Deficit) after refund of Levy and transfers		XX	XX	XX	XX	XX	XX	XX	XX	XX
Surplus brought forward at start of the period									x	x
Surplus at 31 December									XX	XX