Public Broadcasting Services
Extended Public Service Obligation
2009/10

Report
by the
Auditor General

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ABBREVIATIONS

CPSO	Core Public Service Obligation
EBU	European Broadcasting Union
EPSO	Extended Public Service Obligation
EU	European Union
MFEI	Ministry for Finance, the Economy and Investment
NAO	National Audit Office
NBP	National Broadcasting Policy
PAC	Public Accounts Committee
PBS	Public Broadcasting Service
PQ	Parliamentary Question
PSI	Public Statement of Intent
PSO	Public Service Obligation
ToR	Terms of Reference
TV	Television
TVM	Television Malta
TVM2	Television Malta 2

EXECUTIVE SUMMARY

This Investigation deals with the subsidy that Government pays to Public Broadcasting Services (PBS), Malta's public broadcaster, to cover for the latter's obligation to offer non-commercially viable programmes of a social, cultural or educational nature.

The Terms of Reference (ToR) of the Investigation were agreed to by the Parliamentary Public Accounts Committee (PAC) in March 2012. These ToR mandated the Auditor General to report on expenditure figures covering the Public Service Obligation (PSO). PAC's attention had been previously drawn to apparent discrepancies in such expenditure for 2010 via a letter from an Opposition Member of Parliament.

The Investigation was conducted in accordance with Para 9(a) of the Auditor General and National Audit Office Act, 1997 (XVI of 1997) and in terms of NAO practices.

Findings presented in the Report are based on meetings held with pertinent officers, examination of documentation related to the subject matter and other varied desk-based research and information collection and analysis.

The Report covers the scenario in which the PSO is managed by PBS and describes the funding mechanism utilised. This is based on the provisions of the prevailing National Broadcasting Policy.

Estimates, allocations, adjustments and actual expenditures for 2010 are dealt with in detail, together with the necessary comparisons being drawn.

In response to the PAC instruction to investigate the apparent discrepancy in the 2010 figures, it transpires that:

€1,164,687	was the originally-requested and approved estimate;
€2,721,687	was an adjusted estimate and request based on anticipated income and expenditure, revised in line with the prevailing market situation according to PBS;
€1,691,940	was the amount utilised of the allocation where the public service obligation is concerned.

The Report features a set of recommendations covering the funding model operated in the case of the PSO. Through this model of funding, excess funds (allocated funds that are not utilised by the end of the financial period) are considered to be due to the application of best practices. As an incentive, the operator of the funds is allowed to retain all or part of the unutilised funds.

CHAPTER 1 - INTRODUCTION

Background

The Public Broadcasting Services Limited (PBS) is Malta's public broadcaster with legal obligations emanating from the Constitution and the Broadcasting Act (Chapter 350[1] of the Laws of Malta)[2]. The main obligation imposed on PBS ensuing from these legal instruments is to provide state broadcasting services to the Maltese Islands. PBS is responsible for the running of TVM and TVM2 television channels and the Radio Malta, 106.6 FM (Radju Parlament/Maltin Biss) and Magic radio stations. In line with its mission statement *"PBS serves the general public as well as particular segments of the population by striving to be the most creative, inclusive, professional and trusted broadcaster in Malta"*[3].

PBS is registered as a limited liability company under the local Companies Act (Chapter 386). It is headed by a Board of Directors and a Chief Executive Officer responsible for the running of the company. Several line managers head Operations, Programmes, Information Technology, Corporate Services, Business Development and News respectively. The Manager responsible for news is also the Registered Editor. The Financial Controller oversees the management of the company's finances. An Editorial Board, independent of the Board of Directors, is responsible for the selection of and for ensuring the quality of the programmes aired on PBS.

The National Broadcasting Policy (NBP) document of April 2004 *"attempts to … establish clear and public policy outlines within which PBS is expected to operate"*. It defines the obligations of PBS arising from its role as the nation's public broadcaster and establishes how the relationship between Government and PBS will be played out. The NBP obligates PBS to plan its programming well in advance of airing, publicly establish its programming requirement, set up a procedure to judge proposed programming and supervise directly all programming for editorial and quality content. This document also expounds PBS' responsibility to offer a selection of programmes that otherwise would not be aired due to their commercial non-viability. PBS is thus the only broadcaster in Malta that carries a public service obligation (PSO).

In the execution of the public service obligation, Government subsidises PBS through a line vote of the Ministry of Education, Employment and the Family. Within the context of the PSO, Government establishes broad policy parameters of the programmes that are to be broadcasted by PBS. The relationship between Government and PBS as far as the management of the PSO is concerned is one of contract whereby Government negotiates with PBS the public service content it would like to be aired and pays for such content. It is not the role of Government, however, to interfere in editorial policy decisions or the day-to-day running of the organisation which are the responsibility of its Editorial Board and Board of Directors respectively.

The programming content under the public service obligation is distinguished between a 'core PSO' (CPSO) and an 'extended PSO' (EPSO). The former is defined as the broadcast of news, local sports coverage and programmes emanating from PBS' obligations at law, for which PBS will have to source funds from general advertising revenue. The EPSO covers programming content that Government, in line with international and local obligations, would like to be aired on PBS and which Government will subsidise. The EPSO covers programmes of current affairs, religious topics, drama, culture, events of a national character and those targeted at children.

Apart from payment for the EPSO content, Government does not subsidise PBS. Whilst Government will each year fund the programming element agreed to with PBS that is of a public service nature, PBS has to operate within a financially sustainable context. Except for one-off payments for exceptional transmissions, PBS does not receive any other funds, apart from the EPSO, from Government[4]. During the 1996-1998 administration, it was decided that all monies accruing from TV licence fees be retained by PBS. However, in November 2011, the Minister of Finance announced that the payment of such licences will be removed as from 2012[5], resulting in a loss of annual revenue of circa €4million to PBS.

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[1] Source: National Broadcasting Policy - May 2004, pg 9

[2] PBS is also a signatory of the Prague Declaration (1994) and is obliged to observe the EU Directive on Television without Frontiers (1989) - Source: National Broadcasting Policy - May 2004, pgs 10 and 13

[3] Source: National Broadcasting Policy - May 2004, pg 1

[4] As from 2012 PBS started receiving the amount of €500,000 for the TVM2 channel covering the period January to December 2012 (Dossier, Q1)

[5] Since television licences are paid one year in advance, this effectively means that such charges are waived as from 2013

The payment by Government of the EPSO is the subject of this Report after a query was raised in Parliament by a Member of the Opposition wherein the amount of the public service obligation paid by Government for 2009/10 was questioned.

The Terms of Reference

During a Public Accounts Committee (PAC) sitting held on 29 February 2012, a letter from the Hon Gino Cauchi dated 13 February 2012 was tabled. In this letter, clarifications were sought on the apparent considerable discrepancies in expenditure of the public service obligation for 2010. According to the Malta Government financial estimates for 2011, the vote for the Ministry for Education, Employment and the Family indicated that the approved estimates for the 2010 EPSO was €1,164,000. When, in October 2011, the Minister responsible for PBS had replied to a parliamentary question (PQ 27937) on the subject, the Minister indicated that actual expenditure incurred in respect of the EPSO was in fact €1,691,940. Moreover, according to the Malta Government financial estimates for 2012, actual expenditure on the EPSO for 2010 was €2,720,999. The Honourable Member was therefore bringing the matter to the attention of the PAC and requesting clarifications on the matter which *"ultimately concern public funds"*. Chair PAC requested the Auditor General (AG) to investigate. Appendix 1 refers.

In a letter by the Auditor General to the Public Accounts Committee dated 5 March 2012, the following terms of reference were proposed:

- determination of the actual expenditure figure;
- breakdown of actual expenditure figure into major cost centres;
- determination of the source for the ministerial reply to the 5 October 2011 parliamentary question;
- attempt at furnishing an objective explanation to the discrepancy between actual expenditure and the figure given in the PQ reply;
- breakdown of the estimated expenditure into major cost centres;
- identification of major areas (cost centres) of variances;
- obtain explanations from PBS management and/or line Ministry for the variances;
- recommendations in connection with variances and the handling thereof in a generic manner and, if applicable, specific to the case in hand.

The above terms were deemed to satisfy the queries raised. Copy of relevant correspondence is at Appendix 2.

The PBS Core and Extended Public Service Obligations

According to the National Broadcasting Policy, a public service obligation contract can *"simply be defined as a contract between the Government and a public service broadcaster detailing programming content that the former would like the latter to air and for which the latter is paid a sum of money. It may additionally be said that the content is normally such that it would not attract advertising revenue as its primary scope and it is not commercial but cultural, educational or social oriented. A public service obligation contract facilitates the airing of views and content that would not otherwise be aired or produced at the level desired from a national broadcaster because of financial considerations. Through the contract, the Government in fulfilment of its political and social obligations ensures this does not happen. The money given for the PSO programming is a way of correcting the market limitations"*

The PBS public service obligation is divided into what is considered as a 'core' and an 'extended' public service obligation.

The core public service is defined as the transmission of:

1. regular daily news bulletins in Maltese, with the main TV news bulletin not being of a lesser duration than 20 minutes and at least a once daily TV news bulletin in English;
2. regular daily news bulletins on at least one of the radio stations that PBS operates with at least one bulletin thereof being in English;
3. regular daily bulletins covering local sporting events of a current nature and at least a one weekly programme covering local sports;
4. programmes in adherence with the Constitutional or legal requirements imposed on PBS; and
5. the televised transmission of one-off parliamentary debates.

Government does not directly subsidise costs related to these transmissions which PBS covers from general advertising revenue.

According to the NBP, the extended public service obligation aims to ensure that PBS transmits programmes which would not necessarily be commercially viable but that are important to ensure the cultural, social and educational development of society at large and to ensure that sections of society who would not normally have access to television broadcasting are given the space to do so. The EPSO covers the transmission of events of a national character, programmes of a social, cultural, educational, environmental, economical or political nature, programmes dealing with religious topics, programmes aimed at children, drama in Maltese and programmes that focus on Gozo and Maltese communities abroad. The EPSO also covers the regular transmission on radio of all parliamentary debates.

As stipulated in the NBP, programmes covered by the EPSO should present a balanced picture of society and reflect the public's varied interests, views, values and religious beliefs and promote Maltese heritage, culture and language.

As per NBP, the amount of PSO programming on TVM[6] should account for approximately between 50 and 55 per cent. Such programming on PBS radio stations should be between 55 and 60 per cent. Roughly one-third of the time used for the PSO programming is dedicated to core public service programming while approximately two-thirds is dedicated to extended public service programming.

Since it is unlikely that PBS is able to provide the extended public service programming on a profitable basis, Government undertakes to compensate PBS for any economic loss resulting from such programming. To this effect, Government subsidises the extended PSO obligation through yearly estimates in the respective vote of the Ministry responsible for PBS, approved by Parliament. The Ministry sets out detailed programme requirements for each genre required in line with the EPSO programming parameters and a schedule of programmes is agreed on. PBS allocates the projected direct expenses incurred for each programme/transmission required as well as a percentage of its total overheads and transmission costs. PBS also allocates to each programme/transmission 50 per cent of the gross amount of advertising revenue anticipated to be generated by each programme which is deducted from the projected direct and indirect costs. The net amount is the amount of the EPSO subsidised by Government, paid in tranches to PBS over the year.

In terms of the National Broadcasting Policy, once a year the Ministry and PBS will reconcile the actual cost of each programme and the subsidy given by Government. When Government subsidies received to cover the cost of the extended public service obligation are in excess of the actual cost incurred during that year, PBS is entitled to retain, and allocate against that year's income, 50 per cent of that excess. 25 per cent of the excess is to be refunded to Government whilst the other 25 per cent is to be retained by PBS to finance the following year's EPSO, in addition to the subsidy allocated in the yearly estimates. If actual costs are higher than the subsidy, the cost will be borne by PBS since it would be an expression of either wrong quotations or lack of cost control.

While it is accepted that Government negotiates with PBS the subsidy which the latter receives for its public service obligation, the NBP unequivocally states that *"such financing should be governed by the principles of transparency and accountability"*.

Methodology

This report is drawn up in terms of Para 9(a) of the Auditor General and National Audit Office Act, 1997 (Act XVI of 1997) and in accordance with generally accepted practices and guidelines applicable to the National Audit Office.

During the course of this investigation, meetings were held with various officers, in particular the Chief Executive Officer and the Financial Controller of PBS. Relevant documentation and information required were made available to this Office. NAO findings and conclusions are based on the evaluation of such documentation and information.

[6] Television Malta (TVM) is the national television station in Malta operated by PBS

CHAPTER 2 - THE PBS PSO - PROGRAMME SELECTION AND FUNDING

The Selection of Programmes covered by the Public Service Obligation

In general, public service broadcasters are to serve the information needs and interests of the public by protecting media pluralism as well as the right of information. As Malta's public service broadcaster PBS' obligations are varied, aimed to serve the broadest possible audiences. In terms of the Broadcasting Act, PBS is to provide *"high quality programming across the full range of public tastes and interests"* and to *"provide programming of an educational and cultural nature".* It is in this context of inclusivity that programme content is selected.

PBS programming is split into programmes that are not commercially viable and fall within the remit of the public service obligation and the commercial aspect of the operation. Of more concern to Government are the obligations that are of a public service nature since it is these obligations which are funded by Government. PSO programming accounts for approximately 50%-55% of TVM's airtime and between 55%-60% on Radju Malta. Around one-third of the time allocated for PSO programming covers core public service programming while approximately two-thirds is dedicated to the extended public service programming. This, however, does not take into account repeats, the transmissions of parliamentary debates on Radju Parliament (106.6 FM) and exceptional programming mandated by the Broadcasting Authority such as political broadcasts during electoral campaigns.

The PBS public service obligation is divided into what is considered as a 'core' (CPSO) and an 'extended' PSO (EPSO). The CPSO covers the transmission of regular daily TV news bulletins in Maltese and at least a once daily TV news bulletin in English, regular daily news bulletins on at least one of PBS' radio stations with at least one bulletin in English, and regular daily bulletins covering local sporting events and at least a weekly programme covering local sports. It also covers programmes in adherence with the Constitutional or legal requirements imposed on PBS and the televised transmission of one-off parliamentary debates. Government does not directly subsidise costs related to these transmissions, which PBS covers from general advertising revenue.

According to the NBP *"the extended public service obligation aims to ensure that PBS transmits programmes which would not necessarily be commercially viable but that are important to ensure the cultural, social and educational development of society at large and to ensure that sections of society who would not normally have access to television broadcasting are given the space to do so"*. In this context, the EPSO covers various programme genres aimed at diverse audiences, namely:

1. the transmission of events of a national character as determined from time to time by Government;
2. the regular transmission on radio of all parliamentary debates;
3. public service announcements;
4. current affairs programmes and discussion programmes dealing with topics of a social, cultural, educational, environmental, economical, industrial or political nature;
5. programmes dealing with religious topics and the transmission of Mass on Sundays;
6. programmes that have children as their principal audience;
7. drama in Maltese;
8. programmes of a cultural nature and those of classical music;
9. programmes that are focused on Gozo;
10. programmes that focus on Maltese communities abroad;
11. general information programmes; and
12. programmes that are educational in nature.

Ahead of the start of an upcoming schedule (covering winter/summer programmes), the Ministry responsible for PBS sets out detailed programme requirements - including programme genres, frequency and duration of transmission for each programme genre it requires - allocating a percentage charge to each genre from the anticipated EPSO allocation for the year. Based on these requirements, PBS publishes a Programmes Statement of Intent, *inter alia* outlining the general programmes policy of PBS, programming requirements for the period under consideration, the evaluation criteria that will be adopted by the Editorial Board and the minimum financial terms expected to be met by producers.

An annual financial budget for EPSO programming is prepared by PBS' Financial Controller. This takes into account forecasted total revenue, direct costs and a percentage allocation of indirect costs in respect of such programmes resulting in the anticipated EPSO claim. In the interim, proposals submitted by production houses are evaluated and a number of productions short-listed by the Editorial Board. The short-listed proposals are forwarded to the Chief Executive Officer, the Financial Controller and Manager Programming and negotiations with the respective production houses are initiated. During this period, a number of schedules are forwarded to PBS' Board of Directors and a final schedule is approved.

Several weeks before the start of the programming schedule, PBS forwards to the Ministry of Education a list of programmes for which PBS seeks the EPSO contribution and the amount of Government contribution requested. The Ministry decides which programmes qualify for the contribution and the amount of EPSO due to PBS is determined. Nonetheless, the EPSO contribution assigned for each genre is a guideline rather than an immutable fixed amount and is reviewed in periodical meetings between the Ministry and PBS over the year.

Funding Mechanism of PBS' Public Service Obligation

As stipulated in the NBP, programmes covered by the EPSO should present a balanced picture of society and reflect the public's varied interests, views, values and religious beliefs and promote Maltese heritage, culture and language. The need to broadcast such programming content is safeguarded through an agreed set of parameters and the financing relationship of the extended public service obligation by Government is governed by a number of rules under the Public Service Obligation Contract, whereby Government specifies programming content that it would like PBS to air in return for a contribution.

As per NBP, the elements taken into consideration when deciding the amount of Government's obligation are the direct and indirect costs incurred in production/outsourcing and transmission and the revenue generated from programmes falling under the EPSO. The formula used when determining Government's EPSO contribution is:

Direct Cost less Revenue plus Overheads = EPSO Allocation

Direct and indirect costs are classified as programme/production expenses, transmission expenses, administrative, selling and financial expenses and depreciation. The revenue elements taken into account are sale of airtime, advertising and hire of facilities. An analysis of the cost structure of each programme under the EPSO is conducted to identify those expenses that are directly related to a programme. Cost allocation assumptions are made for indirect expenses that are allocated to programmes on an appropriate basis. Total eligible costs are netted off against projected revenue.

Since there are practically no programme productions in summer, production costs are allocated solely to the winter programmes. Thus, the summer schedule is loaded only with the direct costs. Transmission costs are also solely allocated to the winter schedule on the basis of the transmission time allocated to each programme. When allocating administrative, selling and financial expenses and depreciation, the total minutes retained by PBS for each programme is determined and the respective pre-established advertising rates are used to determine the potential amount of revenue that could be earned by PBS. The resulting potential revenue is used as the basis of allocation of 85 per cent of the expenses (administrative/selling/financial and depreciation) to the winter programmes. The remaining 15 per cent is not allocated to the summer schedule on the same principle of not loading the summer months with these indirect expenditure is applied. Instead, the remaining 15 per cent of these expenses is allocated to the Radio schedule.

Although the elements in the EPSO funding formula are revenue, direct and indirect expenditure whereby the EPSO is determined as 'Direct Cost less Revenue plus Overheads = EPSO Allocation', the National Broadcasting Policy gives PBS the option of allocating 50 per cent of revenue instead of the full amount generated through EPSO programmes. According to PBS, *"the scope of this safeguarding clause is to ensure that PBS will not be penalised if PBS was more efficient than budgeted during that particular financial year".*

As per NBP, 50 per cent of the revenue generated from EPSO programmes is deducted from the total direct and indirect costs of such programming to determine the amounts qualifying for Government's contribution. At year end, a reconciliation of the difference between the actual cost of each programme and the funding provided by Government is carried out. In terms of the NBP, where the actual cost is higher than the funding of the programme, the cost would be borne by PBS since it would be an expression of either wrong quotations or lack of control. However, if the subsidy is higher than the actual net cost, PBS will retain 50 per cent of the net gain, 25 per cent will be refunded to Government

whilst 25 per cent will go towards financing, directly by PBS, the following year's extended public service obligation in addition to the contribution allocated in the yearly estimates.

The drawing up of an annual return of EPSO activities is required by the National Broadcasting Policy and is the responsibility of PBS This responsibility includes maintaining sufficient records and ensuring that the information in the return ties in with the audited financial statements. PBS is to submit the return to the Ministry responsible for PBS. The NBP also requires that an independent assurance report on PBS' annual return is carried out. Such assurance procedures review whether PBS' calculations for EPSO programmes were made in accordance with the basis and methodology as agreed with the Ministry and in accordance with the National Broadcasting Policy. Such assurance engagements include the examination, on a test basis, of evidence that supports the accuracy of the calculations made.

Except for one-off payments for the broadcast of exceptional events requested by Government, PBS does not receive any other funds apart from the EPSO from Government. PBS is however authorised to retain 75 per cent of any unspent EPSO funds. Of this net gain, PBS retains 50 per cent which is added to the year's revenue while 25 per cent goes towards the financing, directly by PBS, of the following year's extended public service obligation, in addition to the contribution allocated in the yearly estimates[7]. As from 2012, PBS started receiving the amount of €500,000 for the newly set up TVM2 television channel covering the period January to December 2012.

According to the European Broadcasting Union (EBU)[8], public service broadcasters have been facing mounting financial and political pressure for several years. Governments grappling with economic woes have reduced state allocations and licence fee income, as well as imposing cost-cutting and downsizing measures. In addition advertisers are spending less. On the other hand, the EBU argues that public service broadcasters need a legal framework that unequivocally secures their funding. If public broadcasters' entire income were solely linked to the markets, then they are exposed to market fluctuations or possibly failure. Moreover, without sufficient revenues, these broadcasters lose their independence and cannot fulfill their remit, undermining their social obligations. It is EBU's opinion that public service broadcasters cannot work in the interests of democratic societies without specific, sufficient and sustainable funding[9]. A public service obligation contract facilitates the airing of views and content that would not otherwise be aired or produced because of financial considerations. Government funds given for PSO programming is a way of correcting these market limitations and restrictions.

Extended Public Service Obligation - Allocation of Funds

The Extended Public Service Obligation allocation is governed by the National Broadcasting Policy 2004 through which the Government of Malta and PBS had entered into a framework that regulates both parties. *"This document re-affirms but goes beyond the legal requirements imposed on PBS by the Constitution, by law and by international conventions. It attempts to define the obligations of PBS arising from its role as a public broadcaster and also to establish how this relationship between Government and PBS will be played out."* Through this policy document, Government *"acknowledged the mission of PBS as Malta's public service broadcaster and is funding this obligation through the payment of Lm500,000 (equivalent to €1,164,687) for 2004"*.

From meetings held at PBS with Chief Executive Officer and Financial Controller, it transpires that the initial EPSO allocation for any one year is as per previous year's EPSO allocation. Thus, once the EPSO value is established, the value for the following periods is given by:

$Y_0 = Y_1, Y_2, Y_3 \ldots Y_{n-1}$
$Y_n = Y_0 + X$

where 'Y_0' is the initial base period value, Y_n is the new base period value where 'X' represents the change in EPSO.

Therefore, the value of the EPSO for the subsequent years remains unchanged unless the value is revised.

[7] The remaining 25 per cent of unspent EPSO funds is refunded to Government
[8] The EBU is the leading association of national media organisations in the world, comprising 85 national media organisations in 56 countries in and around Europe
[9] Source: European Broadcasting Union (EBU) Viewpoint on Public Service Media Funding

As per Government's Financial Estimates, the EPSO allocation for the period 2004-2010 was not revised but was held constant at €1,164,687, irrespective of actual expenditure incurred in the previous year, as indicated in the Table below.

Table 1: EPSO Allocation 2004-2012

	Approved Estimate (€)	Actual Expenditure (€)
2005	1,164,687	1,164,687
2006	1,164,687	873,515
2007	1,164,687	1,164,687
2008	1,164,000	1,164,000
2009	1,164,000	1,163,998
2010	1,164,000*	2,720,999
2011	2,700,000	
2012	2,700,000	

Source: Extracts from Government Financial Estimates

* During the period under review (2009-10), Government's approved estimate of the EPSO allocation was revised upwards to €2,700,000. This revision is discussed in more detail below.

The EPSO Allocation for the 2009/10 Schedule

An extract from the position document 'Direttivi dwar il-ħtiġijiet tal-Ministeru u l-infieq tal-kontribuzzjoni EPSO u Kummenti u Mistoqsijiet dwar il-PSI (Public Statement of Intent) għall-iskeda Ottubru 2009 sa Ġunju 2010', dated 8 January 2009 (Appendix 3), indicated that the EPSO allocation for PBS' programme schedule 2009/2010, allocated by genre, was envisaged to be as follows:

Table 2: EPSO Allocation for 2009/10

Genre	EPSO Value (€)	Percentage of EPSO
Children	221,291	19
Current Affairs	139,762	12
Drama	104,822	9
Education & Culture	291,172	25
Gozo & Foreign Communities	58,234	5
National Character	232,937	20
Religious	81,528	7
Transmission of Parliament	11,647	1
Contingency	23,294	2
Total	1,164,687	100

Source: Document 'Direttivi dwar il-ħtiġijiet tal-Ministeru u l-infieq tal-kontribuzzjoni EPSO u Kummenti u Mistoqsijiet dwar il-PSI (Public Statement of Intent) għall-iskeda Ottubru 2009 sa Ġunju 2010'

Changes in the EPSO allocation are nonetheless allowed. In fact, relevant provisions are made in the National Broadcasting Policy document which states that *"If during the term of the contract Government feels the need to enlarge the extended public service obligation programming of the company or asks for the transmission of ad hoc programmes that were not part of the original contract Government binds itself to pay for such requests. The price has to be negotiated between the relevant Government Ministry or entity and PBS Ltd but it is expected that the price asked for by PBS Ltd will compare favourably with what the Government would pay if it made the same request to a commercial broadcasting company or a private contractor."*

From documentation submitted by PBS, it transpires that during 2010 PBS submitted a request for additional EPSO funding for the programme schedule for the period running 2009/2010. This request, according to PBS, was made in anticipation of losses amounting to €2,464,705 resulting from a reduction in sales and the inability to further reduce costs (Appendix 4). In view of the EPSO allocation being derived from the accounting formula: Direct Costs less Revenue

plus Indirect Costs = EPSO, *ceteris paribus*, a decrease in revenue or an increase in costs would effectively result in a higher EPSO requirement.

Following this request for the additional funding, the MFEI only approved an additional €1,557,000 towards the funding of the EPSO[10], in effect raising the EPSO grant for 2009/10 from €1,164,687 to €2,721,687. Appendix 5 refers.

However, in October 2011, in reply to parliamentary question 27937, the Minister responsible for PBS indicated that actual total net eligible costs covered by the EPSO grant for the programme schedule 2009/2010 amounted to €1,691,940, (Appendix 6) allocated as follows:

Table 3: Actual EPSO Costs for 2009/10

Genre	EPSO Value (€)	Percentage of EPSO
Children	344,233	20
Current Affairs	124,545	7
Drama	84,693	5
Education & Culture	411,953	24
Gozo & Foreign Communities	93,558	6
National Character	385,434	23
Religious	247,524	15
Total	1,691,940	100

Source: PQ 27937

This reply revealed the apparent discrepancy for 2009/10 where allocation, claim and expenditure figures are concerned. Originally, the EPSO allocation for the period amounted to €1.16 million. Eventually, this was increased to €2.70 million of which, ultimately, €1.69 million were utilised for EPSO purposes during the operational period in question.

However, as per National Broadcasting Policy *"once a year the Ministry and PBS will reconcile the differences between the actual cost of each programme ... and the subsidy given by Government ... If the actual cost is higher than the subsidy, the cost will be borne by PBS since it would be an expression of either wrong quotations or lack of cost control. If the subsidy is higher than the actual cost, PBS will retain 50% of the net gain 25% will be refunded to Government whilst 25% will go towards financing (directly by PBS) the following year's extended public service obligation in addition to the subsidy allocated in the yearly estimates."* In fact, in an earlier parliamentary question (PQ 6614) the Minister for Education, Culture, Youth and Sport, had indicated that the EPSO is not cast in stone and that regular meetings are held throughout the period being covered by the EPSO claim. Such meetings serve to discuss the progress of EPSO programmes, following which revisions to the EPSO allocation could be made to specific genre[11].

[10] MFEI instructed PBS to submit a separate request to cover capital expenses (namely a Transportable Satellite Up-Link [€150,000] and an Automated Transmission System [€850,000]) to the Ministry of Education, Culture, Youth and Sport.

[11] PQ 6614: *"Nixtieq nagħmilha ċara li dawn iċ-ċifri huma indikattivi u mhux cast in stone. Fil-fatt tul is-sena l-PBS u l-Ministru jkollhom laqgħat regolari biex jiddiskutu l-andament tal-programmi EPSO u minn żmien għall-żmien jista' jsir tibdil fl-ammonti imsemmija għal ġeneri speċifiċi. Matul is-sena jista' jigri li d-dħul mir-riklamar mistenni minn ċerti ġeneri jonqos jew jizdied. Għalhekk isiru l-aġġustamenti neċessarji biex jigi assikurat li l-pubbliku jkun qiegħed jiehu l-ahjar servizz possibli għall-flus li jingħataw mill-Gvern."*

Revision of the Extended Public Service Allocation - 2009/10

From documents furnished by PBS to NAO, on 5 October 2011 the Minister for Education, Employment and the Family replied to PQ 27937[12] by providing the following details:

Table 4: EPSO 2009/10 Contribution

Category	TV Winter Schedule 2009/10	TV Summer Schedule 2010	Radio Winter Schedule 2009/10	Radio Summer Schedule 2010	Total net eligible costs
	€	€	€	€	€
Children	317,150	22,489	3,670	924	344,233
Current Affairs	69,074	6,045	46,286	3,140	124,545
Drama	81,214	2,332	1,147		84,693
Education & Culture	276,369	30,739	97,194	7,651	411,953
Gozo & Foreign Communities	83,584	9,401	573		93,558
National Character	330,962	54,472			385,434
Religious	202,647	910	43,202	765	247,524
Total net eligible costs	1,361,000	126,388	192,072	12,480	1,691,940

Source: PQ 27937

In addition to the above details, the Minister also made available supplementary documentation (endorsed by Ernst & Young) indicating Programme, Type, Category, Eligible Revenue, Direct Costs, Gross Profit, Overheads, Net Profit, EPSO, and Total EPSO per category. This documentation provides micro level details of the above totals.

The above and supporting documents clearly indicate that the EPSO utilisation for programme schedule 2009/2010 was €1,691,940. The variance per programme genre in the 2009/10 EPSO initial allocation (€1,164,687) and actual utilisation (€1,691,940) resulted from the changes shown in the following Table:

Table 5: Variance in EPSO allocation and actual utilisation - 2009/10

Genre	Change (absolute)	Change (%)	Percent of total EPSO*	Wt Change**
Children	122,942	56	20	11
Current Affairs	-15,217	-11	7	-1
Drama	-20,129	-19	5	-2
Education & Culture	120,781	41	24	10
Gozo & Foreign Communities	35,324	61	6	3
National Character	152,497	65	23	13
Religious	165,996	204	15	14
Transmission of Parliament	-11,647	-100	0	-1
Contingency	-23,294	-100	0	-2
Total	527,253	45	100	45

*Percentage of total EPSO is as per revised EPSO
** Wt Change = Change (%) * Percentage of total EPSO
Source: NAO Workings

Although, in absolute terms, the largest deviation resulted from the genres related to Religion, National Character, Gozo and Foreign Communities, and Children the largest impact resulted from variations in the genres related to Religious, National Character, Children and Education and Culture.

[12] PQ 27937. L-ONOR. GINO CAUCHI staqsa lill-Ministru tal-Edukkazzjoni, Xogħol u l-Familja: Tista' l-Ministru tagħti dettalji dwar kif ġew użati l-fondi mgħoddija lill-Public Broadcasting Services bħala Public Service Obligation għas-sena 2010?

Despite the fact that cost reductions exceeded revenue erosion, it is difficult to conclude whether these were the result of inaccurate budgeting or improved work practices. Moreover, in the initial claim, programmes envisaged as being non-viable are included; however, during the final reconciliation process, should these experience higher revenue generation and result as commercially viable, they are extracted from the EPSO costing. A degree of variance between the EPSO claim and actual costs may result from such extraction, depending on the amount of revenue, direct and indirect costs attributable to these programmes.

Following the reconciliation process, PBS had an unexpended amount of €1,029,060 from the revised EPSO allocation. As per the methodology endorsed in the National Broadcasting Policy, this net gain was to be allocated on a 50%-25%-25% criteria whereby:

- PBS retains 50 per cent of the net gain;
- 25 per cent goes towards financing, directly by PBS, the following year's extended public service obligation in addition to the subsidy allocated in the yearly estimates; and
- 25 per cent is refunded to Government.

Under normal circumstances, PBS would therefore retain 75 per cent of the unexpended amount. Thus, PBS was to retain €771,795 of the excess EPSO allocation for the year 2009/2010. However, in view of the fact that PBS has embarked on extensive capital projects, PBS requested MFEI's approval to retain the remaining 25 per cent of unspent funds that were refundable to Government. Approval was granted by MFEI on 28 March 2012.

Given the considerable variance in PBS' EPSO claim and actual expenditure incurred, NAO questioned the accuracy of the projected increase in EPSO requirement. By way of explanation, PBS submitted that *"… before the 2.7 million euro was approved by the Ministry of Finance, there was a detailed analytic review from their end to scrutinise more in detail the financial budget covering the financial year 2009/2010, PBS performed better than budgeted resulting in a better bottom line. Moreover, the funding formula 'Direct costs less 50% Revenue plus Indirect Overheads'*[13] *has a large number of variable elements which may have a material impact on the actual EPSO claim. In fact, one of the primary variables is revenue where actual revenue was higher than budgeted which obviously resulted in less allocation of EPSO funds. The external environment within which PBS is operating is very dynamic and this will have an effect year after year on the budgeted figures and thus on the EPSO claim respectively."*

NAO notes that as per the EU Communication of 2009 (C257/01) the retention mechanism of government funds allocated to entities for public service obligations is capped such that:

"73. Public service broadcasters may retain yearly overcompensation above the net costs of the public service (as public service reserves) to the extent that this is necessary for securing the financing of their public service obligations. In general, the Commission considers that an amount of up to 10% of the annual budgeted expenses of the public service mission may be deemed necessary to withstand cost and revenue fluctuations. As a rule, overcompensation above this limit must be recovered without undue delay.

74. By way of exception, public service broadcasters may be allowed to keep an amount in excess of 10 % of the annual budgeted expenses of their public service mission in duly justified cases. This is only acceptable provided that this overcompensation is specifically earmarked in advance of and in a binding way for the purpose of a non-recurring, major expense necessary for the fulfilment of the public service mission [48]. The use of such clearly earmarked overcompensation should also be limited in time depending on its dedication."

Considering that the EPSO allocation is made on the projected Direct Costs, Revenue and Indirect Costs such that EPSO formula is stipulated as Direct Costs plus Revenue less Indirect Costs, some degree of variance between the actual EPSO expenditure and the EPSO allocation is justifiable and, in fact, provided for. In the case of the 2009/10 EPSO allocation, on approval of the MFEI, PBS retained 100 per cent of the 2009/2010 EPSO over-allocation. Given that PBS has embarked on major capital expenditure, this retention seems to fall within the objective of the pertinent EU Directive.

This chapter of the Report has sought to give readership a thorough insight into the manner with which the EPSO is managed and funded. This explanation is deemed necessary in order to provide a background to the alleged discrepancy that triggered this investigation in the first place.

[13] PBS clarified that the full amount of revenue generated is used for account reporting purposes whilst 50 per cent of revenue generated is used for the calculation of the EPSO allocation

In concluding, focusing more specifically on the above-mentioned allegation, as already illustrated and proven above, the original EPSO allocation for the period 2009/10 amounted to €1.16 million. On the request of PBS, following a revision of estimates, this allocation was increased to €2.70 million in November 2009. Eventually, of this extended allocation, PBS utilised €1.69 million for EPSO purposes.

As per NBP, PBS retained 75 per cent of the excess. In this particular instance, in view of the pending capital expenditure, PBS sought and obtained MFEI permission to retain the remaining 25 per cent to be utilised for such expenditure.

CHAPTER 3 - CONCLUSIONS AND RECOMMENDATIONS

In general, public service obligations are taken as being obligations which undertakings, if solely considering their own commercial interests, would not take on or would not take on to the same extent or under the same conditions. Since such obligations are considered as beneficial to society, some form of correction mechanism is required in order to compensate the undertaking and bridge the gap between societal benefits and commercial viability. Government funds given for EPSO programming constitute a corrective mechanism, aimed at addressing market imperfections and compensating the service provider, in this case PBS, for the provision of non-financially viable programmes.

While NAO acknowledges the concept of PSOs whereby operators be fairly compensated for services that are of a public service nature, state appropriation for such services should be fair and reasonable, both to the service provider and towards society. Such contributions should be instruments deployed for the attainment of value for money and not simply be regarded as safeguards (shortfall fillers) by the receivers at times of financial difficulties.

Conclusions

In respect of the PBS public service obligation, NAO concludes that:

1. Potential concerns arising from the EPSO funding mechanism

It may be argued that the existing EPSO funding mechanism, which permits the retention of 75 per cent of the surplus resulting from an excess of the EPSO allocation over costs actually incurred, can create an incentive for PBS to be conservative in revenue projections while at the same time liberal in budget costs. Accentuating this issue is the factoring of only 50 per cent of the revenue generated through EPSO programmes into the funding mechanism. *Prima facie*, the current EPSO funding mechanism could influence PBS to be over-cautious in estimations of potential revenue that can be earned or too generous when allocating costs

NAO sought PBS' views on the current public service obligation funding formula and whether this could influence PBS' estimations of revenue and costs. In its reply PBS stated that *"this will not influence PBS to be overcautious in estimates of potential revenues that can be earned or too liberal when estimating expenditure. In fact the financial budget 2009/10 together with the above mentioned formula on which the EPSO claim was calculated, were executed on reasonable financial parameters".* PBS added that *"the vote allocated to PBS is in line with the National Broadcasting Policy principle which means that PBS will not be penalised if PBS was more efficient than budgeted".* PBS further submitted that *"… before the 2.7 million euro was approved by the MFEI, there was a detailed analytic review from their end to scrutinise more in detail the financial budget covering the financial year 2009/2010, PBS performed better than budgeted resulting in a better bottom line. Moreover, the funding formula 'Direct costs less 50% Revenue plus Indirect Overheads'[14] has a large number of variable elements which may have a material impact on the actual EPSO claim. In fact, one of the primary variables is revenue where actual revenue was higher than budgeted which obviously resulted in less allocation of EPSO funds. The external environment within which PBS is operating is very dynamic and this will have an effect year after year on the budgeted figures and thus on the EPSO claim respectively."*

While NAO acknowledges that public service obligations are economic tools aimed to compensate for market imperfections by aligning social needs with commercial scopes, they should only be used when necessary and be applied in a clearly defined, transparent and non-discriminatory way so as to ensure a level playing-field for all market participants. A robust function of external (third party) monitoring and control of estimates and budgets needs to complement such usage.

2. EPSO Budgeting

A concern exists over whether the EPSO mechanism creates an incentive for PBS to be conservative in revenue projections and to over-estimate costs. However, even though figures show that costs, both direct and indirect, were actually considerably lower than those quoted in PBS' EPSO claim, it is difficult to ascertain whether this resulted from

[14] PBS clarified that the full amount of revenue generated is used for account reporting purposes whilst 50 per cent of revenue generated is used for the calculation of the EPSO allocation

over-estimations or genuine cost cutting and improved efficiency. In all fairness, one would need to analyse the situation over a number of years in order to conclude whether the practice of under-estimating revenue and/or over-estimating costs exists. In an ever-changing economic scenario, fast-evolving technology and audience requirements, it would still be challenging to compare like-with-like over a number of years and would require complex factoring in of variable parameters. This exercise was clearly outside and beyond the scope of this investigation.

Nonetheless, financial information for 2009/10 clearly indicates that there were considerable discrepancies between PBS' EPSO claim and costs actually incurred. Although cost reductions exceeded revenue erosion, it is difficult to conclude whether these were the result of inaccurate budgeting or improved work practices. Moreover, in the initial claim, programmes envisaged as being non-viable are included, however, during the final reconciliation process, should these experience higher revenue generation and result as commercially viable, they are extracted from the EPSO costing. A degree of variance between the EPSO claim and actual costs may result from such extraction, depending on the amount of revenue, direct and indirect costs attributable to these programmes.

Conceptually, the EPSO mechanism is geared to promote efficiency since the retained unexpended part of the EPSO can be partially retained by PBS. This, however, is only based on the proviso that cost projections are realistic and reliable.

MFEI and the Ministry responsible for PBS are entrusted with the approval of such estimates. They are committed to verify if revenue and cost projections are realistic, and approve or revise accordingly. If approval of the EPSO budget is based on such vetting, and PBS really managed to reduce costs by promoting best practice whilst attracting more revenue, the situation is 'win-win'. Had PBS sat back, attracted the bare minimum revenue and/or dissipate resources, there would not be unexpended funds; however, the taxpayer would still have to contribute towards the EPSO allocation. Despite all, NAO still reiterates the need for accurate budgeting and projections by PBS and thorough vetting by the Ministries concerned.

While NAO acknowledges the need that, in certain circumstances, Government resorts to public service obligation contracts and that it is essential that PSO providers are remunerated fairly, such reimbursements should be factual and based on real costs incurred.

Recommendations

In general, NAO feels that the following principles should apply to public service obligations, irrespective of nature or extent:

1. Public service obligations must be clearly defined.

2. The parameters on the basis of which the compensation is calculated must be established in advance in an objective and transparent manner.

3. Compensation must not exceed what is necessary to cover all or part of the costs incurred in the discharge of the public service obligations, taking into account the relevant receipts and a reasonable profit.

4. The level of compensation must be determined by a comparison with an analysis of the costs which a typical undertaking would incur (taking into account the receipts and a reasonable profit from discharging the obligations).

5. Calculations related to the compensation must be vetted and reviewed for accuracy and faithfulness to reality by both the line Ministry and MFEI.

6. Caution must be exercised by all entities receiving PSOs in order ensure that such compensation exists to service social objectives and that this falls within the scope of the relevant EU Directives.

In this particular case, NAO recommends that:

1. PBS should endeavour to be more realistic in estimating revenue and costs for EPSO programming. Undeniably, PBS has considerable experience in this field, which should facilitate the drawing up of such projections.

2. Periodical reviews by the Ministry responsible for PBS and MFEI are to be carried out and regular feedback from PBS sought. Adjustments in the EPSO allocation are only to be made in exceptional circumstances where

evidence clearly attests the need for such revisions.

3. A variance threshold between the EPSO claim and actual cost (per genre) is agreed upon by PBS and the responsible Ministry. If such thresholds are surpassed, PBS is to provide solid justifications for such variances.

Public service obligations are economic interventions. They should only be used when necessary and be applied in a clearly defined, transparent and non-discriminatory way so as to ensure a level playing-field for all market participants.

APPENDICES

APPENDIX 1

KAMRA TAD-DEPUTATI MALTA HOUSE OF REPRESENTATIVES

L-Onorevoli Dr.Charles Mangion

Chairman

Public Account Committee

Kamra tar-Rappresentanti.

13 ta' Frar 2012

Ghaziz Onorevoli Mangion,

Nixtieq nitlob l-intervent tieghek bhala Chairman tal-Public Accounts Committee biex dan il-kumitat li inti tippresiedi jsejjah lil amministrazzjoni tal-Public Broadcasting Services Limited halli tigi spjegata id-diskrepanza sostanzjali li tezisti fejn jidhol il-vot ddedikat ghal Public Service Obligation tal-2010.

Mill-Financial Estimates 2011, vot tal-Ministeru tal-Edukazzjoni, Xoghol u Familja, johrog li l-Approved Estimates tal-Public Service Obligation 2010 kien ta' €1,164,000.

Meta fil-5 ta' Ottubru 2011 wiegbet ghal Mistoqsija Parlamentari tieghi dwar dan l-istess suggett (PQ: 27937) il-Ministru l-Onorevoli Dolores Cristina kienet indikat li in-nefqa fuq Public Service Obligation kienet telghet ghal €1,691,940. Dakinhar spjegat id-diskrepanza bejn l-ammont approvat u dikjarat fi-audited accounts tal-PBS bhala diskrepanza bejn l istima u dak li jigi jiswa finalment.

Izda mill-Financial Estimates 2012 ghal istess ministeru, rrizulta li l-Actual Expenditure fuq Public Service Obligation lill-PBS fl-2010, la kienet dik indikata bhala Approved estimates, la kienet dik li tohrog mis-suppost Audited Accounts tal-PBS izda kienet tammonta ghal €2,720,999.

Qajjimt-dan il-punt waqt il-kritika tieghi ghal dan il-ministeru f'Dicembru li ghadda meta kienu qed jigu diskussi l-voti fil-kamra izda bqajt minghajr twegiba.

Ghalhekk qed nitlob li dan il-kaz issa jitla' quddiem il-Public Accounts Committee biex bhala membru tal-Kamra tar-Rappresentanti, nitlob li tinkiseb l-ispjegazzjoni dwar dan il-kaz li jikkoncerna fondi pubblici.

Dejjem Tieghek,

Gino Cauchi MP

APPENDIX 2

N A O
National Audit Office
MALTA

National Audit Office
Notre Dame Ravelin
Floriana FRN 1600
Malta

Phone: (+356) 22055555
Fax: (+356) 21220708
E-mail: nao.malta@gov.mt
Website: www.nao.gov.mt

Auditor General

Our Ref: NAO 104/2012
Your Ref:

5th March 2012

Hon. Dr Charles Mangion, LL.D, MP
Chairman
Public Accounts Committee
House of Representatives
The Palace
Valletta

Parliamentary Question 27937: Public Service Obligation (PBS) Annual Expenditure

Reference is made to PAC Session No. 41 dated 29 February 2012 during which a communication addressed to Chairman PAC and dealing with the subject matter in caption was tabled.

In compliance with your proposal and subsequent PAC approval that my Office investigates this matter further, NAO proposes the following terms of reference to cover the exercise in question:

a. Determination of the actual expenditure figure
b. Breakdown of actual expenditure into major cost centres
c. Determination of the source for the Ministerial reply to the 5 October 2011 PQ
d. Attempt at furnishing a rational, plausible and objective explanation to the discrepancy between actual expenditure and the figure given in the PQ reply
e. Breakdown of the estimated expenditure into major cost centres
f. Identification of major areas (cost centres) of variances
g. Obtaining explanations from PBS Management and/or line Ministry for the variances
h. Recommendations in connection with variances and the handling thereof in a generic fashion and, if applicable, specific to the case in hand.

The above are deemed to satisfy the demand as raised by the Hon. Gino Cauchi, MP.

A.C. Mifsud

APPENDIX 3

D20

Direttivi dwar il-ħtiġijiet tal-Ministeru u l-infieq tal-kontribuzzjoni EPSO u Kummenti u Mistoqsijiet dwar il-PSI għall-iskeda Ottubru 2009 sa Ġunju 2010

Ministeru għall-Edukazzjoni, Kultura, Żgħazugħ u Sport

lill-PBS Ltd.

8 ta' Jannar 2009

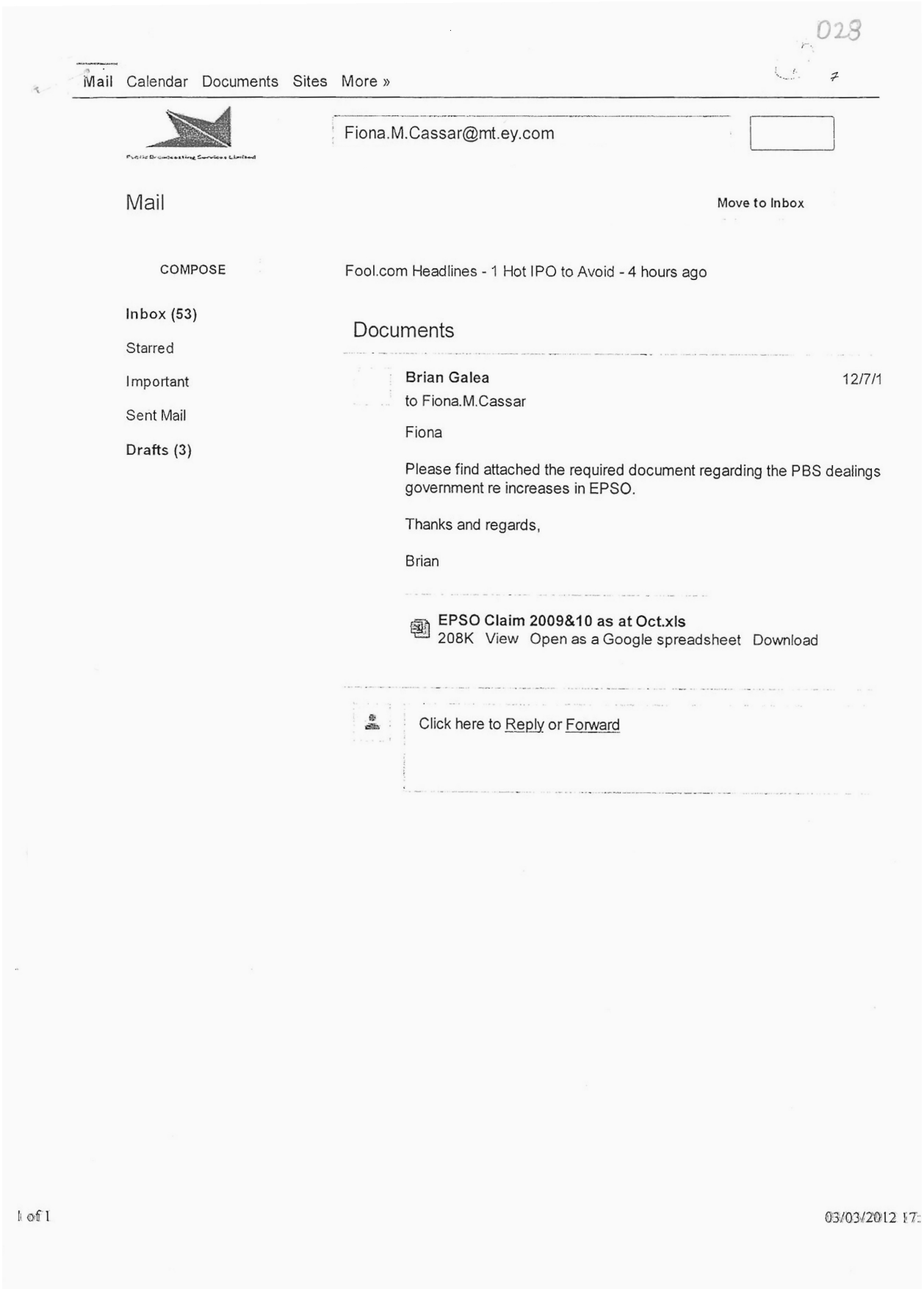
Appendiċi

EPSO Claim 09/10

	€	%	
Children	221,291	19	
Current Affairs	139,762	12	
Drama	104,822	9	
Educational & Cultural	291,172	25	
Gozo & Foreign Communities	58,234	5	
National Character	232,937	20	
Religious	81,528	7	
Transmission of Parliament	11,647	1	
Contigency	23,294	2	
	1,164,687	100	

14

APPENDIX 4



028

Mail Calendar Documents Sites More »

Fiona.M.Cassar@mt.ey.com

Mail

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Drafts (3)

Fool.com Headlines - 1 Hot IPO to Avoid - 4 hours ago

Documents

Brian Galea 12/7/1

to Fiona.M.Cassar

Fiona

Please find attached the required document regarding the PBS dealings government re increases in EPSO.

Thanks and regards,

Brian

EPSO Claim 2009&10 as at Oct.xls
208K View Open as a Google spreadsheet Download

Click here to Reply or Forward

1 of 1 03/03/2012 17:

Winter Schedule 2009/10

Programme	Type	EPSO Category	Total Revenue	Total Direct Costs	Gross Profit	Overheads	Net Profit	EPSO CLAIM	EPSO CLAIM BY GENRE
	COMM		111,940	51,137	60,803	0	60,803		
	COMM		54,040	49,512	4,528	0	4,528		
	COMM		0	2,425	-2,425	6,461	-8,886		
	COMM		0	2,425	-2,425	6,461	-8,886		
	COMM		130,430	330,273	-199,843	50,582	-250,425		
	COMM		46,800	4,008	42,792	0	42,792		
	COMM		0	808	-808	0	-808		
	COMM		0	808	-808	0	-808		
	COMM		42,498	1,947	40,551	0	40,551		
	COMM		0	414	-414	3,708	-4,122		
	COMM		0	414	-414	2,209	-2,623		
	COMM		0	1,616	-1,616	8,615	-10,231		
	COMM		0	1,616	-1,616	8,615	-10,231		
	COMM		1,485	132,023	-130,538	25,845	-156,383		
	COMM		0	1,616	-1,616	2,872	-4,488		
	COMM		0	1,616	-1,616	2,872	-4,488		
	COMM		6,000	1,534	4,466	1,452	3,014		
	COMM		0	1,616	-1,616	8,615	-10,231		
	COMM		0	1,616	-1,616	8,615	-10,231		
	COMM		19,500	11,687	7,813	0	7,813		
	COMM		1,500	415	1,085	0	1,085		
	COMM		0	1,616	-1,616	8,615	-10,231		
	COMM		16,640	1,545	15,095	0	15,095		
	COMM		0	1,078	-1,078	0	-1,078		
	COMM		25,258	3,189	22,069	1,206	20,864		
	COMM		0	1,616	-1,616	718	-2,334		
	COMM		0	1,616	-1,616	3,795	-5,411		
	COMM		0	539	-539	1,265	-1,804		
	COMM		0	1,347	-1,347	0	-1,347		
	COMM		0	1,078	-1,078	3,145	-4,223		
	COMM		0	1,078	-1,078	1,914	-2,992		
	COMM		0	4,041	-4,041	0	-4,041		
	COMM		30,000	40,562	-10,562	43,075	-53,637		
	COMM		12,090	1,417	10,673	0	10,673		
	COMM		0	1,078	-1,078	0	-1,078		
	COMM		0	3,109	-3,109	5,522	-8,631		
	COMM		0	3,109	-3,109	5,522	-8,631		
	COMM		4,550	936	3,614	479	3,135		
			0	0	0	0	0		
	CPSO		4,010	21,423	-17,413	2,982	-20,395		
	CPSO		0	3,233	-3,233	17,230	-20,463		
	CPSO		0	46,258	-46,258	10,603	-56,861		
	CPSO		0	4,736	-4,736	1,767	-6,503		
	CPSO		0	19,397	-19,397	34,460	-53,857		

Programme	Type	EPSO Category	Total Revenue	Total Direct Costs	Gross Profit	Overheads	Net Profit	EPSO CLAIM	EPSO CLAIM BY GENRE
	CPSO		878,216	720,117	158,099	239,281	-81,182		
	CPSO		0	1,905	-1,905	20,102	-22,006		
	CPSO		0	20,168	-20,168	14,153	-34,322		
			0	0	0	0	0		
	EPSO	CHILDREN	0	2,425	-2,425	12,923	-15,347		
	EPSO	CHILDREN	0	32,278	-32,278	5,743	-38,021	-38,021	
	EPSO	CHILDREN	1,530	26,849	-25,319	6,974	-32,293	-32,293	
	EPSO	CHILDREN	0	1,616	-1,616	6,974	-8,590		
	EPSO	CHILDREN	0	16,164	-16,164	86,150	-102,314		
	EPSO	CHILDREN	0	78,649	-78,649	25,845	-104,494		
	EPSO	CHILDREN	0	137,638	-137,638	129,225	-266,863	-266,863	-337,177
			0	0	0	0	0		
			0	0	0	0	0		
	EPSO	CURRENT AFFAIRS	15,304	39,720	-24,416	7,069	-31,484	-31,484	
	EPSO	CURRENT AFFAIRS	80,697	135,410	-54,713	21,538	-76,251	-76,251	
	EPSO	CURRENT AFFAIRS	37,356	132,248	-94,892	21,230	-116,122	-116,122	
	EPSO	CURRENT AFFAIRS	24,999	22,793	2,206	14,153	-11,947	-11,947	
	EPSO	CURRENT AFFAIRS	0	2,928	-2,928	14,153	-17,082		
	EPSO	CURRENT AFFAIRS	453,411	385,610	67,801	75,458	-7,657	-7,657	-243,462
			0	0	0	0	0		
			0	0	0	0	0		
	EPSO	DRAMA	30,000	71,439	-41,439	8,284	-49,723	-49,723	
	EPSO	DRAMA	0	2,072	-2,072	3,682	-5,754		
	EPSO	DRAMA	15,000	45,666	-30,666	1,767	-32,433	-32,433	
	EPSO	DRAMA	10,000	18,579	-8,579	2,154	-10,733	-10,733	
	EPSO	DRAMA	4,000	941	3,059	3,313	-255	-255	-93,143
			0	0	0	0	0		
	EPSO	EDUCATIONAL & CULTURAL	0	5,657	-5,657	67,843	-73,501	-73,501	
	EPSO	EDUCATIONAL & CULTURAL	0	16,164	-16,164	86,150	-102,314	-102,314	
	EPSO	EDUCATIONAL & CULTURAL	0	539	-539	0	-539	-539	
	EPSO	EDUCATIONAL & CULTURAL	0	539	-539	0	-539		
	EPSO	EDUCATIONAL & CULTURAL	0	539	-539	479	-1,017	-1,017	
	EPSO	EDUCATIONAL & CULTURAL	0	1,078	-1,078	957	-2,035	-2,035	
	EPSO	EDUCATIONAL & CULTURAL	8,359	85,294	-76,935	9,435	-86,370	-86,370	
	EPSO	EDUCATIONAL & CULTURAL	0	1,616	-1,616	5,743	-7,360		
	EPSO	EDUCATIONAL & CULTURAL	1,337	87,368	-86,031	16,331	-102,362	-102,362	
	EPSO	EDUCATIONAL & CULTURAL	0	1,616	-1,616	8,615	-10,231		
	EPSO	EDUCATIONAL & CULTURAL	0	26,808	-26,808	3,615	-30,423	-30,423	
	EPSO	EDUCATIONAL & CULTURAL	0	89,595	-89,595	33,989	-123,585	-123,585	
	EPSO	EDUCATIONAL & CULTURAL	0	4,103	-4,103	20,249	-24,352		
	EPSO	EDUCATIONAL & CULTURAL	0	81,693	-81,693	45,947	-127,639	-127,639	-649,785
			0	0	0	0	0		
	EPSO	GOZO & FOREIGN COMMUNITIES	0	30,492	-30,492	1,325	-31,817	-31,817	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	746	-746	1,325	-2,071		
	EPSO	GOZO & FOREIGN COMMUNITIES	1,260	23,642	-22,382	2,872	-25,253	-25,253	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	1,616	-1,616	2,872	-4,488		
	EPSO	GOZO & FOREIGN COMMUNITIES	760	25,813	-25,053	4,197	-29,250	-29,250	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	787	-787	4,197	-4,985		-86,321
			0	0	0	0	0		
	EPSO	NATIONAL CHARACTER	0	4,924	-4,924	773	-5,698	-5,698	
	EPSO	NATIONAL CHARACTER	64,976	117,949	-52,973	3,015	-55,988	-55,988	
	EPSO	NATIONAL CHARACTER	0	14,119	-14,119	331	-14,450	-14,450	
	EPSO	NATIONAL CHARACTER	0	83	-83	442	-525	-525	

Programme	Type	EPSO Category	Total Revenue	Total Direct Costs	Gross Profit	Overheads	Net Profit	EPSO CLAIM	EPSO CLAIM BY GENRE
	EPSO	NATIONAL CHARACTER	0	14,119	-14,119	331	-14,450	-14,450	
	EPSO	NATIONAL CHARACTER	945	46,836	-45,891	1,723	-47,614	-47,614	
	EPSO	NATIONAL CHARACTER	0	18,303	-18,303	2,651	-20,953	-20,953	
	EPSO	NATIONAL CHARACTER	0	166	-166	884	-1,049	-1,049	
	EPSO	NATIONAL CHARACTER	0	7,038	-7,038	552	-7,591	-7,591	
	EPSO	NATIONAL CHARACTER	0	7,153	-7,153	663	-7,815	-7,815	
	EPSO	NATIONAL CHARACTER	0	308,225	-308,225	1,723	-309,948	-309,948	
	EPSO	NATIONAL CHARACTER	29,165	100,133	-70,968	3,024	-73,991	-73,991	
	EPSO	NATIONAL CHARACTER	0	1,749	-1,749	2,585	-4,333	-4,333	
	EPSO	NATIONAL CHARACTER	0	4,862	-4,862	442	-5,304	-5,304	
	EPSO	NATIONAL CHARACTER	0	10,328	-10,328	1,104	-11,433	-11,433	
	EPSO	NATIONAL CHARACTER	0	6,809	-6,809	1,325	-8,134	-8,134	
	EPSO	NATIONAL CHARACTER	0	780	-780	663	-1,443	-1,443	
	EPSO	NATIONAL CHARACTER	0	305,720	-305,720	51,169	-356,889	-356,889	-947,609
			0	0	0	0	0		
			0	0	0	0	0		
	EPSO	RELIGIOUS	0	11,224	-11,224	884	-12,107	-12,107	
	EPSO	RELIGIOUS	0	8,662	-8,662	0	-8,662	-8,662	
	EPSO	RELIGIOUS	0	46,105	-46,105	19,281	-65,386	-65,386	
	EPSO	RELIGIOUS	0	8,422	-8,422	12,923	-21,345	-21,345	
	EPSO	RELIGIOUS	0	6,362	-6,362	726	-7,087	-7,087	-114,687
			2,164,057	4,194,521	-2,030,464	1,422,744	-3,453,208	-2,472,084	-2,472,084
							TV Budget Summer 2009		-95,479
							Radio Winter 2009/10		-139,151
							Radio Summer 2010		-9288
							Grand Total		-2,715,998

APPENDIX 5

Brian Galea

From: Bonnici Herald at MFEI [herald.bonnici@gov.mt]
Sent: 25 November 2009 15:51
To: Camilleri Alfred at MFEI; Bezzina Christopher at MEDC; adebono@pbs.com.mt; bgalea@pbs.com.mt; kenpul@maltanet.net; Spina Shirley at MFEI; Zahra Maressa at MFEI
Subject: Meeting 25/11/2009

Dear all

Further to the meeting with Mr Alfred Camilleri (PS MFEI) this afternoon, it was agreed that:

1. The additional EPSO claim amounting to €1,557,000 will be granted in three tranches between January and September 2010. This is to be effected via the existing contract with MEDC;

2. PBS Ltd should submit a capital expenditure request to the Ministry of Education, Culture, Youth and Sport regarding the Transportable Satellite Up-Link (€ 150,000) and Automated Transmission system (€ 850,000);

3. PBS Ltd has to submit the list of assets by 15 December 2009; and

4. As from January 2010, all the parties concerned shall work on a new funding formula for the financing of PBS Ltd including the revision of the current National Broadcasting Policy. Dr Bezzina shall be nominating a representative of the Ministry. The reform which shall come into effect into 2010.

Herald

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APPENDIX 6

P.L.7978

PBS - PUBLIC SERVICE OBLIGATION

27937. L-ONOR. GINO CAUCHI staqsa lill-Ministru tal-Edukazzjoni, Xogħol u l-Familja: Tista' l-Ministru tagħti dettalji dwar kif ġew użati l-fondi mgħoddija lill-Public Broadcasting Services bħala Public Service Obligation għas-sena 2010?

23/08/2011

ONOR. DOLORES CRISTINA: L-informazzjoni mitluba qed titpoġġa fuq il-Mejda tal-Kamra.

Seduta 389
05/10/2011

PQ 27937

EPSO 2009 /2010 Contribution

Category	TV Winter schedule 2009/2010 EUR	TV Summer schedule 2010 EUR	Radio Winter schedule 2009/2010 EUR	Radio Summer schedule 2010 EUR	Total net eligible costs EUR
Children	317,150	22,489	3,670	924	344,233
Current Affairs	69,074	6,045	46,286	3,140	124,545
Drama	81,214	2,332	1,147	-	84,693
Educational and cultural	276,369	30,739	97,194	7,651	411,953
Gozo and foreign communities	83,584	9,401	573	-	93,558
National Character	330,962	54,472	-	-	385,434
Religious	202,647	910	43,202	765	247,524
Total net eligible coss	1,361,000	126,388	192,072	12,480	1,691,940

Television Winter Schedule 2009/10

Programme	Type	Category	Eligible Revenue	Direct Costs	Gross Profit	Overheads	Net Profit	EPSO	Total EPSO by Category
	EPSO	CHILDREN	0	-1,209	-1,209	1,970	-3,178	-3,178	
	EPSO	CHILDREN	0	-1,353	-1,353	1,723	-3,076	-3,076	
	EPSO	CHILDREN	0	-4,594	-4,594	4,334	-8,928	-8,928	
	EPSO	CHILDREN	0	-1,810	-1,810	2,056	-3,866	-3,866	
	EPSO	CHILDREN	0	-622	-622	1,426	-2,048	-2,048	
	EPSO	CHILDREN	0	-1,303	-1,303	1,296	-2,599	-2,599	
	EPSO	CHILDREN	0	-4,401	-4,401	10,303	-14,704	-14,704	
	EPSO	CHILDREN	0	-6,630	-6,630	7,976	-14,606	-14,606	
	EPSO	CHILDREN	0	-209	-209	403	-612	-612	
	EPSO	CHILDREN	0	-9	-9	46	-55	-55	
	EPSO	CHILDREN	0	-305	-305	874	-1,178	-1,178	
	EPSO	CHILDREN	66	-440	-373	0	-373	-373	
	EPSO	CHILDREN	0	-840	-840	2,689	-3,529	-3,529	
	EPSO	CHILDREN	0	-1,236	-1,236	1,672	-2,908	-2,908	
	EPSO	CHILDREN	0	-3,711	-3,711	3,674	-7,385	-7,385	
	EPSO	CHILDREN	0	-1,656	-1,656	2,849	-4,505	-4,505	
	EPSO	CHILDREN	0	-1,580	-1,580	2,586	-4,166	-4,166	
	EPSO	CHILDREN	0	-3,930	-3,930	8,265	-12,195	-12,195	
	EPSO	CHILDREN	0	-2,972	-2,972	4,088	-7,060	-7,060	
	EPSO	CHILDREN	0	-2,747	-2,747	1,886	-4,632	-4,632	
	EPSO	CHILDREN	0	-946	-946	1,050	-1,995	-1,995	
	EPSO	CHILDREN	0	-4,313	-4,313	6,336	-10,649	-10,649	
	EPSO	CHILDREN	0	-1,411	-1,411	1,193	-2,604	-2,604	
	EPSO	CHILDREN	0	-32,391	-32,391	3,874	-36,265	-36,265	
	EPSO	CHILDREN	0	-723	-723	2,140	-2,863	-2,863	
	EPSO	CHILDREN	0	-3,852	-3,852	11,536	-15,388	-15,388	
	EPSO	CHILDREN	0	-246	-246	833	-1,080	-1,080	
	EPSO	CHILDREN	481	-25,713	-25,232	3,964	-29,195	-29,195	
	EPSO	CHILDREN	0	-1,667	-1,667	6,065	-7,732	-7,732	
	EPSO	CHILDREN	28,100	-104,274	-76,173	25,962	-102,136	-102,136	
	EPSO	CHILDREN	0	-1,410	-1,410	4,227	-5,637	-5,637	
									-317,150
	EPSO	CURRENT AFFAIRS	32,021	-77,132	-45,111	18,392	-63,503	-63,503	
	EPSO	CURRENT AFFAIRS	0	-970	-970	4,601	-5,571	-5,571	
									-69,074
	EPSO	DRAMA	19,750	-22,655	-2,905	2,841	-5,746	-5,746	
	EPSO	DRAMA	75,677	-121,841	-46,164	9,199	-55,363	-55,363	
	EPSO	DRAMA	55	-3,143	-3,088	15,349	-18,437	-18,437	
	EPSO	DRAMA	0	-372	-372	1,296	-1,668	-1,668	
									-81,214
	EPSO	EDUCATIONAL & CULTURAL	0	-463	-463	4,245	-4,708	-4,708	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,265	-1,265	4,071	-5,335	-5,335	
	EPSO	EDUCATIONAL & CULTURAL	697	-2,552	-1,856	0	-1,856	-1,856	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,536	-2,536	8,793	-11,329	-11,329	
	EPSO	EDUCATIONAL & CULTURAL	453	-1,977	-1,523	2,225	-3,748	-3,748	
	EPSO	EDUCATIONAL & CULTURAL	180	-2,013	-1,833	6,104	-7,936	-7,936	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,011	-2,011	2,706	-4,716	-4,716	
	EPSO	EDUCATIONAL & CULTURAL	369	-1,142	-773	0	-773	-773	
	EPSO	EDUCATIONAL & CULTURAL	0	-171	-171	582	-753	-753	
	EPSO	EDUCATIONAL & CULTURAL	0	-136	-136	460	-596	-596	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,363	-1,363	812	-2,175	-2,175	
	EPSO	EDUCATIONAL & CULTURAL	0	-41	-41	122	-163	-163	
	EPSO	EDUCATIONAL & CULTURAL	14,386	-47,238	-32,851	5,952	-38,803	-38,803	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,169	-2,169	6,810	-8,979	-8,979	

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Programme	Type	Category	Eligible Revenue	Direct Costs	Gross Profit	Overheads	Net Profit	EPSO	Total EPSO by Category
	EPSO	EDUCATIONAL & CULTURAL	0	-660	-660	2,102	-2,762	-2,762	
	EPSO	EDUCATIONAL & CULTURAL	6,616	-47,328	-40,712	7,129	-47,841	-47,841	
	EPSO	EDUCATIONAL & CULTURAL	0	-480	-480	1,359	-1,839	-1,839	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,813	-1,813	5,757	-7,571	-7,571	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,246	-1,246	3,654	-4,900	-4,900	
	EPSO	EDUCATIONAL & CULTURAL	561	-2,101	-1,539	1,964	-3,503	-3,503	
	EPSO	EDUCATIONAL & CULTURAL	1,018	-5,148	-4,130	0	-4,130	-4,130	
	EPSO	EDUCATIONAL & CULTURAL	0	-840	-840	0	-840	-840	
	EPSO	EDUCATIONAL & CULTURAL	0	-552	-552	1,764	-2,316	-2,316	
	EPSO	EDUCATIONAL & CULTURAL	1,063	-23,883	-22,820	75,196	-98,016	-98,016	
	EPSO	EDUCATIONAL & CULTURAL	6,687	-15,616	-8,929	1,851	-10,780	-10,780	
									-276,369
	EPSO	GOZO & FOREIGN COMMUNITIES	4,010	-24,864	-20,844	1,057	-21,901	-21,901	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	-798	-798	2,497	-3,295	-3,295	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	-23,782	-23,782	4,396	-28,179	-28,179	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	-2,472	-2,472	7,774	-10,246	-10,246	
	EPSO	GOZO & FOREIGN COMMUNITIES	3,157	-17,830	-14,673	2,435	-17,108	-17,108	
	EPSO	GOZO & FOREIGN COMMUNITIES	0	-721	-721	2,134	-2,855	-2,855	
									-83,584
	EPSO	NATIONAL CHARACTER	0	-40	-40	143	-184	-184	
	EPSO	NATIONAL CHARACTER	1,228	-457	771	1,603	-832	-832	
	EPSO	NATIONAL CHARACTER	152	-879	-727	521	-1,248	-1,248	
	EPSO	NATIONAL CHARACTER	1,188	-4,800	-3,612	492	-4,104	-4,104	
	EPSO	NATIONAL CHARACTER	958	-3,642	-2,684	0	-2,684	-2,684	
	EPSO	NATIONAL CHARACTER	40,734	-189,102	-148,368	8,302	-156,670	-156,670	
	EPSO	NATIONAL CHARACTER	3,127	-12,206	-9,080	0	-9,080	-9,080	
	EPSO	NATIONAL CHARACTER	0	-2,057	-2,057	6,710	-8,767	-8,767	
	EPSO	NATIONAL CHARACTER	2,000	-743	1,257	7,711	-6,453	-6,453	
	EPSO	NATIONAL CHARACTER	0	-605	-605	346	-951	-951	
	EPSO	NATIONAL CHARACTER	3,362	-43,543	-40,181	1,567	-41,748	-41,748	
	EPSO	NATIONAL CHARACTER	3,020	-12,394	-9,375	1,543	-10,918	-10,918	
	EPSO	NATIONAL CHARACTER	1,064	-5,984	-4,920	676	-5,597	-5,597	
	EPSO	NATIONAL CHARACTER	0	-247	-247	771	-1,018	-1,018	
	EPSO	NATIONAL CHARACTER	103,462	-165,780	-62,318	4,210	-66,528	-66,528	
	EPSO	NATIONAL CHARACTER	306	-2,141	-1,835	795	-2,630	-2,630	
	EPSO	NATIONAL CHARACTER	1,801	-7,508	-5,707	306	-6,013	-6,013	
	EPSO	NATIONAL CHARACTER	1,734	-6,855	-5,121	417	-5,538	-5,538	
									-330,962
	EPSO	RELIGIOUS	0	-178	-178	555	-733	-733	
	EPSO	RELIGIOUS	0	-615	-615	676	-1,292	-1,292	
	EPSO	RELIGIOUS	106	-629	-523	411	-934	-934	
	EPSO	RELIGIOUS	0	-582	-582	1,818	-2,400	-2,400	
	EPSO	RELIGIOUS	1,427	-9,589	-8,162	1,864	-10,026	-10,026	
	EPSO	RELIGIOUS	18,057	-95,650	-77,592	4,267	-81,859	-81,859	
	EPSO	RELIGIOUS	1,899	-4,848	-2,950	411	-3,361	-3,361	
	EPSO	RELIGIOUS	78	-41,551	-41,473	13,468	-54,941	-54,941	
	EPSO	RELIGIOUS	8,974	-43,122	-34,148	8,834	-42,981	-42,981	
	EPSO	RELIGIOUS	564	-3,966	-3,402	438	-3,841	-3,841	
	EPSO	RELIGIOUS	203	-7	196	0	196	196	
	EPSO	RELIGIOUS	0	-143	-143	333	-475	-475	
									-202,647
			390,790	*-1,339,678*	*-948,888*	*412,112*	*-1,361,000*	*-1,361,000*	*-1,361,000*

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Television Summer Schedule 2010

Programme	Type	Category	Eligible Revenue	Direct Costs	Gross Profit	EPSO	Total EPSO by Category
	EPSO	CHILDREN		-1,164	-1,164	-1,164	
	EPSO	CHILDREN		-4,400	-4,400	-4,400	
	EPSO	CHILDREN		-683	-683	-683	
	EPSO	CHILDREN		-1,785	-1,785	-1,785	
	EPSO	CHILDREN		-240	-240	-240	
	EPSO	CHILDREN		-90	-90	-90	
	EPSO	CHILDREN		-21	-21	-21	
	EPSO	CHILDREN		-84	-84	-84	
	EPSO	CHILDREN		-27	-27	-27	
	EPSO	CHILDREN		-832	-832	-832	
	EPSO	CHILDREN		-945	-945	-945	
	EPSO	CHILDREN		-970	-970	-970	
	EPSO	CHILDREN		1,055	1,055	1,055	
	EPSO	CHILDREN		-1,301	-1,301	-1,301	
	EPSO	CHILDREN		-283	-283	-283	
	EPSO	CHILDREN		-900	-900	-900	
	EPSO	CHILDREN		-643	-643	-643	
	EPSO	CHILDREN	420	-9,598	-9,178	-9,178	
							-22,489
	EPSO	CURRENT AFFAIRS	0	-6,045	-6,045	-6,045	
							-6,045
	EPSO	DRAMA	-75	-11	-86	-86	
	EPSO	DRAMA	2,241	-4,487	-2,246	-2,246	
							-2,332
	EPSO	EDUCATIONAL & CULTURAL		-7,700	-7,700	-7,700	
	EPSO	EDUCATIONAL & CULTURAL		-4,400	-4,400	-4,400	
	EPSO	EDUCATIONAL & CULTURAL		-1,925	-1,925	-1,925	
	EPSO	EDUCATIONAL & CULTURAL	253	-1,986	-1,733	-1,733	
	EPSO	EDUCATIONAL & CULTURAL	2,934	-6,729	-3,795	-3,795	
	EPSO	EDUCATIONAL & CULTURAL	9,604	-20,790	-11,185	-11,185	
							-30,739
	EPSO	GOZO & FOREIGN COMMUNITIES		-488	-488	-488	
	EPSO	GOZO & FOREIGN COMMUNITIES		-7,268	-7,268	-7,268	
	EPSO	GOZO & FOREIGN COMMUNITIES		-1,645	-1,645	-1,645	
							-9,401
	EPSO	NATIONAL CHARACTER		-15,627	-15,627	-15,627	
	EPSO	NATIONAL CHARACTER	100	-356	-256	-256	
	EPSO	NATIONAL CHARACTER	2,700	-33,438	-30,738	-30,738	
	EPSO	NATIONAL CHARACTER		-60	-60	-60	
	EPSO	NATIONAL CHARACTER	3,753	-11,544	-7,791	-7,791	
							-54,472
	EPSO	RELIGIOUS		-910	-910	-910	
							-910
			21,930	-148,318	-126,388	-126,388	-126,388

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RADIO WINTER SCHEDULE 2009/10

Programme	Type	Category	Eligible Revenue	Direct Costs	Gross Profit	Overheads	Net Profit	EPSO	Total EPSO by Category
	EPSO	CHILDREN	0	-3,670	-3,670	0	-3,670	-3,670	-3,670
	EPSO	CURRENT AFFAIRS	0	-1,512	-1,512	0	-1,512	-1,512	
	EPSO	CURRENT AFFAIRS	0	-1,930	-1,930	0	-1,930	-1,930	
	EPSO	CURRENT AFFAIRS	0	-10,260	-10,260	0	-10,260	-10,260	
	EPSO	CURRENT AFFAIRS	94	-30	64	196	-132	-132	
	EPSO	CURRENT AFFAIRS	0	-1,796	-1,796	0	-1,796	-1,796	
	EPSO	CURRENT AFFAIRS	0	-2,751	-2,751	0	-2,751	-2,751	
	EPSO	CURRENT AFFAIRS	0	-6,682	-6,682	0	-6,682	-6,682	
	EPSO	CURRENT AFFAIRS	352	-8,802	-8,450	735	-9,186	-9,186	
	EPSO	CURRENT AFFAIRS	0	-12,038	-12,038	0	-12,038	-12,038	
									-46,286
	EPSO	DRAMA	0	-1,147	-1,147	0	-1,147	-1,147	
									-1,147
	EPSO	EDUCATIONAL & CULTURAL	180	-3,396	-3,216	376	-3,593	-3,593	
	EPSO	EDUCATIONAL & CULTURAL	0	-3,096	-3,096	0	-3,096	-3,096	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,708	-2,708	0	-2,708	-2,708	
	EPSO	EDUCATIONAL & CULTURAL	13,111	-30,303	-17,192	27,296	-44,488	-44,488	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,058	-2,058	0	-2,058	-2,058	
	EPSO	EDUCATIONAL & CULTURAL	0	-3,098	-3,098	0	-3,098	-3,098	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,734	-1,734	0	-1,734	-1,734	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,796	-1,796	0	-1,796	-1,796	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,603	-1,603	0	-1,603	-1,603	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,250	-2,250	0	-2,250	-2,250	
	EPSO	EDUCATIONAL & CULTURAL	0	-3,378	-3,378	0	-3,378	-3,378	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,485	-1,485	0	-1,485	-1,485	
	EPSO	EDUCATIONAL & CULTURAL	56	-7,200	-7,144	117	-7,261	-7,261	
	EPSO	EDUCATIONAL & CULTURAL	0	-2,729	-2,729	0	-2,729	-2,729	
	EPSO	EDUCATIONAL & CULTURAL	0	-6,774	-6,774	0	-6,774	-6,774	
	EPSO	EDUCATIONAL & CULTURAL	0	-3,232	-3,232	0	-3,232	-3,232	
	EPSO	EDUCATIONAL & CULTURAL	0	-4,426	-4,426	0	-4,426	-4,426	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,485	-1,485	0	-1,485	-1,485	
									-97,194
	EPSO	GOZO & FOREIGN COMMUNITIES	0	-573	-573	0	-573	-573	
									-573
	EPSO	RELIGIOUS	0	-5,267	-5,267	0	-5,267	-5,267	
	EPSO	RELIGIOUS	15,421	-13,943	1,478	32,247	-30,769	-30,769	
	EPSO	RELIGIOUS	0	-1,068	-1,068	0	-1,068	-1,068	
	EPSO	RELIGIOUS	0	-806	-806	0	-806	-806	
	EPSO	RELIGIOUS	0	-2,623	-2,623	0	-2,623	-2,623	
	EPSO	RELIGIOUS	0	-2,668	-2,668	0	-2,668	-2,668	
									-43,202
			29,213	*-160,318*	*-131,105*	*60,967*	*-192,072*	*-192,072*	*-192,072*

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Radio Summer Schedule 2010

Programme	Type	Category	Eligible Reveue	Direct Costs	Gross Profit	EPSO	Total EPSO by Category
	EPSO	CHILDREN	0	-924	-924	-924	
							-924
	EPSO	CURRENT AFFAIRS	0	-395	-395	-395	
	EPSO	CURRENT AFFAIRS	0	-94	-94	-94	
	EPSO	CURRENT AFFAIRS	0	-312	-312	-312	
	EPSO	CURRENT AFFAIRS	0	-312	-312	-312	
	EPSO	CURRENT AFFAIRS	193	-1,667	-1,474	-1,474	
	EPSO	CURRENT AFFAIRS	0	-553	-553	-553	
							-3,140
	EPSO	EDUCATIONAL & CULTURAL	0	-312	-312	-312	
	EPSO	EDUCATIONAL & CULTURAL	0	-336	-336	-336	
	EPSO	EDUCATIONAL & CULTURAL	0	-182	-182	-182	
	EPSO	EDUCATIONAL & CULTURAL	1,854	-4,323	-2,469	-2,469	
	EPSO	EDUCATIONAL & CULTURAL	0	-12	-12	-12	
	EPSO	EDUCATIONAL & CULTURAL	0	-156	-156	-156	
	EPSO	EDUCATIONAL & CULTURAL	0	-312	-312	-312	
	EPSO	EDUCATIONAL & CULTURAL	0	-260	-260	-260	
	EPSO	EDUCATIONAL & CULTURAL	0	-24	-24	-24	
	EPSO	EDUCATIONAL & CULTURAL	0	-312	-312	-312	
	EPSO	EDUCATIONAL & CULTURAL	0	-72	-72	-72	
	EPSO	EDUCATIONAL & CULTURAL	0	-1,296	-1,296	-1,296	
	EPSO	EDUCATIONAL & CULTURAL	0	-852	-852	-852	
	EPSO	EDUCATIONAL & CULTURAL	0	-720	-720	-720	
	EPSO	EDUCATIONAL & CULTURAL	0	-336	-336	-336	
							-7,651
	EPSO	RELIGIOUS	0	-132	-132	-132	
	EPSO	RELIGIOUS	0	-130	-130	-130	
	EPSO	RELIGIOUS	0	-71	-71	-71	
	EPSO	RELIGIOUS	0	-156	-156	-156	
	EPSO	RELIGIOUS	0	-276	-276	-276	
							-765
			2,047	-14,527	-12,480	-12,480	-12,480

IMQIEGHED FUQ IL-MEJDA TAL-KAMRA
TAD-DEPUTATI FIS-S.389-05.10.11
MILL- Ministeru tal-Edukazzjoni, Xogħol u l-Familja

SKRIVAN TAL-KAMRA

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