



**S4C /**

**S4C I BAWB  
EVERYONE'S S4C**

**ANNUAL REPORT AND ACCOUNTS  
2023—2024**

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FOR THE PERIOD OF 01 APRIL 2023  
TO 31 MARCH 2024



## **Annual Report and Accounts 2023–24**

**For the period 01 April 2023  
to 31 March 2024**

Presented to Parliament pursuant to paragraphs 13(1) and 13(2) of schedule 6 to the Broadcasting Act 1990.

Laid before the Welsh Parliament in accordance with a resolution of the Parliament under Standing Order 15.1(v).

HC 137

Ordered by the House of Commons to be printed on Monday, 29 July 2024.

This Annual Report and Statement of Accounts has been prepared in a form directed by the Secretary of State for Culture, Media and Sport with the approval of the Treasury.

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# Introducing S4C

**S4C serves the audience with content that entertains, excites and reflects Wales in all its diversity.**

As a public service broadcaster we have a duty to create the platform and ecosystem to stimulate the creative industries in Wales, to create ambitious and unique content that appeals to all ages, backgrounds and linguistic abilities.

S4C aims to be a destination for creative, engaging and attractive Welsh-language content, available to enjoy on a variety of platforms in Wales and beyond.



Gogglebocs Cymru

# S4C's History

## **Before the creation of S4C, a limited number of Welsh language programmes were broadcast on BBC 1 and ITV.**

During the 1970s, the UK government decided a fourth television channel would be established alongside BBC 1, BBC 2 and ITV. This proposed fourth channel was seen by many as an opportunity for a new beginning in public service broadcasting in Wales. Following intensive campaigning, S4C was established by the 1980/1981 Broadcasting Acts.

S4C (Sianel Pedwar Cymru – Channel Four Wales) started broadcasting at 18:00 on Monday, 01 November 1982. To begin with, 22 hours of Welsh language programmes were broadcast every week, alongside English programmes from the Channel 4 service.

Today, S4C is a wholly Welsh language channel broadcasting over 115 hours of programmes each week on the linear service. S4C also publishes content on a variety of other platforms.

S4C's main offices are in Canolfan S4C Yr Egin, Carmarthen. There are also S4C offices in Caernarfon, Gwynedd, and in Central Square, Cardiff.



# How to watch and contact S4C

## On television in Wales



**Freeview: 4**  
(including HD on 104)

**Sky: 104**  
(including HD)

**Freesat: 104**  
(including HD)

**Virgin TV: 104**  
(HD)

## On television in England, Scotland, and Northern Ireland



**Sky: 134**  
(including HD)

**Freesat: 120**  
(including HD)

**Virgin TV: 164**  
(HD)

## Online across the UK



### S4C Clic

[www.s4c.cymru/clic](http://www.s4c.cymru/clic)  
and through the app where available via your device's app store.

### BBC iPlayer:

[www.bbc.co.uk/tv/s4c](http://www.bbc.co.uk/tv/s4c)  
and through the app where available via your device's app store.

## Contact S4C...

S4C is always pleased to hear our viewers' opinions.

If you want to share your opinion about our programmes or if you want further information, we'd be happy to hear from you.

You can contact S4C by phone, email, social media, or by letter.



**Website:**  
[www.s4c.cymru](http://www.s4c.cymru)



**E-mail:**  
[s4c@s4c.cymru](mailto:s4c@s4c.cymru)



**Call:**  
0370 600 4141



**WhatsApp:**  
+44 7900 588261

Cardiff office:  
Canolfan S4C Yr Egin, College Road,  
Cardiff, SA31 3EQ

Caernarfon office:  
S4C, Doc Fictoria, Caernarfon, LL55 1TH

Cardiff office:  
S4C, 3 Central Square, Cardiff, CF10 1FS

You are welcome to contact S4C in Welsh, and if you do so we will respond in Welsh and this will not lead to any delays.

# Interim Chair and Chief Executive's Introduction

Guto Bebb (Interim Board Chair)

Sioned Wiliam (Interim Chief Executive)

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It's a pleasure for us to jointly introduce S4C's Annual Report and Accounts for the year ended 31 March 2024.

Since commencing in our interim roles during April 2024, our focus has been on maintaining internal stability which was achieved following a challenging period. In that respect, we are grateful to Geraint Evans and Elin Morris for jointly assuming the duties of the Chief Executive in late 2023, and to Rhodri Williams whose term as Board Chair came to an end on 31 March 2024.



2023–24 was a difficult period internally at S4C. However, we are reassured that the services we offered our audiences, and their appreciation of our content, was unaffected – as evidenced in the audience data outlined later in this Annual Report. This is testament to the hard work and dedication of our staff and the content production sector on which S4C is dependent.

We are delighted that S4C has a slate of high-quality content for our audience for the remainder of 2024–25. Over the coming pages, our Interim Chief Content Officer outlines what the coming months have in store for viewers on our various platforms.

The responsibility for the stewardship of S4C during this difficult time has been a great privilege, and we hope that our interim roles will enable a public appointment process to appoint a new Board Chair, and a separate process to appoint a permanent Chief Executive.

In the meantime, we are grateful to everyone for their continued support and dedication as we ensure S4C continues to develop, adapt, and grow, whilst offering the best services to viewers across Wales.



# Content

# To our partners in the production sector – diolch!

**We are very grateful to our partners in the production sector for their continued support of S4C.**

**During 2023–24, we worked with the following producers on content for our linear service and the various digital platforms:**

Aden Productions Ltd	Gogglebocs Cymru Cyf	Raw Scripted Ltd
Avanti Media Ltd	Grandpa Productions Ltd	Rondo Media Cyf
Barn Media Ltd	Gritty Productions Ltd	Rugby World Cup Ltd
BBC Studios Productions Ltd	Hall of Mirrors Ltd	Sain Cyf
Beastly Media Ltd	Hartwood Films Ltd	Severn Screen Ltd
Blacklight Television Limited	Hello Deer Productions Ltd	Sixteen Media Ltd
Boom Pictures Productions Ltd	IB Tournaments Ltd	Slam Media
British Broadcasting Corporation	le le Productions	South Wind Blows Ltd
Captain Jac Ltd	ITV Broadcasting Ltd	Studio Lambert Limited
Cardiff Productions Ltd	ITV Services Ltd	Sunset & Vine Productions Ltd
Carlam Ltd	Jetpack Distribution Ltd	Swllyd Cyfyngedig
Ceidiog Cyf	Joio	Telesgop
Chwarel Cyf	Kailash Films	Three Tables Limited
Cloth Cat Animation Limited	Lefel Dau Cyf	Tinopolis
Cwmni Da	Little Bird Films Ltd	Tinopolis Interactive Ltd
Cynefin Films Ltd	Media Atom Ltd	Tree on the Hill Films Ltd
Cynhyrchiadau Alpha Productions Ltd	Men Who Sing	Triongl Cyf
Cynhyrchiadau Twt Productions Ltd	Mudiad Ffermwyr Ifanc Cymru	Unigryw
Dal Y Mellt Cyfyngedig	Music Sounds Better with Huw Limited	Vox Pictures
Darlun Cyf	Nimble Dragon Ltd	Whisper Films Ltd
DocShed Ltd	Octagon Content Ltd	Wildflame Productions Ltd
Dream Team Television Ltd	On Par Productions Ltd	Y Golau Cyf
Eisteddfod Genedlaethol Cymru	Opra Avanti Ltd	Yellow Barrels Ltd
Ffilmiau Twm Twm Cyf	Orchard Media & Events Group	Yeti Media Limited
FOCUS Music Cymru Cyf	Pioneer Productions	Zwwm Films
Gav Murphy	PYST Cyf	

Every effort has been made to identify and list all suppliers who worked with us – on content published during 2023–24, or due over the next period – and we apologise for any accidental omissions.

# Film and Television Awards 2023 – 24

S4C's content attain national and international awards and nominations.

Winning an award or nomination in a film or television festival is a recognition of the quality of programmes produced by the independent production companies for S4C.

## RTS Wales Awards 2024

### Winners

**Original Digital**  
**Bwmp (Octagon Content / S4C Hansh)**

**News (short)**  
**Argyfwng Twrci a Syria (S4C)**

**Sports Documentary**  
**Ifan Phillips: Y Cam Nesaf (Whisper Cymru)**

**Journalism or multi skill production**  
**Lydia Griffith / Siôn Jenkins - Y Byd ar Bedwar: Ymchwiliad Ian Wyn-Jones**

**Rising star**  
**Mared Jarman**

**Presenter of the year**  
**Sarra Elgan - Cwpan Rygbi'r Byd (Whisper Cymru)**

**Celebrating 50 years**  
**Pobol y Cwm (BBC)**

### Nominations

**Comedy or Entertainment**  
**Cefn Gwlad: Kees Huysmans (Slam Media)**

**Comedy or Entertainment**  
**Iaith ar Daith (Boom Cymru)**

**Comedy or Entertainment**  
**Mwy na Daffs a Taffs (Carlam Ltd)**

**Comedy or Entertainment**  
**Siwrna Scandi Chris - Norway (Cwmni Da)**

**Original digital**  
**Dom a Lloyd: Cymru Heddiw (Carlam Ltd)**

**Original digital**  
**Howard yn y Garej (Teledu Tinopolis Cyf)**

**Factual**  
**Windrush: Rhwng Dau Fyd (Teledu Tinopolis Cyf)**

**Factual**  
**Y Frwydr; Stori Anabledd (Cardiff Productions)**

**Factual**  
**Sian Phillips yn 90 (Rondo Media)**

**Children**  
**Bex (Ceidiog)**

**Children**  
**Deian a Loli a Chloch y Nadolig (Cwmni Da)**

**Children**  
**Itopia (Boom Cymru / S4C)**

### Nominations

**Children**  
**Kim a Cet a Twrch (Boom Plant / S4C)**

**Sports Documentary**  
**Rygbi Byddar a Chwpan y Byd (Whisper Cymru / S4C)**

**Drama**  
**Y Sŵn (Joio / S4C)**

**Journalism or multi skill production**  
**Iwan England - Trump: Byd Eithafol (Cynyrchiadau Alpha Productions)**

**Production Manager (Factual)**  
**Nia Newbery - Stori'r Iaith (Rondo Media)**

**Presenter of the Year**  
**Lisa Jên - Stori'r Iaith (Rondo Media)**

**Presenter of the Year**  
**Emma Walford and Trystan Ellis-Morris - Prosiect Pum Mil (Boom Cymru)**

**Drama Performance**  
**Rhodri Evan - Y Sŵn (Swnllyd / Joio)**

**Drama Performance**  
**Nia Roberts - Pren ar y Bryn (Fiction Factory)**

**Drama Performance**  
**Eiry Thomas - Y Sŵn (Swnllyd / Joio)**

**BAFTA Wales  
Awards 2023**

**Winners**

Feature film / television

**Y Sŵn (Swllyd / Joio)**

Rhaglen blant

**Mabinogi-ogi (Boom Cymru)**

Editing: factual

**Rhys ap Rhobert - Greenham  
(Teledu Tinopolis Cymru Cyf)**

Editing: fiction

**Kevin Jones - Y Sŵn  
(Swllyd / Joio)**

Factual director

**Greenham (Teledu  
Tinopolis Cymru Cyf)**

News and current affairs

**Y Byd ar Bedwar: Cost  
Cwpan y Byd Qatar  
(ITV Cymru Wales)**

Photography and lighting: fiction

**Bjørn Bratberg - The Feast  
/ Gwledd (Sgrech)**

Presenter

**Lisa Jên - Stori'r Iaith  
(Rondo Media)**

**Nominations**

Actor

**Graham Land - Dal Y Mellt  
(Vox Pictures)**

Actress

**Eiry Thomas - Y Sŵn  
(Swllyd / Joio)**

Children's programme

**Gwrach Y Rhibyn  
(Boom Cymru)**

Children's programme

**Y Goleudy (Boom Cymru)**

Director: non-fiction

**Dylan Wyn Richards -  
Greenham (Teledu Tinopolis  
Cymru Cyf)**

Director: non-fiction

**Gruffydd Sion Rees - Stori'r  
Iaith (Rondo Media)**

Editing: factual

**John Gillandes & Dafydd  
Hunt - Stori'r Iaith  
(Rondo Media)**

Director: non-fiction

**Sion Aaron - Chris a'r Afal  
Mawr (Cwmni Da)**

Editing: factual

**Dafydd Hunt - Yr Amgueddfa  
(Boom Cymru)**

Director: non-fiction

**Mali Evans - Y Golau  
/ The Light in the Hall  
(Triangl / Duchess Street)**

Entertainment programme

**Chris a'r Afal Mawr  
(Cwmni Da)**

Entertainment programme

**Goglebocs Cymru  
(Cwmni Da / Chwarel)**

**Nominations**

Factual series

**Stori'r Iaith (Rondo Media)**

News, current and topical affairs

**County Lines  
(ITV Cymru Wales)**

News, current and topical affairs

**Llofruddiaeth Logan Mwangi  
(Multistory Media Cymru /  
ITV Studios)**

Photography: non-fiction

**Paul Joseph Davies -  
Greenham (Teledu Tinopolis  
Cymru Cyf)**

Photography and lighting: fiction

**Bryan Gavigan - Y Sŵn  
(Swllyd / Joio)**

Presenter

**Chris Roberts - Chris a'r Afal  
Mawr (Cwmni Da)**

Presenter

**Emma Walford & Trystan  
Ellis-Morris - Prosiect Pum  
Mil (Boom Cymru)**

Presenter

**Sean Fletcher - Stori'r Iaith  
(Rondo Media)**

Production design

**Dafydd Shurmer - Y Sŵn  
(Swllyd / Joio)**

Sound

**The Feast / Gwledd (Sgrech)**

Television drama

**Persona (Cwmni Da)**

Author

**Roger Williams - Y Sŵn  
(Swllyd / Joio)**

**Broadcast Sports Awards 2023**

**Nominations**

Sports Broadcaster of the Year  
**S4C**

**Broadcast Awards 2024**

**Nominations**

Single Drama  
**Y Sŵn (Swnllyd/ Joio)**

**Celtic Media Festival 2023**

**Winners**

Children's programme  
**Itopia (Boom)**

Entertainment programme  
**Côr Cymru - Corau Cymysg (Rondo Media)**

Short form  
**Stori Stiwdio: Stori Ghofran (Boom Cymru)**

**Nominations**

Non-fiction entertainment  
**Bwyd Byd Epic Chris (Cwmni Da)**

Sports documentary  
**Cewri Cwpan y Byd (Barn Media / Docshed)**

Drama series  
**Dal y Mellt (Vox Pictures Ltd)**

History  
**Efaciwis: Pobol y Rhyfel (Wildflame)**

Single documentary  
**Huw Edwards yn 60 (Rondo Media)**

Current affairs  
**Llofruddiaeth Logan Mwangi (ITV / Multistory)**

Comedy  
**Rybish (Cwmni Da)**

Spirit of the festival  
**Sgwrs Dan y Lloer (Tinopolis)**

Animation  
**Y Cythraul Celf (Tinopolis)**

Drama series  
**Y Gyfrinach (Boom Cymru)**

Feature documentary  
**Y Parchedig Emyr Ddrwg (Docshed)**

Factual series  
**Ysgol Ni y Moelwyn (Darlun)**

**Broadcast Digital Awards 2023**

**Nominations**

Best short form format  
**Tisho Fforc (Afanti)**

**Wales Media Awards 2023**

**Winner**

Specialist newsreader of the year  
**Gwyn Loader (BBC Wales, Newyddion S4C)**

**New Voice Awards 2024**

**Winner**

Best social media series  
**Dom a Lloyd : Cymru Heddiw (Carlam Ltd )**

# S4C listening to our viewers

**Ensuring a regular dialogue and relationship with the audience is very important to S4C.**

**Throughout the year, the audience engages with S4C's programmes on social media and through Gwifren Gwylwyr, S4C's viewers' helpline.**



## **Gwifren Gwylwyr (Viewers' Hotline)**

Our viewers can contact S4C directly by either phoning, emailing, via social media or sending a letter to Gwifren Gwylwyr. The bilingual service is available from 09:00 until 22:00 seven days a week.

The Gwifren Gwylwyr team usually work in S4C's office in Caernarfon every day of the year. Every comment received about programmes and services is logged and stored. The team prepares a summary of comments received for officers and members of the Board.

6,840 contacts were received by S4C's Gwifren Gwylwyr in 2023-24. Of these 2,422 were complimentary about programmes while 927 were complaints or criticism of some form.

## **Audience Reaction Panel**

In addition to collecting viewer feedback through the Gwifren Gwylwyr, S4C has an Audience Reaction Panel that consists of 1,400 individuals, recruited to reflect the population of Wales.

The panellists provide S4C with their opinion about and appreciation scores for S4C's programming.

# Ensuring value for audiences

**S4C aims to ensure that the highest possible percentage of S4C's public income is spent on content and services that are comparable in terms of quality with that of other UK networks, whilst ensuring programmes are produced in the most efficient way and ensuring S4C's overheads remain low.**

Value for money is the relationship between S4C's cost and performance as a service and as an organisation. For a public service broadcaster, this means providing a high quality, comprehensive service on television and online platforms that is used and valued by the audience, and doing so efficiently in terms of the financial resources available.

S4C's first priority is to provide high quality services, on television and on relevant online platforms, which meet the needs of the audience. It is also important to ensure that the investment in S4C's services ensures appropriate value for money. It is therefore a key objective to ensure that the highest possible percentage of S4C's public income is spent on programmes and content.

Ensuring that S4C's running costs as an organisation continue to be a small percentage of S4C's spending is another aspect of this objective.

S4C has delivered significant efficiencies and cost savings over recent years with staffing, estate and technological rationalisation. As a result, administration and overheads are now 4% of S4C's total spend, with the remainder of spend supporting content creation and distribution.

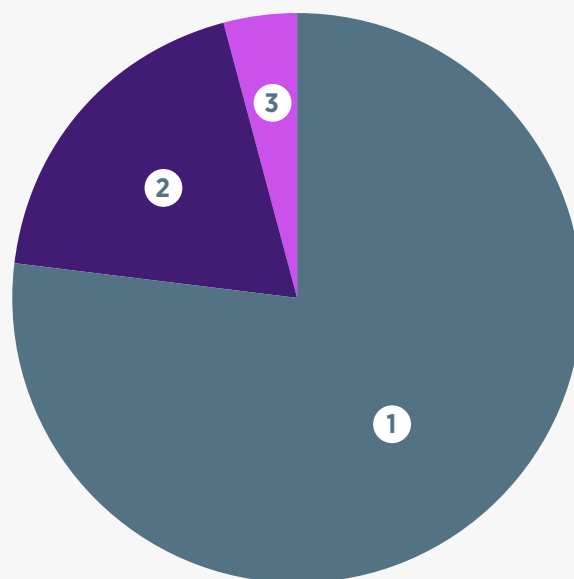
## Prioritising spending on programmes and content – allocation of S4C's expenditure

Most of S4C's public finance is invested in programmes and content.

The allocation of the S4C Public Service Fund during 2023–24 shows that the majority of S4C's expenditure continues to be directly invested in its programmes and content, which represents both investment in the services provided for the audience and investment in the production sector in Wales.

<b>1. Cost of programme service (including digital content)</b>	<b>77%</b>
<b>2. Costs associated with transmission and distribution of S4C's programme service</b>	<b>19%</b>
<b>3. Operating and administration costs</b>	<b>4%</b>

More information on S4C's expenditure can be found in the Statement of Accounts.



## S4C is one of the most cost-efficient public service broadcasters in the UK

By working closely with producers to manage the cost of producing each hour of content, S4C has a proud record of commissioning cost-effective programmes and has managed to protect the number of hours that are broadcast, as well as the range, variety and quality of the service.

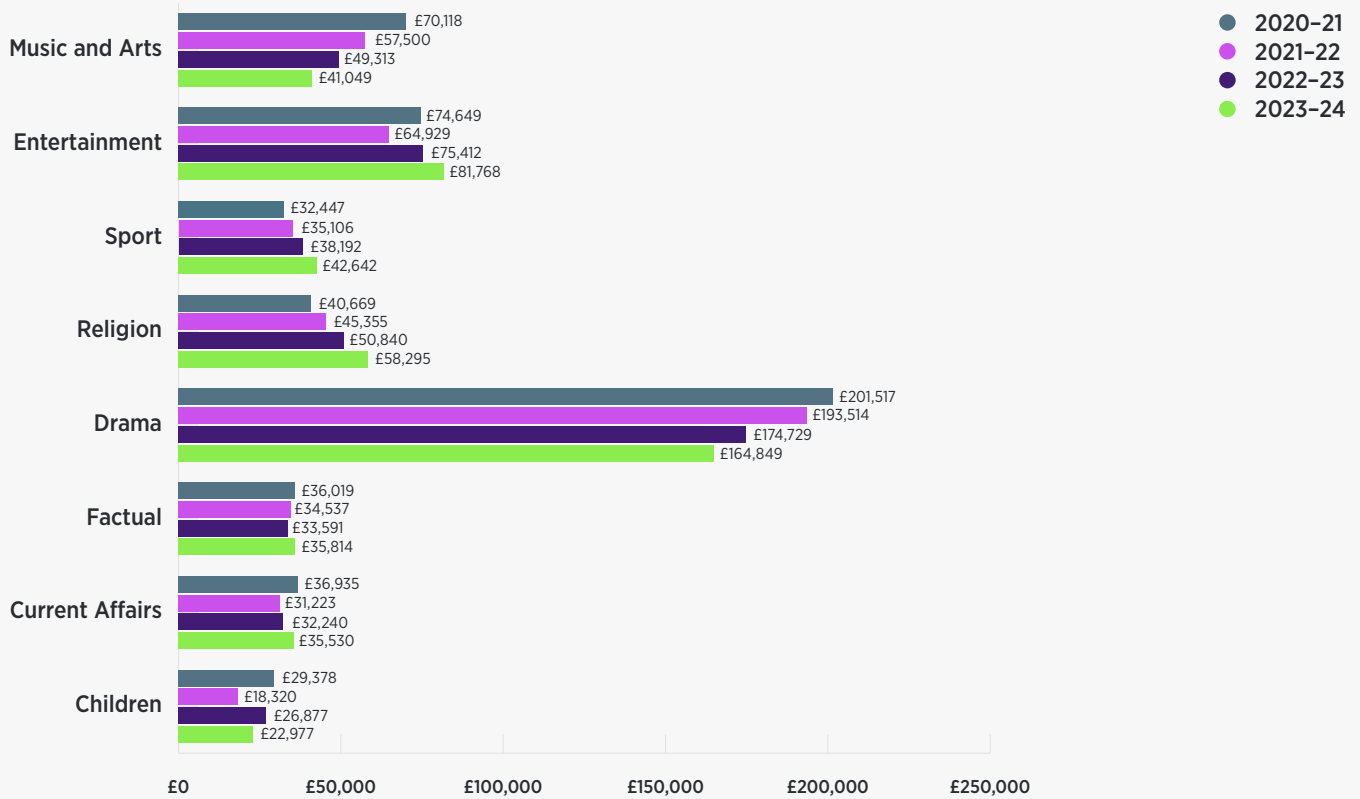
S4C is one of the most cost-efficient PSBs in the UK with a cost per hour significantly lower than other broadcasters, commissioning at a fraction (typically 25 - 33%) of similar genre rates applied by other public service broadcasters.

However, we know that the cost of making programmes is increasing, with global spending on some genres – particularly scripted drama – rising to unprecedented levels. This places greater pressure on future budgets as we compete for on- and off-screen talent. Recent trends in the creative industries have also had inflationary effects on production costs.

We continue to work with TAC (Teledwyr Annibynnol Cymru) and individual production companies to obtain the best value for audiences from our public funding.



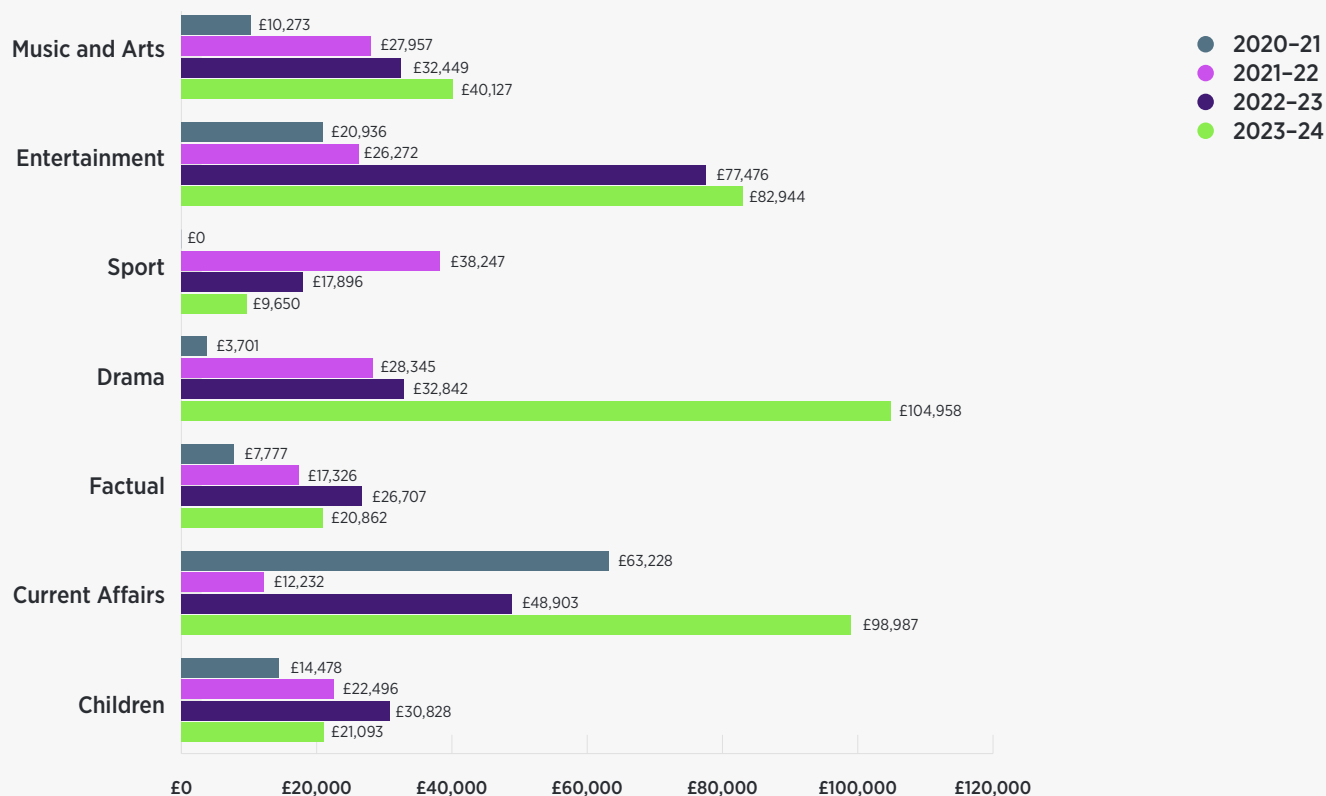
### Cost per hour – programmes commissioned by S4C (excluding digital only and digital first)



The effect of Covid-19, alongside the change in S4C's VAT status, has resulted in substantial increases or decreases over recent years in the cost per hour of some genres – in particular drama, arts and culture, and religion.



**Cost per hour – digital only and digital first content commissioned by S4C (excluding social media content)**



Pren ar y Bryn



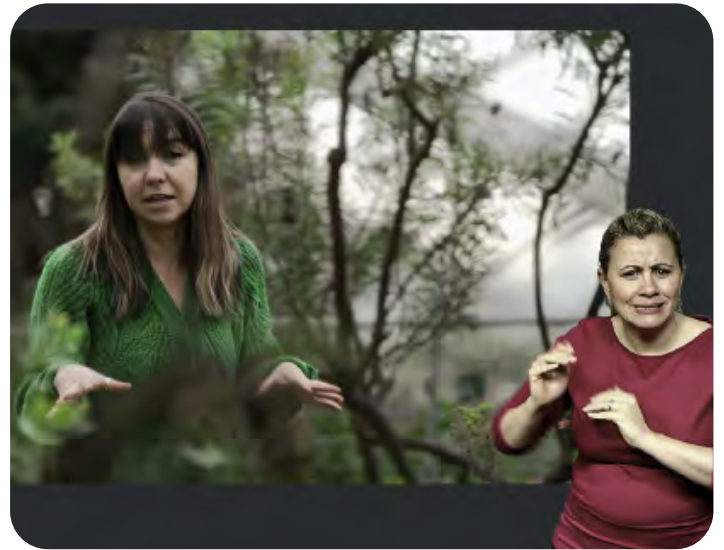
# Welcoming everyone to watch S4C – support services for our audience

**Making S4C’s content available to the widest possible audience is very important to S4C.**

Access services continue to provide an important means to enable S4C to expand its audience and its appeal.

Subtitling in Welsh and English, together with signing, audio description and descriptive second screen services provide a range of services that enhance S4C’s offering and make content available to those with particular needs as well as to a wider community of Welsh speakers, non-Welsh speakers and learners of all levels of fluency.

The following services were provided during the year:



## Welsh subtitles

These subtitles are provided primarily for d/Deaf and hard of hearing people who understand Welsh as well as for people learning to speak Welsh. Welsh language subtitles were provided on 53.5% of programmes – a significant improvement on the 45% of programmes which had Welsh language subtitles during 2022–23 following recent investment in this area. Welsh language and English language subtitles are also available on the S4C Clic service, and English subtitles are available on the BBC iPlayer.

## English subtitles

The aim of this service is to enhance the appeal of programmes to non-Welsh speaking, and d/Deaf and hard of hearing viewers. By pressing the “subtitle” button on the remote control, subtitles can be accessed on all kinds of programmes, including live programmes. Some programmes were broadcast with automatic on-screen subtitles. These are usually repeats of popular programmes. During the year, subtitles were available on 80.75% of programmes (Ofcom’s target is 53%).

## Audio Description

The audio description service on selected programmes provides a commentary in Welsh to fill the gaps during periods when there is no dialogue in programmes. It includes additional description that assists blind or partially sighted users. The service was provided on 13.43% of programmes (Ofcom’s target is 10%).

## Signing

A number of programmes, usually at weekends and lunchtimes during the week, are broadcast with BSL (British Sign Language) for d/Deaf viewers and those who use BSL. The service was available on 6.01% of programmes (Ofcom’s target is 5%).

# Content 2024-25

Programme Policy Statement 2024-25

**S4C's Interim Chief Content Officer, Geraint Evans, outlines S4C's content priorities for the coming year.**



**S4C serves the audience with content that entertains, excites and reflects Wales in all its diversity.**

**As a public service broadcaster we have a duty to create the platform and ecosystem to drive the creative industries in Wales to create ambitious and unique content that appeals to all ages, backgrounds and language abilities.**

**S4C aims to be a destination for creative, engaging and attractive Welsh content available to enjoy on various platforms in Wales and beyond.**

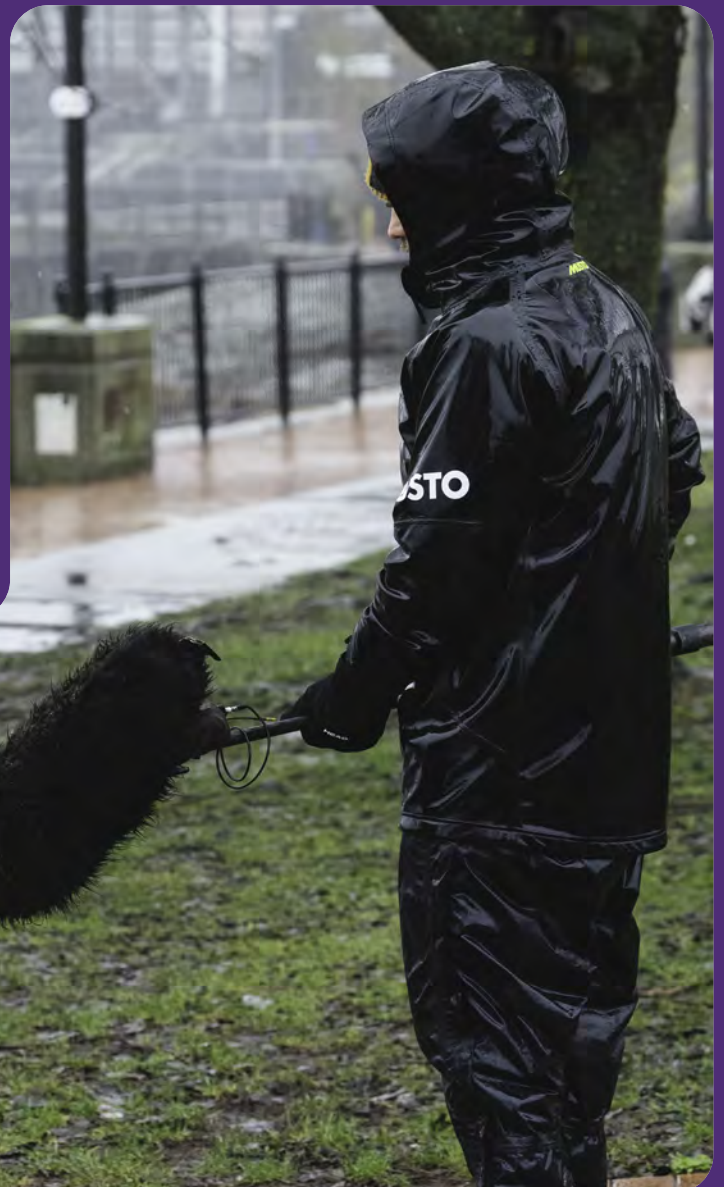
## Programme Policy Statement 2024-25

Having laid solid foundations for our content strategy on the pillars of sports, drama and children's content, we will build on those successes with noisy and popular content that will target younger 25-44 year old viewers and C2DE audiences. S4C will be the home of all Wales men's football matches, gripping dramas such as Bariau and popular formats such as Y Llais, which will have a new Welsh home on the channel.

We will attract an audience of all levels of fluency and non-Welsh speakers with the exclusive sports rights that have been secured and we will invest in drama and film series that will break new ground and bring prestige to S4C. We will also be creating multi-platform content for Welsh language learners to play a part in the goal of reaching one million Welsh speakers. Our focus will be on developing the visibility and availability of S4C on digital platforms and we will refine our YouTube strategy to ensure Welsh-language content has a wider reach.

In a general election year our news and current affairs content will have journalistic sharpness, and we will continue to commission powerful documentaries that reflect some of the challenges facing our communities.

S4C is not just one channel. S4C content will reach different audiences on S4C Clic, iPlayer, YouTube and all social media platforms.



## Drama

**Having introduced more variety to our drama content over the past year with 30 minute series and films, we will build on that success.**

An excellent response was had from a wide ranging audience to the raw and powerful series **Bariau** by Rondo, which had been published as a boxset (6x30). It will return for a second series and will once again be filmed at Aria Film Studios in Anglesey.

**Dal y Mellt** by VOX Pictures will be returning. The first series was bought by Netflix, the first Welsh-language drama ever to appear on the platform, and the second series has already been sold to international streamers Topic and SBS in Australia.

We will see three new series from three different companies. **Creisis** by BOOM Cymru in collaboration with author Anwen Huws is a chorus of emotion and dark humour. A drama (6x60) that questions the nature of care for the most broken and vulnerable in our society today.

**Cleddau** is a new drama series by successful author Cath Tregenna, which combines a gripping murder mystery with an electrifying love story. The crime series is based in Pembroke, and produced by BlackLight Television in association with Banijay Rights. It will be shot in English and Welsh, and both versions will be distributed worldwide by Banijay Rights.

Severn Screen, the team behind the hit series **Craith**, will be back with a brand new series based in Newport. **Ar y Ffin** follows a young magistrate who is under pressure in her work in court because of a shadow from her past that threatens her life and family. It is hoped that this harrowing drama will attract mixed viewers and C2DE due to its nature, style and setting.

October will be a time to celebrate in Cwmderi as **Pobol y Cwm** celebrates its 50th birthday with a special episode. This milestone is an opportunity to promote the channel's oldest series, which remains popular. And **Rownd and Rownd** will continue to go from strength from strength. The series



Cleddau

continues to attract higher than normal viewership among children, young people aged 16-24, and those less fluent in the Welsh language from mixed households.

We will begin developing our slate of **dramas for young people aged 13-15** in 2024. The aim is to attract this demographic back to the channel with dramas and high production values, allowing young people in Wales to 'see' themselves on screen in terms of typeface, language, diversity and culture.

We will develop our plans for our first ever Interactive Film in partnership with Wales Interactive. Having received over 30 applications, we will be developing scripts for 4 new films under the innovative **SINEMA CYMRU** scheme, and will announce at the end of the year which film will go into production in 2025. This will be the beginning of building a cinematic catalogue of Welsh stories for the current audience and for future generations created by Wales' unique and creative voices. Powerful stories that have a local feel but global appeal.

## Sports

Having secured the exclusive free TV rights to **Wales' men's football matches from 2024-28**, the new contract will start in **September** with the next round of matches in the **Nations League**. But before that **Wales will have two big games at Cardiff City Stadium with the aim of reaching Euro 2024 in Germany**. Both of those games will be live on **S4C**, and of course the games from the **Euros if Wales are there**.

We will continue to increase coverage of women's football. We'll be showing highlights from every international game, and showing more domestic games than ever from the **Genero Adran league** live on **S4C**. **Sgorio** will also continue to focus on the men's premiership, the **Cymru Premier** and the major clubs in the **European cup** matches.

Having twice broken the record for the most viewers to **S4C** content on **BBC iPlayer** in 2024 with **FA Cup** matches, we will once again aim to obtain the rights to show **Welsh teams' matches** in this popular competition, as well as the rights for a few **English league** matches.

In terms of the international rugby, we will broadcast **Wales men's and Wales under 20 6 Nations** matches, and follow the **Welsh regions** in the **United Rugby Championship** and **European cups**. We will continue to pay attention to grassroots rugby with the **Indigo Prem** games, as well as the **Road to Principality** games and the **Varsity** games for women and men. We will also follow the **Welsh women's team** to the international **WXV** competition.

We will follow **Elfyn Evans** on **Ralio** as he races in the **WRC**, and we'll be back in **France** for the **Tour de France 2024** as **Geraint Thomas** battles for a place on the podium once again.



Above: Ralio



Below: Tour de France

## Entertainment

This is a broad genre that showcases many of the channel's treasured brands and faces. Among them is Priodas Pum Mil which is now on its 8th series and continues to attract family audiences, great appreciation and healthy figures both on linear and catch up. The format will present a Christmas special Priodas 15k where a deserving lucky couple will be chosen by the audience through a digital campaign. In addition, Am Dro is returning with a few specials, including Am Dro 'Steddfod' which proved popular last year in the eisteddfod area. Also, Jonathan, which celebrates its twenty-first anniversary on the channel, with the series touring Wales in the Autumn.

Priodas Pum Mil

Similarly, Colleen Ramsey will return following a positive response to her likeable character and appeal to new speakers. Entertaining us with his witty humour, Elis James will perform a stand-up show from the Lyric to be broadcast over Christmas.

It is important to ensure that we find the next noisy and successful formats that realise the strategy and appeal to ages 25 - 44.

Kiri, Chris and Alun are an unexpected, mischievous trio in New Zealand, aiming to appeal to younger audiences and attract new viewers as we follow their adventures. A new love show Amour a Mynydd has also been commissioned across the platforms for this age - a rig format based in the middle of the snowy Alps with Elin Fflur presenting along with Gwil, a new face to the channel.

We will bring a very familiar format outside Wales to S4C in the last quarter of the year - Y Llais. Like Goglebocs Cymru, which returns this year, the intention is that a well-known and popular brand such as this will provide a platform for a wider audience in celebrating the full diversity of our talents but with a uniquely Welsh personality at its heart.



## Music and Events

**Every year the live Càn i Gymru event unites the nation and creates a buzz across our platforms. Without changing the spirit of the competition, it will acquire fresh energy and branding this year at the exciting Swansea Arena venue. Another returning competition is Côr Cymru - a format celebrating Wales' choral talents.**

S4C continues to be the **'Home of Wales' Live Events** on all platforms. Following last year's success, the Urdd Eisteddfod is again streaming all competitions across the 3 pavilions daily, as well as the hours of linear content celebrating the excitement of the festival.

The National Eisteddfod's provisions will continue to evolve, reflecting the wider festival as well as the competitions throughout the day. Pontypridd's scattered site will present a challenge to production teams, warranting creative methods of working. We will again be filming many of the events and music concerts from the event's stages and broadcasting them throughout the year.

Càn i Gymru



The brand **S4C LWP** will grow in prominence as the **Home of Wales' Contemporary Music** and take a leading role in our festivals. This includes the National Eisteddfod and Tafwyl and S4C will again sponsor the main stage at the Eisteddfod and the Tafwyl stages. The hope is to stream more live music from Tafwyl and add to last year's success under the banner of **Yn Fyw ac yn Fwy. Curadur, Yn y Lŵp Music Videos** contribute significantly to the Welsh scene and help nurture new musical talent.



## News and Current Affairs

**As a general election year, special attention will be paid to the political battle in special editions of Y Byd yn ei Le and Pawb a'i Farn. We'll also hear voices and perspectives from every corner of Wales on Newyddion S4C and a comprehensive results night programme on both linear and digital channels.**

We will review our **Newyddion Digidol** operation in order to support the growth of our presence on the Tik Tok, Instagram and Youtube platforms, continuing to capitalize on the growth and success our service has had by posting more widely on Facebook. The aim is to bring a reliable and popular news service in Welsh to a younger audience.

We will also work with the BBC which provides the linear news service to ensure that our service is unique and belongs to the channel, and that the linear and digital teams pull together to provide an unrivalled service as news breaks.

Maxine Hughes will present **BYD Eithafol's** standalone current affairs documentaries. One will look at the influence of evangelicalism on politics in America and here in Wales, and on the eve of the Olympic games Maxine will discuss arguments for and against allowing transgender athletes to compete on a professional level.

Having won a Bafta Cymru last year, **Y Byd ar Bedwar** will continue to hold people to account, ensuring a wide range of subjects that appeal to a diverse audience in terms of age and social status. **Ffermio** will continue to scrutinise agricultural matters, and **Jess Davies** returns to look at current affairs through the eyes of younger people.

Having rebranded our news service for children, **Newyddion Ni**, we'll be further developing the format by offering longer special editions throughout the year.

# NEWYDDION



## Factual

**We'll have impressive documentaries, new series and ambitious co-producers on our factual slate.**

Among the true crime films will be **Llofruddiaeth Y Bwa Croes** in Anglesey and the story of one of the world's most successful fraudsters will be brought to life in **Con Jones** as we follow a criminal path across several decades and several continents.

During black history month Yr Actor a'r Eicon will compare Betty Campbell's life in Wales last century, with that of actress Kim Abodunrin who grew up as the only black girl in a village in rural Wales in the nineties. While **Caethwas Yn Y Teulu** follows Nathan Brew's journey to Ghana to trace the story of one of his ancestors who was one of the greatest slave traders of the eighteenth century.

In developing a co-production strategy, **Gronynnau Heddwch/Particles of Peace** will weave together the influence of the Welsh on CERN's scientific centre in Switzerland, with exclusive access to the world's largest scientific experiment.

In the documentary **Ken y Sheriff**, we get a unique look at former Wales captain Ken Owens' struggle for fitness as his glittering career draws to a close.

Among our new series, **Cyfrinachau'r Llyfrgell** gives a well-known individual the opportunity to find out more about themselves, their area, and their genealogy through the treasures of the National Library. And for the first time ever **Ar Brawf** gives exclusive access to Gwynedd Probation Service staff and clients in a challenging and bold series.

Kris Roberts will travel the world looking at people's attitudes towards death. In **Marw gyda Kris** we will look at end-of-life traditions in India, Mexico, Indonesia and Wales in a researched, thoughtful and humorous series.

Another familiar face is at the heart of **Troseddau Cymru gyda Siân Lloyd** as the journalist who has also trained in law looks back at six cases that have transformed the law, the police or us as a nation. And



Cyfrinachau'r Llyfrgell

Steffan Powell will share some of Wales' most magnificent scenes that are at risk, in **Colli Cymru i'r Môr**, and uncovers some of the efforts to defend the coast in a popular factual series.

Ordinary Welsh people step into the stunning **Ni Yw'r Cymry** house in a format that explores the nation's hot topics. There is fierce debate and differing views going head to head as seven people try to pull together and understand each other when discussing topics that are important to them.

## Young People

Last year there was a clear strategy to focus on developing Hansh's short form for TikTok and Instagram and we've seen tremendous growth in viewing and engagement figures on these platforms. Content will continue to create laughter, understanding, and mischief as we develop new voices and talent. The content has gained attention over the border with **Mared Parry** interviewing celebrities on the red carpet and **Gemma Collins** belting out **Yma O Hyd**, with the clips going viral on TikTok.

We will develop the slate of long-form programmes under the Hansh brand complementing our library of energetic, young and engaging on-demand content; content that is also an integral part of S4C's linear schedule to attract a younger audience and change public perception of the traditional channel. For 24/25 the popular **Pen Petrol** and **Grid** series return. There will be factual documentaries such as **Un Gôl: Iwan Morgan** which looks at a young footballer trying to launch his career to be the next Gareth Bale, while **STRIP** follows a young group from the North East as they challenge convention by taking their clothes off.

Tanwen ac Ollie



The digital and linear entertainment series **Tanwen ac Ollie** will be a fly-on-the-wall programme that sees the weather presenter and footballer become parents for the first time. And the competition format **Y Tŷ Gwyrdd** is one of the timetable's highlights as we see Welsh youth struggle through environmental challenges in Monmouthshire.

## Children

**S4C's children's content remains as important as ever to the main strategy to keep our younger viewers entertained, attract new Welsh speakers to our content and support the language. Filling 40 hours of children's content each week, we will see all kinds of entertaining content on screen this year.**

Cyw will present the brand new, all-inclusive series "Harri'n Helpu," showing a partnership with the Maketon community and a child from Pendalar special school in the lead role. We will also see Bledd and Cef in **Dreigiau Cadi** causing all sorts of trouble with the steam train once more.

Following the popularity of the first series there will be more **Cywion Bach** and another supporting book by Y Lolfa. And there will be a new series where we see the adventures of a little girl and her best friend, an animated hamster, in 'Annibendod'. Not to mention the fun-filled studio series 'Dal dy Ddannedd' where children across Wales have the opportunity to take part.

On **Stwnsh** we have an observational documentary about children and their horses. This is the first time we have experimented with an observational series of this kind. To mark the 40th anniversary of the miners' strike, there will be a special programme with Alex Jones on the history of the children of the strike. In drama - the new drama series Y Corridor will appear on screen in early summer and **Itopia** will return at the end of the year. And an exciting scientific series will be coming to the screen in September called 'Pwy, sut, pam'.

Along with our original productions 2024 will be a year where we will see the fruits of animations that S4C has been involved with reaching the screen. We've been working collaboratively with TG4 on a mythological anime series called **Li-ban**. We'll be one of the first broadcasters to showcase the two beloved characters **Brethyn** and **Fflwff**. And in building on our relationship with Lego there will be a second series of **Lego Dreamzz** and an entirely new series available to us later in this exciting year.

Lego Dreamzz



## Digital

**In the area of digital content the Cwis Bob Dydd app is going from strength to strength. A new thematic season will go hand in hand with the Six Nations championship before we release the new version of the app with new features which will correspond to the summer season events and then into the autumn.**

We will redouble our commitment to content for the audience that are **learning Welsh**. New Welsh speakers such as Scott Quinnell will be one of the faces of the service, and there will be much more short-form content on our digital platforms to entertain and serve learners on their journey.

We will develop our publishing strategy on **YouTube** during the year to extend the reach of our content for 16-44 year old audiences. By partnering with Little Dot, we will refine the curation and commissioning for this platform which is likely to continue to grow in popularity and importance.

# 2022-27 Strategy

# On 17 March 2022, the Unitary Board approved S4C's strategy for the five years from 01 April 2022.

Since 01 April 2022, all S4C public money comes through the Licence Fee. This budgetary certainty for the period to the end of March 2028 – together with the additional £7.5m per annum announced to S4C by the Secretary of State for Digital, Culture, Media and Sport in January 2022 – offers us the opportunity to transform S4C for the future.



Our strategy is based on S4C's evolution from traditional Public Service Broadcaster to a Public Service Media Publisher, which is ultimately relevant to modern international media.

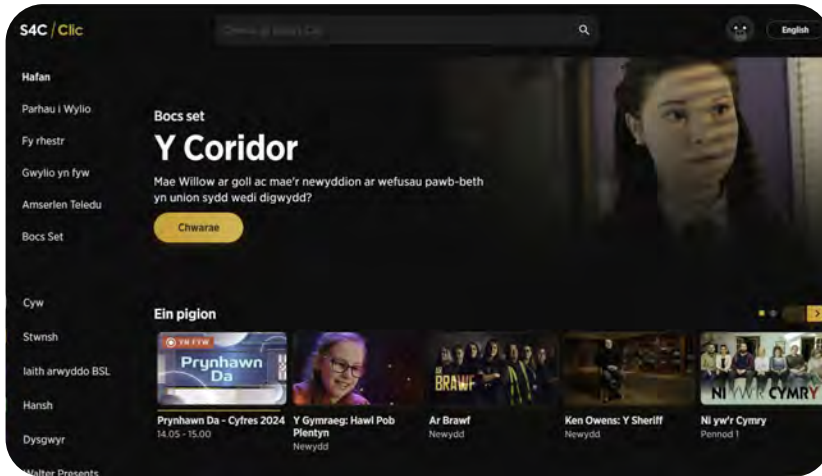
It requires S4C to transform, moving from 'linear or digital' considerations, in order to commission content for distribution across multiple platforms. In that respect, it is a bold scheme that challenges the traditional models that S4C and other broadcasters have followed for decades.

We will therefore reprioritise our spend towards more multi-platform content, maximising value for money for our audience across a range of platforms, including our current linear channel.

Colleen Ramsey:  
Bywyd a Bwyd

# Our Strategic Priorities

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## Wales and the Welsh Language

**The Welsh language is central to S4C and its services. Our content in the Welsh language is the reason our audience wants to come to us and we must ensure that they want to spend time with our content and stay with us.**

Promoting the Welsh language with relevant content therefore remains a fundamental priority for S4C and is central to our existence. We need to ensure that we facilitate access to and use of the Welsh language for everyone of all ages and linguistic abilities.

The Welsh Government's strategy 'Cymraeg 2050: A million Welsh speakers' emphasises the importance of S4C in that regard and, undoubtedly, S4C has a prominent role to play in leading the way across the three main themes of the Cymraeg 2050 strategy, namely: to increase the number of Welsh speakers, increase the use of the Welsh language and create favourable conditions to ensure the prosperity of the Welsh language.

In confirming S4C's financial settlement from the Licence Fee for the period 01 April 2022, the Secretary of State at the time acknowledged the key contribution that S4C can make to the delivery of the Cymraeg 2050 strategy. We are therefore working closely with the Welsh Government, and other key partners on delivering this vital strategy.

By establishing S4C as the home of the national experiences of Wales, we can take ownership of national events – from music to sport – and leading the conversation around them. As a result of these national events, we can attract more diverse audiences and new speakers, offering them access to a wider range of S4C content that they would not normally consider, thus increasing the amount of Welsh they see and hear.

## Prominence and Availability

**Like the rest of the public service broadcasters, the S4C linear TV service relies heavily on the prominence it receives on digital terrestrial, cable and satellite television in Wales. Ensuring viewers in Wales see the services that are relevant to them at the start of electronic programme guides is an important part of getting the best value from the investment made in the content. As viewing habits develop and increasingly rely on digital platforms, it is essential that S4C is given prominence on digital user interfaces on fair and reasonable terms.**

Our strategy prioritises how we distribute our content on a wider range of platforms than the traditional linear service in order to respond to audience demands.



Heno

## Our Audience

**Broadcasting is more competitive than ever before, with a range of international publishers now seeking to attract audiences to their content across a range of platforms.**

The creativity and needs of our audience must therefore be at the heart of everything S4C does – a focal point for our opportunities and strategic decisions, and central to the way S4C commissions, schedules, distributes, develops, sells and communicates. Creativity should drive our decisions.

Understanding our audience by collecting relevant data on their habits is a vital part of the process, allowing us to personalise the experiences of individuals in their involvement with S4C content. Similarly, we will continue to gather regular feedback on appreciation and feelings towards S4C from different representative groups, as well as looking at the overall performance of our content.

We have a good idea of the demographics of our audience, but there is a need to continue this analysis and scrutiny to identify further their characteristics.

All the data we collect will be drawn together in a clear dashboard, to be used to inform all our decisions – in order to ensure what we do is for the benefit of the audience.

By getting to know our audience better, and building relationships with them as individuals, we can tailor our content to ensure we meet their needs.

In addition, special focus on reaching a greater proportion of younger viewers in mixed-language households will be an important element of broadening the audience, and helping to ensure S4C's continued relevance in a linguistic landscape that is always changing.

Creisis



## Publishing Our Content

**The combination of new digital platforms, together with new global content providers, has revolutionised viewing habits in Wales, as everywhere else. Welsh language content distributed by S4C has to compete with content from some of the world's leading production companies.**

In recent years, we have seen our content – particularly our dramas – sold to other broadcasters and platforms around the world. We want this to continue, by commissioning content of the highest standard, that is internationally recognised.

At the same time, we must extend our reach and grow the impact of our service within communities. By commissioning engaging content which gives rise to conversations, we aim to reach a wider audience locally. In that respect, we will continue to prioritise drama, sport, and content for children – which have already proved successful in attracting a wider audience to S4C.

S4C content on whatever platform it is distributed must be compelling and of high quality. S4C content must also be distributed in the appropriate formats and on the platforms that are popular with users. We do not think of S4C as a linear television channel from now on, but as a distributor of Welsh language content on a range of platforms (with the linear service being one of those platforms).

As a result of that evolution, our content strategy will also evolve to better serve our audience. Using consumer data to drive our commissioning decisions we will publish bold, engaging content that seeks to meet the needs of our audience and stimulates the mind.

We will also consider the target audience at the beginning of the commissioning process, in order to decide on which platform or combination of platforms the content should be published for their attention in order to reach the greatest possible proportion of that audience. Varying the commissioning process in this way will facilitate our commitment to creating more digital-first and digital-only content.

In addition, the communication and promotion around the commission will also be discussed at the beginning of the development process, to ensure that a creative package is developed at the outset to meet the needs of the audience, and to reach them in the most effective way.



## Diversity, Inclusion and Representation

**Diversity, inclusion and representation are central to all S4C's activities.**

Everyone in Wales and beyond who watch S4C content, on any platform, must feel that they are reflected in our range of content.

We also want our workforce and our suppliers' workforce to include the widest range of people, and are working with production companies and other partners to attract new talent to the sector.



Pride Cymru



## Supporting the Economy

**As a public institution, S4C has a responsibility to maximise the benefit to Wales from our influence and resources.**

Creating and maintaining purposeful partnerships with other broadcasters and various other organisations will be an increasingly important part of S4C's future. There is a need to take a more strategic and long-term approach by grasping the strengths and abilities of others from different sectors to drive our creativity and innovation and to help us address some of the biggest challenges.

Alongside this corporate strategy, we also developed a strategy for S4C's commercial activities. This commercial strategy will ensure that we identify partners across the world in order to obtain new markets for our content, and place an emphasis on co-producing content of the highest quality in Wales to bring additional investment to the sector and best value to S4C's audience.

Maintaining interesting partnerships – both in Wales and internationally – will be an effective way of developing talent, improving skills, ensuring diversity and empowering Welsh communities to feel that they want to be part of S4C.

Bariau

# Our Strategy



## 2022-27 Strategy

### Our purpose

is to ensure that the Welsh language is an important part of everyone's life in Wales by providing bold and innovative content that celebrates our contemporary culture.



### Our vision

is of a Wales where the language belongs to us all, and of uniting the nation through our content.



**As we set out to implement our strategy, we will pay due attention to our values as an organisation, namely:**



• Diversity

• Engagement

• Innovation

• Ambition

We will review these values during 2024-25.

## Get to know, and build a relationship with our audience

- Use data to ensure that the audience informs all our decisions.
- Understand our audience and personalise their experiences.
- Create a clear dashboard to measure our value and performance.

### In order to realise these objectives, we will:

- ✓ Define our measurements - set clear targets that we can measure reliably;
- ✓ Create a dashboard and set up a 'listen to our audience' programme; and
- ✓ Use data to personalise experiences, and build relationships with our audience.



## Create noise with bold content

- Understand our audience and produce content that creates the conversation and is internationally recognised.
- Extend our reach and increase the impact of our service within communities.
- Prioritise drama, sport and children.

### In order to realise these objectives, we will:

- ✓ Follow the model: Identify the Audience > Commission Content which appeals to the audience > Publish on the most appropriate Platform to reach the audience;
- ✓ Define our priorities based on audience needs;
- ✓ Develop long-term content strategies – for the drama, sport, children genres; and
- ✓ Create a plan for partnerships, co-productions, and developing international markets.



## “Provide your content on your platform”

- Ensure prominence and availability across the main viewing platforms.
- Schedule content across all platforms, rather than take a ‘linear-first’ approach.
- Build commercial relationships with our partners.
- Develop talent to convey digital content.
- Ensure prominence to our diverse communities on and off screen.

### In order to realise these objectives, we will:

- ✓ Schedule the publication of content across all platforms;
- ✓ Increase the availability and prominence of our content across contemporary viewing platforms;
- ✓ Refine our processes to reflect our new publishing strategy; and
- ✓ Work with the sector to develop a training strategy.



## Establish ourselves as the home of Welsh national experiences

- Take ownership of national events and hold the conversation around them; from music to sport.

### In order to realise this objective, we will:

- ✓ Plan a comprehensive programme of events across Wales; and ensure a prominent presence for S4C;
- ✓ Develop our use of social media - create noise, and communicate our purpose; and
- ✓ Launch our new brand.

## “Welsh belongs to all of us” – working with others to reach a million Welsh speakers

- Work with our partners to achieve the million and double usage, and ensure that we are seen as a prominent partner contributing to the prosperity of the Welsh language.

### In order to realise these objectives, we will:

- ✓ Define and formalise our relationship with our partners, to create a clear partnership strategy; and
- ✓ Play a leading role in the growth of the Welsh language, and lead the way forward.



## Reflect Wales in all its diversity

- Ensure we reflect Welsh communities by setting clear diversity targets, both internally and across our productions.

### In order to realise this objective, we will:

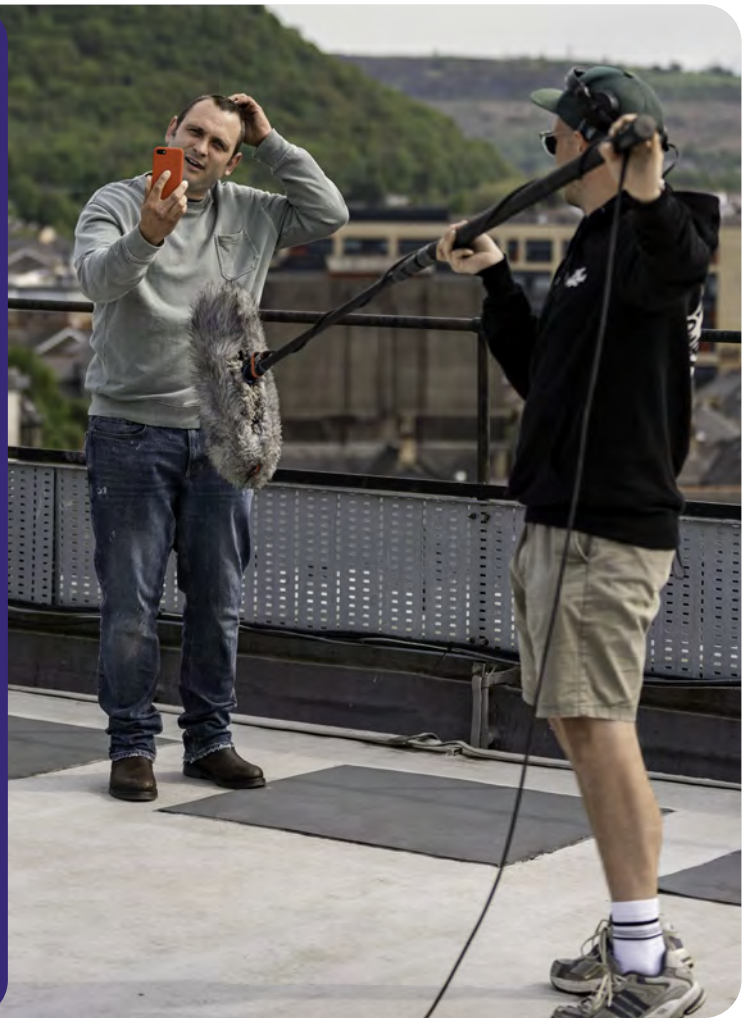
- ✓ Work with the sector to ensure we reflect our communities in all their diversity; and
- ✓ Set clear targets for diversity in our content, and measure against these targets.

## Create value using our resources

- Create a clear corporate plan with specific objectives.
- Identify commercial opportunities to help us realise the true value of our products.

### In order to realise these objectives, we will:

- ✓ Develop a new commercial strategy;
- ✓ Identify alternate markets for our content;
- ✓ Refine our funding processes to reflect our new multiplatform strategy;
- ✓ Define our shopping list, and protect our rights; and
- ✓ Refine our procurement processes to reflect our strategy.



## Inspire and nurture talent in Wales

- Support our partners in the sector to inspire and develop new talent in Wales, through partnership across the creative sector.

### In order to realise this objective, we will:

- ✓ Invest in resources to enable us to understand the needs of the production companies, and the wider sector; and
- ✓ Ensure a clear path for new talent, and develop our skills and capacity to deliver our strategy.

# Former Chair's Report

## Rhodri Williams

Chair of S4C Unitary Board to 31 March 2024

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**I am very pleased to contribute to the S4C Annual Report and Accounts for the year ended 31 March 2024 – a reporting period that coincided with the end of my term as Chair of the S4C shadow Unitary Board.**

**At the time of publication of the previous Annual Report, an independent fact-finding process was already on-going in response to concerns regarding the culture and working atmosphere within S4C which were raised by the Bectu union with the non-executive members. As a result of the evidence gathered, the non-executive members decided that further action was required. More detail on the fact-finding process, the decisions taken, and the further considerations can be found in a separate section within this report.**



In addition to the changes to S4C's operational leadership, the fact-finding process led to the Unitary Board approving and publishing an Action Plan at the end of February 2024 to address some of the other consequential issues that emerged.

Our Action Plan – developed in consultation with stakeholders, including staff members, and the Bectu union – is based on four themes: leadership, culture, Human Resources policies and procedures, and governance.

In terms of S4C's governance, we want to ensure that our arrangements comply with best practice. While we are confident that suitable arrangements are already in place, we intend to commission an external review of the effectiveness of governance. The review will consider governance and accountability arrangements across the organisation – including the Board and its committees, the Management Team, and other internal decision-making groups.

“

**I would like to sincerely thank the staff at S4C and all our partners in the production sector for their commitment to the service and for ensuring that our ability to distribute engaging content in the Welsh language has continued despite the challenges of the past year.**

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We also expect the outcome of this review to lead to revisions to our Standing Orders and we will therefore also take this opportunity to benchmark our Standing Orders, to ensure that they align with best practice in corresponding organisations.

The Standing Orders will also need to be amended to reflect new legislation that affects S4C's governance in the form of the Media Act 2024. Although the S4C Authority has been operating as a Shadow Unitary Board on an administrative basis since 2018, we welcome the statutory assurances that the provisions of the Act will offer in relation to S4C's governance arrangements.

The Media Act 2024 will also allow implementation of the remaining recommendations made by the late Ewyn Ogwen Williams in his Independent Review of S4C – Building an S4C for the future – prepared for DCMS in March 2018. The recommendations that will be achieved as a result of the Act include:

- Updating S4C's public service remit to include digital and online services, and removing current geographic broadcasting constraints; and
- Amending existing approval requirements to give S4C greater freedom to invest and generate commercial revenue.

The Act will ensure the prominence and availability of S4C's services – as a UK public service broadcaster – on smart television sets to enable it to reach viewers on their chosen platform.

This is one of the key strategic priorities approved by the Unitary Board in March 2022. It is good to report that S4C as an organisation has continued to deliver our strategic priorities, despite recent challenges. In that respect, I and the Unitary Board are grateful to the Management Team, S4C staff, and the production sector.

Our strategic priorities set out a clear direction for S4C's transformation from being a linear channel to a digital publisher. The rationale for taking this route appears elsewhere within this Annual Report.

When I was appointed Chair in 2020, I mentioned the need for S4C to embark on this crucial transformation to become a digital publisher, and it is good to see progress over recent years. But this is not the end of the story as technology continues to evolve, along with viewers' needs and habits – and S4C needs to continue to respond to these changes in line with our strategic priorities.

Delivery of the strategic priorities has been significantly facilitated by the financial certainty since April 2022 through the Licence Fee, which has allowed us to be even more ambitious.

Later in the Annual Report, the Management Team outlines progress against the strategic priorities during 2023–24. I and the Board would specifically like to thank Elin Morris and Geraint Evans for serving as interim Chief Executives jointly during the second half of the reporting year, at such a challenging time – with Geraint also taking on the role of interim Chief Content Officer.

The membership of the Unitary Board has remained fairly stable during the reporting year. There has been no change to the non-executive membership during the period, and we hope that in the near future DCMS will appoint up to three new non-executive members to fill the current vacancies on the Board. With regard to the executive members, Siân Doyle's and Llinos Griffin-Williams' membership of the Board terminated when they were dismissed, and Geraint Evans re-joined as an executive member in January 2024 to coincide with his appointment as one of the two interim Chief Executives.

Despite the challenges of 2023–24, I am confident that the difficult times are behind S4C and that it will be possible to focus solely on content and on meeting the future needs of the audience. Delivering the Action Plan will be an important element of securing a better future for S4C, and I am confident that Guto Bebb and Sioned Wiliam will have full support with this as they serve as Chair and acting Chief Executive.

I would like to sincerely thank the staff at S4C and all our partners in the production sector for their commitment to the service and for ensuring that our ability to distribute engaging content in the Welsh language has continued despite the challenges of the past year. I would also like to thank those who have been members of the Board during my time as Chair.

Thank you again very much for your support, and I wish S4C all the best for the next period in its history.



# Annual Performance Review

**We continued to make good progress towards implementing our 2022–27 Strategy during the course of the 2023–24 reporting year – the key highlights are set out over the following pages.**

**Despite various challenges, we are grateful to S4C staff and external partners for their continued commitment as we evolve S4C’s offer to meet the every-changing demands and expectation of our audience.**

**We remain grateful to the Department for Culture, Media and Sport (DCMS) for the additional settlement of £7.5m awarded to S4C from the Licence Fee since April 2022, which has supported us on our journey towards delivering our Strategy.**



Siân Phillips yn 90

### **Create noise with bold content**

Last year, we committed to offering lively and exciting content to entertain our loyal viewers in 2023–24, as well as to engage with a new audience by providing a Welsh perspective on the world. This was achieved through offering a diverse slate of content, balancing the staple programmes which remain popular with new, bold content.

In early September 2023, we broadcast the first episode of *Anfamol* (BBC studios) on our linear service, with the full box set released at the same time on Clic and iPlayer. *Anfamol* was a TV adaptation of Rhiannon Boyle’s stage play, with the box set release proving particularly popular with audiences.

*Pren ar y Bryn* (Fiction Factory) was another key drama series during the year. Written and created by Ed Thomas, the six part series was filmed on location in Ystradgynlais, and featured a stellar Welsh cast including Rhodri Meilir and Nia Roberts. It was commissioned in collaboration with BBC Cymru Wales, in association with All3Media International and supported by investment from Creative Wales.

A highlight of our programming over Christmas 2023 and the New Year was *Siân Phillips yn 90* (Rondo) – a star-studded documentary film to mark Siân’s 90th birthday. From Hollywood films to theatre, television and radio, Siân Phillips has done it all. The star of *I, Claudius* and ex-wife of Peter O’Toole spoke candidly like never before about her life and career so far. *Siân Phillips yn*

*90* proved popular both amongst audiences in Wales, as well as further beyond following the publication of stories in the UK national media during December 2023 to coincide with the broadcast on S4C.

However, it’s important to remember that S4C has been responsible for producing bold content since 1982. The Post Office Horizon scandal during 2023–24 provided an opportunity for S4C to re-broadcast a 2009 episode of *Taro Naw* (BBC Cymru Wales) which was the first current affairs programme to look into the concerns being raised by sub-postmasters. Indeed, a clip of Alan Bates from that *Taro Naw* episode has been watched over 349,000 times over recent months via S4C’s presence on the X platform.

S4C content continued to win key industry awards during 2023–24. A full list of nominations and the awards won appears elsewhere in this Annual Report. However, we are particularly proud that *Y Sŵn* (Joio) – a film portraying how S4C was established, and released to coincide with S4C’s 40th birthday – was nominated in the best single drama category at the Broadcast Awards in February 2024.

Another Welsh film by the same producers – *Gwledd* (Joio) – received its first TV broadcast on Hallowe’en 2023, providing S4C audiences an opportunity to enjoy a film which had already garnered significant public acclaim and international awards since its initial cinematic release.

These two films underline the importance of the film industry in Wales, and the need to produce more films in the Welsh language. For that reason, S4C is proud to be a key partner of the Sinema Cymru fund to support Welsh language feature films with international, big screen potential. In collaboration with Creative Wales, and delivered by Ffilm Cymru, the fund is aimed at developing a minimum of three feature films a year, with a view to progressing one for production funding.

Over time, we hope to broadcast these films on S4C, for the benefit of audiences in Wales and beyond.

## “Provide your content on your platform”

While the traditional, linear service remains a key platform for broadcasting our content, S4C, as well as other public service broadcasters continue to see a marked shift in viewing towards our video-on-demand services. We are therefore increasingly focusing on the performance of our content on Clic and iPlayer.

The importance of this approach is underlined by the viewing data for 2023–24 where, once again, we have seen a significant increase in the hours of S4C content watched on Clic (+12%) and the iPlayer (+35%) compared to the previous year.

While the availability of S4C content on iPlayer – through our long-term partnership with the BBC – is clearly welcome, the continual development of our own video-on-demand player, Clic, enables us to provide an enhanced service to the audience. During 2023–24, the refreshed version of the Clic app continued to be rolled out onto various devices, with the app also launched on the Freeview Play platform in July 2023.

Due to the enhancements made to Clic, S4C was able to provide individual streams for the first time from each of the Red, White and Green pavilions at the 2023 Urdd Eisteddfod. This proved incredibly popular amongst audiences.

We sought to build on this success with our live streaming from the Royal Welsh Show, which also proved popular. 238,000 viewing sessions for live stream content over the four-day event – the majority of which (194,000) via our presence on Facebook.

S4C remained popular on Facebook, YouTube and other social media platforms. During 2023–24, we saw over 1 million viewing sessions for a clip from Goglebocs Cymru (Cwmni Da / Chwarel) about learning Welsh on Instagram and TikTok.

In August 2023, the Newyddion S4C service launched its TikTok presence which managed to secure nearly 70,000 viewing sessions for its content within its first three months. Our internal news team now publishes between 200 and 300 posts each week across its various social media presences, ensuring that Welsh-language news from S4C reaches audiences across a wide variety of platforms. At the same time, we saw a 54% increase in page views on our Newyddion S4C web presence.

In September 2023, S4C’s news programme for children and young people was relaunched as Newyddion Ni (BBC Cymru). Broadcast on Mondays, Wednesdays and Fridays during term time, it is now first released on S4C Clic at 11am so that it can be watched in schools, before its broadcast on the linear service that evening and subsequently released on iPlayer. Some news items featured on Newyddion Ni are also published on YouTube. This release schedule intentionally attempts to make it easier to access the programme on a platform which is convenient for the target audience.

## Establish ourselves as the home of Welsh national experiences

S4C’s coverage of live events from all parts of Wales continue to evolve, bringing the nation together and ensuring the Welsh language plays a part in their lives – whether they speak a lot, a little, or non at all. And we continue to build on enhancing our offer to the audience – at home, or wherever they may be – through increased multi-platform streaming initiatives.

In June 2023, we announced that S4C will broadcast Cymru senior men’s international football matches until 2028 as part of a new deal struck with partner Viaplay. Welsh language coverage will include the two UEFA Nations League campaigns for 2024–25 and 2026–27, the FIFA World Cup 2026 qualifying matches and the UEFA EURO 2028 qualifying matches. International friendly matches will also be part of the deal that will see at least 40 live games on S4C.

The Rugby World Cup held in France during autumn 2023 also proved to be a highlight of S4C’s sporting content during 2023–24. S4C broadcast live every Wales game, with special editions of Jonathan (Afanti) also bringing the excitement to the audience at home.

In addition, the audience was offered an opportunity to catch up on all the latest from the Wales camp with the Allez Les Rouges (S4C Chwaraeon) vodcast presented by Lauren Jenkins. Weekly episodes of the vodcast were released in the run up to the campaign and during the World Cup via S4C’s YouTube channel and BBC Sounds.

In all, content relating to the Rugby World Cup contributed to a significant increase in viewing sessions for S4C Chwaraeon across its social media presences. There were 2.7 million viewing sessions during October 2023 – primarily on Instagram and TikTok – which represented a year-on-year increase of 969%!

In terms of the other national events covered, S4C had an incredibly successful week at the 2023 Carmarthenshire Urdd Eisteddfod with a reach of 254,000 in Wales – an increase of 24% compared to 2022.

For the 2023 Urdd Eisteddfod, S4C offered more ways than ever to watch as all competitions from the Red, White, and Green pavilions were streamed live on S4C Clic from 08:00 each day until the end of the competing. Over the week there were 77,000 viewing sessions of the live streaming from these pavilions.

Overall, programming from the Urdd Eisteddfod (excluding the live streaming) had 80,000 viewing sessions on S4C Clic and BBC iPlayer. And across S4C’s social media, content relating to the Urdd Eisteddfod received over 1 million impressions.

Our coverage from the National Eisteddfod (BBC Cymru Wales) also proved popular. S4C saw a 61% increase in viewing hours of Eisteddfod content in comparison with the previous year – resulting in that week in 2023 achieving the highest number of viewing hours for S4C since 2012.



Eisteddfod yr Urdd

S4C's coverage of other events during the summer of 2023 also proved popular, including Tafwyl (Orchard Media), the Royal Welsh (Boom Cymru / Slam Media), the Green Man Festival (On Par), and Pride Cymru (Boom Cymru) across various platforms. We hope to further build on this success during the live events held during summer 2024.

At a community level, we also took our Cwyl Christmas Show to five locations in all corners of Wales – Wrexham, Cardiff, Caernarfon, Llanelli, and Newtown – attracting audiences of over 8,600 families. Our interaction with the younger audience continued into the new year through our presence once again at the Take Part Festival in Llandudno – a festival which attracts over 3,500 which includes many families from mixed-language households from across north Wales.

### Get to know, and build a relationship with our audience

Building and maintaining a relationship with our audience continued to be our priority during 2023–24, leading in turn to better informed commissioning decisions for our content.

Drawing on the data available to us – particularly through our BARB panel, as well as Clic and the iPlayer – we can identify what content performs well amongst different audience age groups, and across various platforms.

Indeed, this increased understanding of the various segments of our audience is essential in ensuring that our content appeals to them and meets their expectations. As part of the commissioning process, we now ask that producers outline which audience segment the proposed content is expected to appeal to, so that appropriate commissioning and publishing decisions can be taken.

This approach proved successful during 2023–24, with a clear increase in weekly reach for S4C content in Wales amongst the 16–24 (+31%) and 25–44 (+2%) age groups.

During that same period, our overall share of the television-viewing audience during peak hours remained stable or indeed increased compared to the previous year, with S4C capturing an average share of 7.9% of Welsh-speaking viewers, and 2% of the audience in Wales. This compares well to other linear broadcasters.

We also saw an increase in the proportion of Welsh speakers habitually viewing S4C content each month, up 12% on 2022–23 across all age groups. This is complemented by a broadly stable appreciation score for S4C content amongst Welsh speakers, which continued to compare favourably to those achieved by other public service broadcasters.

### “Welsh belongs to all of us” – working with others to reach a million Welsh speakers

S4C is proud to stimulate new Welsh speakers, lift their confidence to use the language, and to support the Welsh Government's target of a million Welsh speakers by 2050.

During May 2023, S4C undertook some research to better understand the needs of the audience which is learning Welsh. Over a thousand individuals completed the survey and, following further consultation with other institutions such as the National Centre for Learning Welsh, a revised version of S4C's Learn Welsh website was launched in September 2023.

A monthly newsletter was also launched, which is sent directly to those learning Welsh who wish to receive it.

The feedback collected through S4C's research also led to viewers being able to choose Welsh-language subtitles on the Newyddion S4C (BBC Cymru) programme from September 2023 onwards. The option is now available to those watching on the linear service, as well as via Clic's live stream and catch-up offer.



Ceffylau, Sheikhs a Chowbois

Pobol y Cwm



The introduction of Welsh-language subtitles is intended to make it easier for those who are learning Welsh to follow S4C's main news output. Consequently, the weekly news programme aimed at Welsh learners called Yr Wythnos (BBC Cymru) came to an end.

During 2023, S4C also revised its Welsh-language Content Guidelines in consultation with key stakeholders and external experts. The revised Guidelines were approved by the Unitary Board on 14 December 2023, and were subsequently shared with the production sector.

Our core expectations remain unchanged: that S4C's objective is to provide a service of a high standard in the Welsh language.

The main principles of the Guidelines are also consistent with the previous version, namely:

- The need to use spoken Welsh that is natural to the speaker when scripting and presenting.
- Supporting contributors to speak Welsh in a way that is natural to them.
- That the standard of Welsh we would expect is dependent on the nature and tone of the content.
- That any use of English requires editorial justification.

### Creating value using our resources

Following the Unitary Board approving S4C's new Commercial Strategy in October 2022, two new commercial funds were formally launched by S4C's Commercial Group in autumn 2023:

- The Commercial Content Fund, to help realise new commercial opportunities for great S4C content and producers, including internationally and on different platforms; and
- The Commercial Growth Fund, to invest in businesses that are closely aligned with S4C's long term strategic aims and that can demonstrate the opportunity and potential for growth

These funds were presented to the production sector during S4C sector days held during 2023–24 by the two individuals appointed to lead S4C's activities in this area: Claire Urquhart, Head of the Commercial Content Fund, and Laura Franses, Advisor to the Growth Fund.

Alongside the introduction of the new Commercial Strategy, a tender process was undertaken in 2023 to appoint an agent to sell advertising opportunities on S4C's behalf. Axiom Media were awarded the contract which started on 01 January 2024. Over time, we hope that our partnership with Axiom Media will lead to opportunities to generate income from S4C's content across a wider range of platforms.

In this respect, work is already underway with a view to introducing advertising on Clic, drawing on the experiences of other broadcasters in this area. We are also engaging external, specialist advice to generate income from advertising around S4C content on YouTube and other social media platforms.

A few months after its launch, S4C's Commercial Growth Fund made its first investment – in Kubos Semiconductors, a company that develops new technology in the Augmented Reality and Virtual Reality industry. S4C took a minority stake in Kubos, alongside investment from the Development Bank of Wales and the founder of Wales' leading semi-conductor company.

Ultimately, S4C's commercial activities and investments that are designed to create an additional, sustainable income stream for S4C's public service. This makes an important financial contribution which enables S4C to invest in content and services that would otherwise not be possible.

### Inspire and nurture talent in Wales

Building on S4C's partnership with Sgil Cymru, our joint investment alongside Creative Wales enabled the Criw scheme to be formally launched during 2023–24. This scheme aims to provide more apprentice opportunities on S4C productions. By October 2023, four apprentices had been appointed to work on S4C productions around north Wales.

During 2023–24, S4C also joined the Screenskills unscripted fund which aims to offer training and opportunities to develop skills. An amount equal to 0.25% spent of each eligible production is invested in this fund, with the cost split between S4C as broadcaster and the relevant production company.

Opportunities to develop talent in Wales were also provided through S4C's collaboration with NFTS Wales through the Sinema Cymru initiative. A competitive process was held during the year to recruit the first six individuals who would be provided with training to develop their script-writing skills in the Welsh language. Over time, the hope is to build a pipeline of those developing scripts for consideration as part of the wider Sinema Cymru scheme.

### Reflect Wales in all its diversity

In June 2023, Ryan Chappell commenced as S4C's new Diversity, Sustainability and Social Purpose Leader. A key aspect of the Leader's responsibilities is to co-ordinate S4C's activities as it looks to deliver our 2022–27 diversity, inclusion and equality strategy: Reflecting Wales.

This strategy aims to increase diversity, improve inclusion and ensure representation of Wales's communities – both through S4C's content, as well as in our corporate activities.

Highlights during 2023–24 with respect to delivering this ambitious strategy included S4C and the Royal Welsh College of Music and Drama being nominated for an Arts & Business Wales award in May 2023 for their scheme to sponsor students from less represented backgrounds to study at the College, or attend the performing school run by the College for school-age pupils.

S4C also played a prominent role as one of the main sponsors of Pride Cymru in June 2023, while at the same time providing Pride-related content across all our platforms to mark Pride month.

We are proud of the progress being made as we continue our journey towards delivering the 2022–27 Strategy, and are grateful to the ongoing support of S4C staff, our partners in the production sector, and key stakeholders.



Stad

# S4C Content's Reach

## S4C television viewing figures

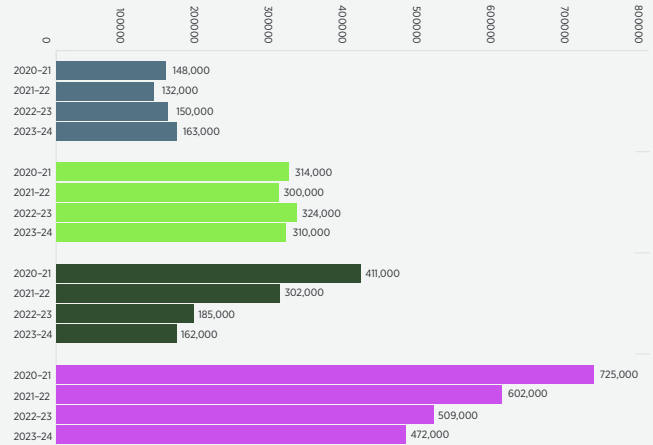
The graphs below sets out the reach (on television) of the S4C service on a weekly and annual basis, plus S4C's average audience in the peak hours. The percentages quoted indicate the change compared to the previous year.

Viewing of linear TV is falling across all channels and S4C isn't immune from this trend. However, we saw a continued increase in our weekly reach in Wales and amongst Welsh Speakers in Wales.

● Welsh Speakers in Wales ● Wales ● Outside Wales ● UK

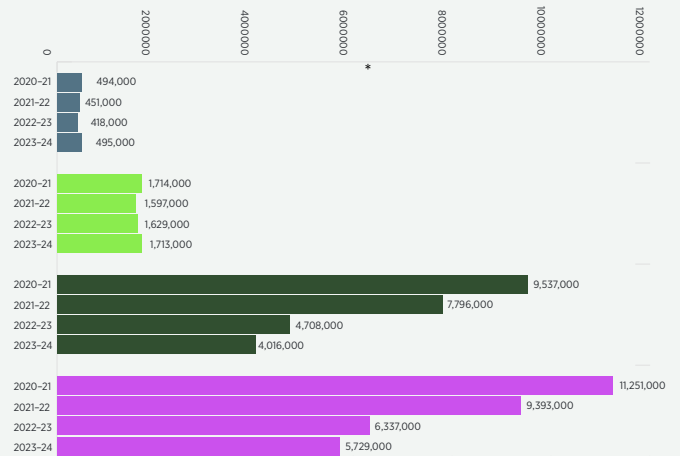
### Weekly reach (at least 3 consecutive minutes)

(Source: BARB)



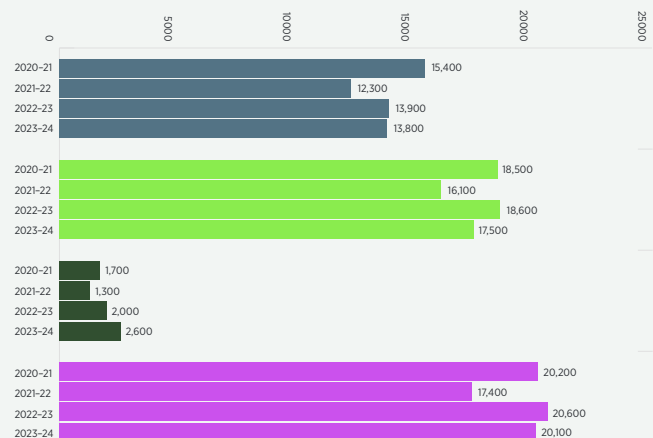
### Annual reach (at least 3 consecutive minutes)

(Source: BARB)



### S4C's average audience in the peak hours (7pm-10pm)

(Source: BARB)



# S4C Content's Reach

## S4C Online Viewing

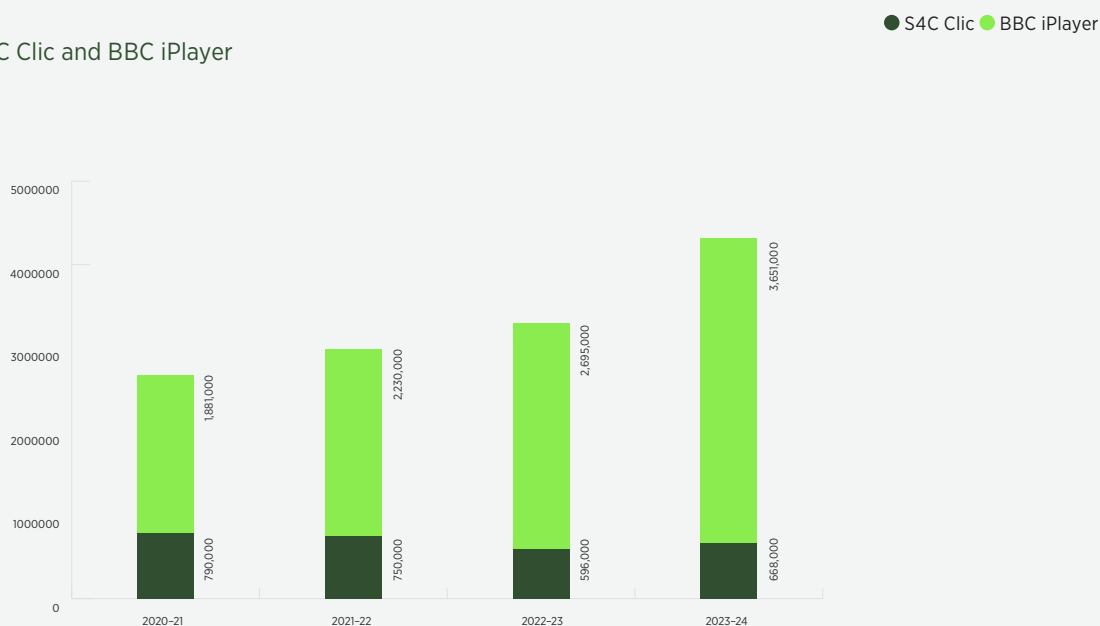
The graphs below set out viewing hours for S4C's online services across the UK.

A significant increase in the use of S4C's on-line services was seen across the UK once again during 2023-24, with the patterns emerging over recent years continuing to develop as S4C offers more programmes and content on social media - such as YouTube - and via new delivery methods including box set dramas.

**Our viewing figures on Clic and iPlayer is at an all-time high with a 31% increase since last year.**

**On YouTube, S4C's viewing hours are 53% higher than in the previous year.**

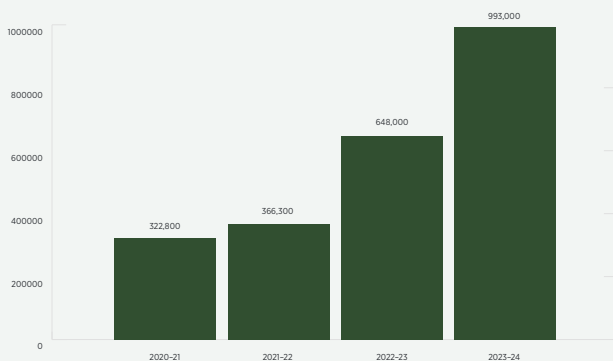
Hours viewed on S4C Clic and BBC iPlayer



(Source: S4C & BBC)

In line with industry standards, viewing hours for S4C Clic and BBC iPlayer presume that 1.5 persons watch each stream of content on television, with 1.0 person watching each stream on other devices (laptop, tablet and smartphone).

Hours viewed of every S4C YouTube channel

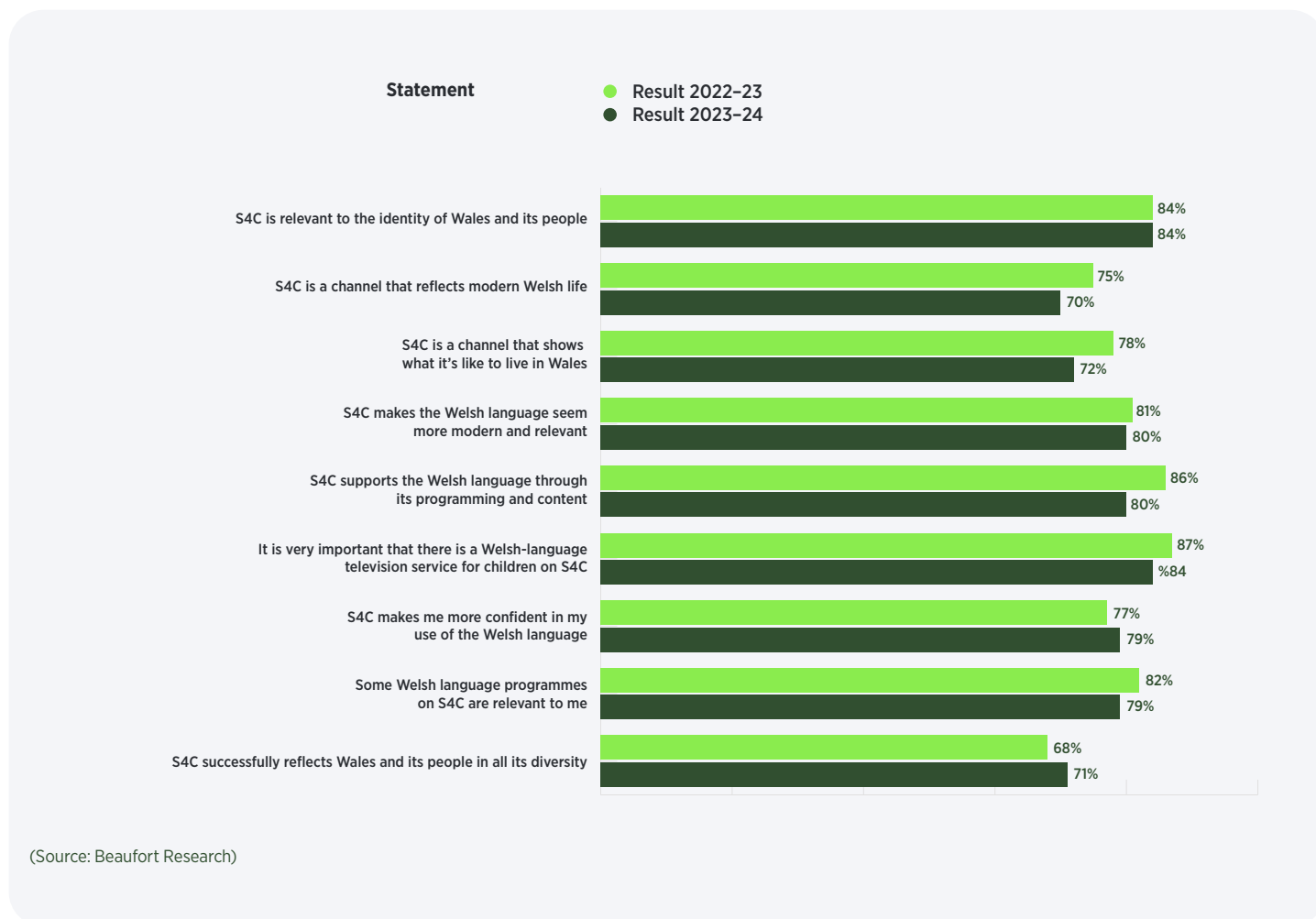


(Source: YouTube)

# Tracking S4C's Image

**S4C undertakes an annual survey which tracks the service's image – including amongst Welsh speaking S4C viewers.**

During 2023-24, the S4C Image Tracking Survey found that the percentage of S4C viewers who can speak Welsh agreed with the following statements:



While some of this year's results are comparable to those achieved last year, it is evident that a renewed effort is required to ensure that S4C reflects modern life in Wales.



## S4C's Top 30 programmes on television during 2023-24



Noson Lawen

	Programme	Genre	Date	Reach
1	Sgorio Rhyngwladol: Euro 2024 Final Second Chance Qualification Playoff Games (Wales v Poland)	Sport	26/03/2024	1219000
2	Sgorio Rhyngwladol: Euro 2024 Semi-Final Second Chance Qualification Playoff Games (Wales v Finland)	Sport	21/03/2024	611000
3	Sgorio Rhyngwladol: Euro 2024 Groups (Wales v Turkey)	Sport	21/11/2023	448000
4	Clwb Rygbi Rhyngwladol: Friendly Game (Wales v Barbarians)	Sport	04/11/2023	378000
5	Sgorio: FA Cup (Bournemouth v Swansea)	Sport	25/01/2024	373000
6	Sgorio Rhyngwladol: Friendly Game (Wales v South Korea)	Sport	07/09/2023	268000
7	Clwb Rygbi Rhyngwladol: Under 20 Six Nations (England v Wales)	Sport	09/02/2024	178000
8	Clwb Rygbi: United Rugby Championship (Cardiff v Connacht)	Sport	17/02/2024	158000
9	Rygbi Ewrop: Challenge Cup (Scarlets v Glasgow)	Sport	29/04/2023	147000
10	Rygbi Ewrop: Champions Cup (Cardiff v Harlequins)	Sport	13/01/2024	127000
11	Clwb Rygbi Rhyngwladol: Six Nations (England v Wales)	Sport	10/02/2024	114000
12	Gemau'r Haf: Uchafbwyntiau (Wales v England)	Sport	05/08/2023	104000
13	Cwpan Rygbi'r Byd (Wales v Australia)	Sport	24/09/2023	100000
14	Cyngherddau'r Eisteddfod: Welsh at the West End	Music	23/12/2023	98000
15	Priodas Pum Mil	Entertainment	24/12/2023	87000
16	Rygbi Indigo (Cardiff v Newport)	Sport	23/04/2023	86000
17	Patrôl Pawennau	Children	29/02/2024	85000
18	Y Sioe: Dros Ginio	Events	26/07/2023	84000
19	Blociau Rhif	Children	21/11/2023	82000
20	Eisteddfod Genedlaethol: Mwy o'r Maes	Events	07/08/2023	80000
21	Jonathan: Cwpan Rygbi'r Byd	Entertainment	12/10/2023	78000
22	Eisteddfod yr Urdd: Uchafbwyntiau	Events	31/05/2023	78000
23	Gwyl Cerdd Dant	Events	11/11/2023	77000
24	Eisteddfod Genedlaethol: Cystadlu Byw	Events	12/08/2023	74000
25	Jonathan	Entertainment	01/02/2024	73000
26	Cân i Gymru	Music	01/03/2024	71000
27	Y Llinell Las	Factual	11/09/2023	70000
28	Noson Lawen	Entertainment	22/04/2023	70000
29	Eisteddfod Llangollen	Events	08/07/2023	69000
30	Gogglebocs Cymru	Entertainment	18/10/2023	64000

(Source: BARB)

# S4C's Contribution to Society and the Economy

# S4C's Contribution to Society and the Economy

Since S4C was established in 1982, it has been very aware of its contribution to Wales and more widely.

As a public service broadcaster, we have an important role and responsibility as a facilitator and enabler, using our resources to maximise the benefits to our viewers and to society more widely.

By working with a range of partners, we are working hard to contribute to the future of the Welsh language, culture, environment and economy.

## Policy Statement

In December 2022, the S4C Board approved a policy statement that brings together S4C's existing activities in terms of social and economic contribution.

This policy statement aligns with the 2022–27 corporate strategy approved in March 2022, and the policy priorities reflect elements of the corporate strategy – which underlines how S4C's social and economic contribution is at the heart of the organisation's wider activities.

The post of Diversity, Sustainability and Social Purpose Leader was created in mid-2023. Among the responsibilities of the Leader is to lead S4C's activities within this new policy statement, and to develop relevant strategies as necessary.



**S4C's Social Purpose: To ensure that the Welsh language is part of everyone's life in Wales**

## Policy Priorities

### 1. "The Welsh language belongs to all of us"

- Increase the numbers engaging with S4C's content in Welsh, to help reach the million (and double the daily usage).

### 2. Reflecting the Wales in all its diversity

- Reflect Welsh communities by setting clear diversity targets, both internally and across our productions.

### 3. Creating Value Sustainably

- Create value through our resources to support the local economy; and in doing so, to work towards reducing the carbon footprint of all our activities.

### 4. Developing Talent

- Use our resources and influence to develop talent within S4C and the wider sector, as well as to support skills development.

## “The Welsh language belongs to us all”

Since 1982, the Welsh language has been central to the existence of S4C and a key focus for all its provision. The vital role S4C plays in maintaining and promoting the Welsh language is at the heart of its unique public purpose, and this was formalised as S4C received confirmation of its Licence Fee settlement from April 2022 onwards.

We now have a significant contribution to offer towards realising the objectives of the Welsh Government’s strategy ‘Cymraeg 2050: a million Welsh speakers’, namely: to increase the number of Welsh speakers, to increase the use of the Welsh language and to create favourable conditions to ensure the Welsh language flourishes. A Memorandum of Understanding signed by S4C and the Welsh Government’s Cymraeg 2050 unit in February 2023 formalises this contribution.

We are therefore – through our content – seeking to facilitate access to and use of the Welsh language for everyone of all ages and linguistic abilities. To achieve these objectives, in 2023 we made two key appointments, namely the Welsh Language Strategy Lead, and the Education Content Executive.

This is particularly important in relation to education, and we are working with key partners to develop educational content to support the curriculum in Wales and to ensure that S4C content can be used by learners – whatever their age.

S4C offers a range of Welsh-language content for children and young people – offering both entertainment and education, and in doing so our content plays an important role in normalising the Welsh language in everyday life. For example, content such as *Cywion Bach* (Boom Cymru) and *Ne-wff-ion* (Ceidiog) provide a fun and accessible way of learning about the world in Welsh.

It is vital that Welsh speakers of all linguistic abilities choose to watch S4C content regularly. For that reason, we are committed to offering lively and exciting content across a range of genres to entertain our audience, and ensure that the Welsh language is part of day-to-day life.

Additionally, S4C supports employment in areas with high proportions of Welsh speakers – within S4C and the wider production sector in Wales; thereby enabling a contribution to Welsh-language activities and maintaining the social and cultural fabric of these areas.



Ne-wff-ion



## Reflecting Wales in all its diversity

It is essential that S4C portrays and celebrates Wales in all its diversity and working towards this remains a priority for S4C. The audience sees this as an important aspect of S4C’s work.

71% of viewers who speak Welsh consider S4C to be a channel that successfully reflected the people of Wales in all its diversity during 2023–24. In the same survey the previous year, the comparable figure was 68% (Source: S4C Image Tracking Survey, Beaufort Research, 2024).

In order for S4C to continue to serve and grow its audience, as well as contribute to a strong broadcasting sector, the long-term commitment to ensure that representation on and behind the cameras continues and is crucial.

We are therefore working with the production sector to ensure that our content reflects our communities in all their diversity.



Y Frwydr:  
Stori Anabledd

A key element of this was the slate of content we broadcast to mark Black History Month in October 2023, when S4C offered varied content such as Sage Todz: Y Neges nid yr Iaith (Afanti), Taith i Gaeredin (Ride it Out), Windrush: Rhwng Dau Fyd (Tinopolis), a Dom a Lloyd: Cymru Heddiw (Carlam).

A similar approach was adopted to mark Disability History Month in November and December 2023. Highlights from S4C's special content included Y Frwydr: Stori Anabledd (Cardiff Productions), Bwmp (Octagon), and Bex: Stori Efan (Ceidiog).

Feedback on how S4C's content is succeeding to reflect Wales in all its diversity is also obtained via the Diversity Panels which have been established by the Diversity, Sustainability and Social Purpose Leader. To date, panels on diversity and disability have been established. Their memberships include representatives from sector bodies, as well as key talent from the relevant protected groups.

S4C has also joined the Diamond system which is co-ordinated by the Creative Diversity Network. This is the system established by a number of leading UK broadcasters to collect consistent diversity and representation data on the programmes they commission. In adopting this system, S4C's intention is to increase diversity on and behind the screen in the content of S4C in order to reflect Wales today.

As well as taking steps to ensure that our content reflects Wales in all its diversity, we are also working to increase diversity, equality and inclusion across our corporate activities. In October 2023, diversity training was provided to all S4C staff. New initiatives have also been introduced to increase and improve awareness of various under-represented and groups with protected characteristics.

## Creating Value Sustainably

Alongside our social contribution, S4C is making a significant contribution to the Welsh economy.

Over 77% of S4C's public funding is invested in programming and content. This represents investment in the services provided to the audience and in the production sector in Wales.

We invest and commission our content from production companies across Wales and our supply chain companies in turn play an important role in their local economies.

We are also keen to support the sector to develop, and assist companies to realise their potential. This in turn will strengthen our supply chain. The steps we have taken so far include facilitating more collaboration between the larger and smaller companies – such as by encouraging the use of production equipment and resources by smaller companies when they are not required by the larger companies that own them.

At the same time, S4C's commercial strategy aims to contribute to Wales' economic prosperity by, amongst other objectives, using its growth fund to invest in companies with potential to grow, and which align with S4C's purpose.

Taken together, all this activity therefore means that S4C's contribution to the Welsh economy is substantial – and it is important that this contribution is felt across Wales.

Our objective is to spend over 95% of our content budget with producers based in Wales. In 2023-24, we succeeded in spending 99% of the content budget within Wales (2022-23: 100%).

### Within Wales, our regional spend on content was as follows:

Region	2022-23	2023-24	Trend
North Wales	26%	28%	↑
South Wales	57%	54%	↓
West Wales	17%	17%	↔
Outside Wales	0%	1%	↑
<b>Total</b>	<b>100%</b>	<b>100%</b>	

(The above data relates to the location of the production company offices, and does not reflect production activity or expenditure in locations across Wales. We undertook a detailed review of the relevant locations for each production during the course of 2023-24 – the data provided above reflects the outcome of that review, and the figures for 2022-23 have been recast to provide an accurate comparison.)

Of course, in supporting and investing in the economic growth of Wales, S4C is acutely aware of the need to do so in an environmentally sustainable way.

Since September 2021, S4C has partnered with the BAFTA albert consortium – which brings together some of the UK’s largest broadcasters and production companies – to achieve this, and to incorporate sustainability into our production process by:

- Enforcing the use of the albert carbon footprint calculator for all the content we commission; and
- Encouraging productions to complete the albert certification process.

On 01 January 2022, it became mandatory for companies producing content for S4C to comply with the above requirements (unless the production is a series under 15 minutes long and / or the total budget is less than £50,000).

As a result of our partnership with albert, S4C was one of 12 broadcasters and streamers who came together in November 2021 to sign up to the Climate Content Pledge, organised by albert. This was the first time the industry has worked together on such a statement.

S4C and other signatories – including the BBC, BBC Studios, BritBox International, Channel 4, Channel 5 / ViacomCBS, Discovery UK and Eire, ITV, RTE, Sky, STV, and UKTV – are committed to using our content to help audiences understand what tackling climate change could mean for them, as well as informing and inspiring sustainable choices.

Off screen, S4C is working to reduce the impact of our corporate activities on the environment. In recent years, we have taken steps to reduce unnecessary travel and increase the use of video conferencing. The use of public transport is encouraged as much as possible.

Our aim is to further reduce the environmental impact of our corporate activities over the coming years, and ultimately agree a target date to complete the transition to net zero carbon-based operation.



Colli Cymru i'r Môr



Colleen Ramsey:Bywyd a Bwyd

## Developing Talent

Since the very beginning, S4C has played a crucial role in developing talent and skills within the sector in Wales.

The nature of S4C’s commissioning as a non-content creating broadcaster has enabled our content partners to invest in the skills development of their staff over the years – and S4C itself continues to invest and lead the way to support this aim.

Supporting people from all backgrounds to come to work in the sector is also a priority for S4C. We are therefore pleased to have continued to work with partners such as It’s My Shout, Screen Alliance Wales and Careers Wales during the reporting period to realise this, and to have been involved in the RAD Cymru Wales pilot – a paid training scheme for those from under-represented backgrounds.

Alongside Creative Wales and other broadcasters, S4C is also a key supporter of Fast Track Wales – a development programme to accelerate the careers of unscripted producers through paid placements, commissioning insight, training and commissioning and industry mentoring.

We have also formalised our partnership with Sgîl Cymru, and jointly invested with Creative Wales in the Criw scheme to enable more apprentice opportunities on S4C productions.

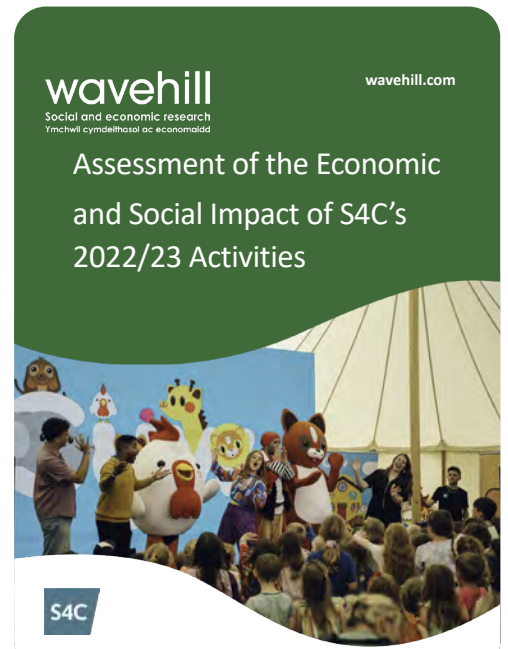
All these activities help us to maintain a highly skilled workforce that underpins a world-class production sector in Wales and attracts TV production, film and digital content from around the world.

## Evaluating The Social and Economic Contribution of S4C

In approving the policy statement on S4C's Social and Economic Contribution, the S4C Board committed to commissioning an assessment of S4C's economic and social impact every two years, to ensure an independent evaluation of that impact.

During spring 2023, Wavehill was appointed to undertake an independent evaluation of S4C's economic and social impact for the 2022-23 financial year. Wavehill reported their initial findings to the S4C Board in autumn 2023, prior to their resulting report being published in April 2024.

In their independent report, Wavehill found that "S4C has a significant footprint within and across local communities across Wales in their role as an employer, commissioner and anchor institution within the Welsh media industry".



### The key findings outlined in Wavehill's report included:

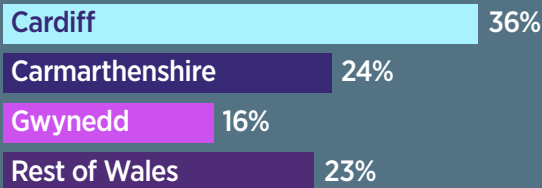
A Local Employer of High Quality Jobs	S4C employs 118 full time equivalent (FTE) high quality and well-paid jobs, primarily in Cardiff, Carmarthenshire, Gwynedd and Ceredigion. Over half of these jobs are based in relatively deprived areas with average earnings below the Welsh and UK averages.
Significant Contributor to the Welsh and UK Economy	Through its day-to-day operations, supply chain spend and salaries, and visitor impact, S4C's activities in 2022-23 are estimated to have supported 1,900 FTE jobs and generated £135.6m in GVA in Wales. This impact rises to 2,300 jobs and £157.2m in GVA across the UK. This implies that just over 1 in every 7.6 jobs in Wales' 'Film, TV, Radio, and Music' sub-sector is supported by S4C; and that its total Wales GVA contribution is equivalent to 42% of Wales' 'Film, TV, Radio, and Music' sub-sector and 0.2% of Wales' total GVA in 2022.
Cost Efficient and Value for Money	Not only is S4C one of the most cost-efficient PSBs in the UK with a cost per hour significantly lower than other broadcasters but its activities generate tax revenue that exceeds the funds it receives – for every £1 pound of license fee funding received by S4C, £1.02 is generated in tax for HM Treasury.
A Good Return on Investment	For every £1 of license fee funding received by S4C, the broadcaster generated £1.53 in GVA in Wales, rising to £1.77 for the UK.
Champion and Nurture Talent	Through its own influence and strategic partnerships with organisations like TAC, Screen Alliance Wales, Creative Wales, the BBC, and ITV, S4C plays a pivotal role in fostering and guiding the training and apprenticeships landscape of Wales' cultural sector. S4C actively encourages both Continuous Professional Development (CPD) and apprenticeships, not only to support the current workforce but also to cultivate new talent through supporting young people into the industry, ensuring a robust and skilled creative sector in Wales for the future.
Prominent Figure in the Welsh Business Community	In 2022-23, S4C spent over £104.5 million with 977 suppliers spanning 47 distinct sectors. These suppliers ranged from content producers to office suppliers to marketing firms. Three out of every four pounds were directed to suppliers headquartered or based in Wales. Of the £78.6m spent in Wales, more than half were to suppliers located outside of Cardiff.
Enabling a Welsh Language Economy	When surveyed, S4C's direct suppliers noted that speaking Welsh was an essential skill for 75% of their employees.
Well-being of Future Generations	S4C is committed to providing social value from its activities including production, promotion and programming for its audiences, local communities and the people of Wales. The company's social impacts align with and contribute directly to all seven well-being goals in Welsh Government's Well-being of Future Generations Act.

The S4C Board intends to commission Wavehill to repeat their independent assessment during 2025, drawing on data for the 2024-25 reporting year, thereby providing an opportunity to evaluate S4C's success in further enhancing its social and economic contribution.

## In 2022/23, through its day-to-day operations, S4C...

employed

**118** full time equivalent jobs in Wales



generated

**£7.4m**

in Gross Value Added (GVA) in Wales

## and from its supply chain activities alone...

spent

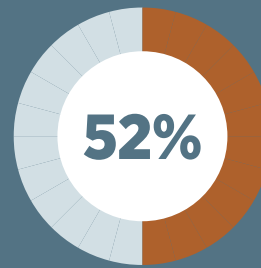
**£104.5m**

on its suppliers

which has supported

**658**

Welsh suppliers



of S4C's direct spend in Wales went to businesses **outside of Cardiff**

## Sectors supported most by S4C's expenditure are...



Video and TV Production



Programming and Broadcasting



Sports and Recreation



Office Support and Admin



Advertising and Market Research



Creative Arts and Entertainment

## S4C's total economic contribution in Wales has led to...



**1,900**

FTE jobs



**£135.6m**

in Gross Value Added



**0.2%**

of Wales' total GVA produced

## For every £1 of licence fee income received by S4C...

**£1.53** in GVA goes to Wales' economy

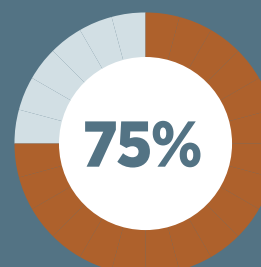
**£1.77** in GVA goes to the UK economy

**£1.02** in tax is returned to the Treasury



## S4C supports and contributes to all 7 well-being goals within Welsh Government's Well-Being of Future Generations Act:

- Expanding Welsh language learning resources
- Ensuring better representation in Welsh media
- Promoting environmental sustainability in production
- Supporting apprenticeships in the sector



of jobs for S4C's direct suppliers need Welsh language skills



# Commercial Activities

**S4C Masnachol, S4C's commercial division is responsible for a variety of commercial activities and investments that are designed to create an additional sustainable income stream for S4C's public service.**

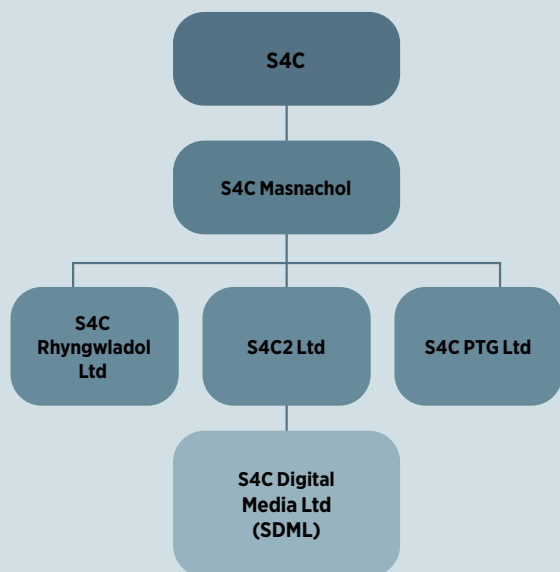
**S4C's commercial activities contribute an average of approximately £1m per year to S4C's public service fund. Although a small percentage of S4C's total income, this is an important financial contribution which enables S4C to invest in content and services that would otherwise not be possible. The money held in S4C's commercial reserve is money that has been generated by S4C's commercial activities in the past.**

**The Independent Review of S4C (Building an S4C for the future) published in March 2018 recommended that the Government should amend current approval requirements to give S4C greater freedom to invest and generate commercial revenue. This recommendation was accepted by the UK Government, with the current framework updated as part of the Media Act 2024.**

# S4C Masnachol

## Structure of S4C's commercial activities

There are currently 5 companies in S4C's commercial group. They are all subsidiaries of S4C, directly or indirectly. The structure ensures that the income from our commercial activities is separate from the public money S4C receives through the licence fee.



## S4C Masnachol Ltd

This acts as a holding company and is a non-trading company. It has three direct subsidiaries: S4C Rhyngwladol Ltd; S4C2 Ltd; and S4C PTG Ltd.

S4C Masnachol Ltd pays dividends to S4C on receipt from S4C Rhyngwladol Ltd, S4C2 Ltd, and S4C PTG Ltd.

## S4C Rhyngwladol Ltd

The company is responsible for the majority of S4C's commercial activities, including:

- Selling advertising, sponsorship and telesales airtime (via an advertising agent);
- Licensing goods for brands such as Cyw;
- Receiving income from commercial exploitation of S4C's back catalogue;
- Receiving income from co-productions in which S4C has invested in the past;
- Investing in content through the Commercial Content Fund;
- Funding an English language soundtrack on some of S4C's sports and events programmes (where an increase in advertising income can be shown as a result).

## S4C2 Ltd

This was the company that used to provide the S4C2 channel, but the channel was closed some years ago.

S4C2 still has an agreement to use a single TV stream in Wales on Freeview. However, this stream is used by another broadcaster through a sub-contract with S4C2. This arrangement was renewed during 2022-23, with the existing sub-contract now in place until 2026.

## S4C Digital Media Ltd (SDML)

SDML invested in SDN, the licence-holding company for Multiplex A on Freeview, in 1998. SDML sold its shares in SDN in 2005, and invested the sale proceeds.

SDML now has the following investments:

- Equity investments in content and digital sector companies, including through the new Growth Fund; and
- investment funds managed by an external fund manager.

## S4C PTG Ltd

This company was created in 2019 for the acquisition of the Parc Tŷ Glas estate, S4C's previous headquarters, and to run the business of renting units to tenants.

During 2022-23, the sale of the Parc Tŷ Glas estate was completed, following which S4C PTG Ltd ceased trading.

## 2023-24 Financial Performance

The net assets of the commercial division as at 31 March 2024 were £19.8m (31 March 2023: £19m) and there was a profit on ordinary activities before taxation for the year ended 31 March 2024 of £1.488m (31 March 2023: loss of £0.154m). These profit / loss includes an unrealised profit / loss in an investment fund held within the Group. The profit before the change in market value of the investment fund, tax and dividend transfer was £0.709m (2022-23: £0.816m).

The performance of the commercial subsidiaries are reported within the Group financial statements section of this Annual Report.

During 2023-24, S4C's commercial activities contributed £0.720m to S4C's public service fund (2022-23: £0.825m).

## Governance

The directors of the S4C commercial subsidiaries are appointed by the Unitary Board, and these directors serve on the Board of the Commercial Group.

The Commercial Group Board is responsible to the Unitary Board for developing S4C's commercial strategy, and for overseeing S4C's commercial activities in accordance with that strategy.

## Membership of the Commercial Group Board

Membership of the Commercial Board includes some non-executive members of the Unitary Board, independent non-executive directors, and S4C executives.

The Commercial Group Board is chaired by S4C's Chief Executive.

During 2023–24, the following served as the directors of S4C's commercial subsidiaries (and hence on the Commercial Group Board):

- Siân Doyle, S4C Chief Executive – Chair of the Commercial Group Board (until 24 November 2023)
- Adele Gritten, non-executive member of the Unitary Board
- Chris Jones, non-executive member of the Unitary Board
- Elin Morris, Chief Operating Officer S4C
- Gwyn Roberts, independent non-executive member
- Sharon Winogorski, Chief Finance Officer S4C

The S4C Board Secretary attends meetings of the Commercial Group Board on behalf of the Unitary Board. The Chair of the Unitary Board may also attend as required.

## Commercial Strategy

During 2022–23, S4C undertook a review of its commercial strategy with the assistance of external advisors. This resulted in a new commercial strategy being approved by the Unitary Board on 20 October 2022.

This commercial strategy for S4C has been designed with a clear purpose: to deliver financial and strategic value to S4C, its audience and to Wales.

The strategy is intended to deliver greater financial returns; to enhance on-screen value and S4C's creative reputation; to build stronger direct relationships with S4C's audience; and to support economic growth and skills development in Wales.

The strategy sets out 6 areas of commercial activity for S4C Masnachol:

- Co-production – where S4C increases the volume and value of co-produced content;
- Content IP – where S4C increases the value it generates from content and intellectual property;
- Business growth investment – increasing strategic and financial returns from growth investment by establishing an investment fund to take stakes in businesses close to S4C's remit, that have growth potential;
- Advertising and Sponsorship – developing exciting and enduring opportunities across S4C's platforms to increase income from advertising and sponsorship;
- Brands – adopting a cross-organisation approach to consumer brand building, to generate financial and audience value from S4C's current and future brands; and
- Digital – create a base for a commercial digital strategy, including investing in products and tools that support S4C's digital strategy and have additional commercial application.

These activities are closely aligned to S4C's core objectives and support the overarching 2022–27 Strategy.

The new commercial strategy intends to both increase the annual financial contribution from S4C's commercial activities to the public service fund, and grow the value of the commercial fund over time to support future reinvestment.

The sale of Parc Tŷ Glas, as well as strategic divestment by SDML of some historic equity investments, has provided additional funds in the commercial reserves to support the implementation of the new commercial strategy.

# The independent fact-finding exercise into the working environment and atmosphere at S4C

**During the 2023–24 reporting year, the Board’s non-executive members (operating as ‘the S4C Authority’) took action in response to concerns raised by the Bectu union about the working environment and atmosphere at S4C.**

In May 2023, Cardiff law firm Capital Law was instructed to conduct an independent fact-finding exercise into the working environment and atmosphere at S4C. Capital Law conducted a series of interviews with S4C staff members, former staff, and suppliers in the production sector, and reported on its findings.

After receiving and considering the Capital Law report, and taking legal advice on next steps, the S4C Authority took the decision to dismiss the Chief Executive on 24 November 2023. The S4C Authority then appointed the Director of Content and Publishing Strategy and the Chief Operating Officer to jointly assume the responsibilities of the S4C Chief Executive on an interim basis.

In December 2023 the S4C Authority published Capital Law’s Report into the working environment and atmosphere at S4C, which summarised the key themes which became apparent during the fact-finding process. A copy can be found on the [S4C website](#).

# S4C Action Plan

A number of the themes which were raised during the fact-finding process required attention, which led to the creation of an Action Plan which was published on 29 February 2024. A full copy of which can be found on the [S4C website](#).

Sioned Wiliam was also announced as interim Chief Executive and took office on 08 April 2024.

The Action Plan was developed in consultation with stakeholders, including members of staff and the Bectu union. It is based around four themes – leadership, culture, HR policies and procedures, and governance – and includes the following actions:

## Leadership:

- Recruit a permanent Chief Executive, once DCMS have appointed a substantive Board Chair.

## Culture:

- Review S4C's values.
- Review and simplify the presentation of S4C's strategy to staff and key stakeholders.
- Develop a more effective internal communications plan.
- Create and deliver a training plan which encompasses the needs of all staff – including managers and members of the Management Team.
- Review continuous development arrangements.

## Policies and Procedures:

- Review S4C's Whistleblowing, Respect in the Workplace, Discipline, and Grievance policies.
- Commission an external review of the human resources function and procedures.
- Develop a suitable policy for dealing with complaints about non-executive members.
- Review the Code of Practice for members of the S4C Board.

## Governance:

- Commission an external review of governance effectiveness.
- Review the S4C Board's Standing Orders.
- Agree a plan that outlines responsibilities for building and maintaining key stakeholder relationships.

The effectiveness of steps being taken as part of the Action Plan will be considered in the context of various feedback mechanisms, including: pulse surveys of S4C staff, feedback gathered through the quarterly meetings of the Staff Forum (which is shared with the Management Team and the Board), and annual meetings between BECTU and the Board.

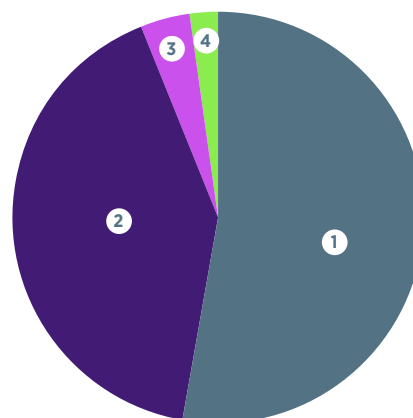
The S4C Board monitors progress on the delivery of the Action Plan at each meeting.

## Expenditure as a result of the fact-finding process

The S4C Authority agreed to use S4C's reserves to cover the cost of the fact-finding exercise and all related and / or consequential expenditure. This was to ensure that expenditure on producing content and delivering S4C's strategic priorities weren't affected by the additional expenditure being incurred.

During 2023–24, the cost of this expenditure was £564k and can be attributed as follows:

1. Capital Law - fact-finding exercise	52%
2. Capital Law - legal advice to the S4C Authority	42%
3. Hugh James - legal advice to the S4C Authority	4%
4. Cenwyn Edwards - independent editorial responsibilities	2%



- Costs to Capital Law relate to the fact-finding exercise, and separate legal advice to the S4C Authority.
- Costs to Hugh James solicitors relate to advice given to the S4C Authority on whether the Chief Executive should cease discharging her responsibilities as Editor-in-Chief specifically on issues regarding the fact-finding process – due to a conflict of interest.
- Costs to Cenwyn Edwards relate to his subsequent appointment by the S4C Authority in an independent editorial capacity to fulfill these specific responsibilities.

# Governance Report

**S4C is a statutory corporation responsible for the provision of high quality public service television and digital services through the medium of Welsh, mainly for the audience in Wales, but also for the wider audience that wishes to use S4C's Welsh-language service.**

**An independent public body, S4C's constitutional structure and duties are set out in statute in the Communications Act 2003 and the Broadcasting Acts of 1990 and 1996.**

**This Governance Report sets out S4C's corporate governance framework and explains: how S4C's Board conducts its business, how the Board's members are appointed, how the Board assesses its performance and effectiveness, and how the Board delegates responsibilities to the Management Team and Chief Executive whilst ensuring appropriate accountability.**

## S4C's Corporate Governance Structure

The legislation that established S4C refers to one statutory body and television service. This report is consistent with these statutory definitions. S4C's board of directors is referred to as the (S4C) Board or the Unitary Board, and the service is referred to as S4C.

The Board has a responsibility to ensure that S4C's statutory functions, in a public and commercial service environment, are carried out in accordance with the Board's policies, relevant legislative requirements, the Ofcom Broadcasting Code, and the Partnership, Funding and Accountability Agreement with the BBC.

## The Shadow Unitary Board

The independent review of S4C published in March 2018 recommended that S4C's corporate governance structure should be based on a unitary board comprising executive and non-executive members, with clearly defined roles and responsibilities, where the executive directors and senior officers manage, and the non-executive members scrutinise and advise.

In autumn 2018, with the agreement of the Secretary of State, S4C implemented interim arrangements on an administrative basis to facilitate the governance recommendations within the current statutory provisions. The Board ratified new Standing Orders that put in place a shadow Unitary Board as recommended by the independent review of S4C.

The shadow Unitary Board comprises the non-executive members of the Board appointed by the Secretary of State, together with the Chief Executive, and up to two other executive members appointed by the non-executive members in accordance with the Standing Orders.

These interim provisions will continue on an administrative basis until the relevant elements of the Media Act 2024 are commenced which will confirm the proposed changes and amend S4C's governance framework.

Further information regarding the shadow Unitary Board can be found in S4C's Standing Orders on S4C's website.

## S4C's Accounting Officer

The Chief Executive is designated as Accounting Officer for S4C.

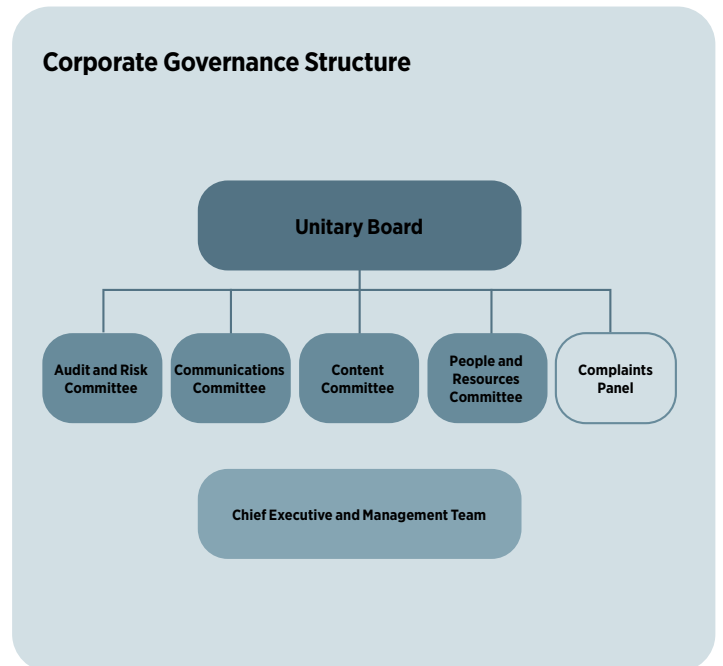
During 2023-24, the Accounting Officer was responsible to the Department of Culture, Media and Sport (DCMS) in respect of the statutory funding of S4C and, as such, was the person responsible for the proper use of Licence Fee funding paid to S4C as directed by the Secretary of State.

Following Siân Doyle's dismissal as Chief Executive on 24 November 2023, at the request of the non-executive members of the shadow Unitary Board, the responsibilities of the Accounting Officer were assumed on an interim basis by Elin Morris.

## The Chief Executive and the Management Team

The Board delegates a number of specific functions to the Chief Executive and their officers, as set out in the Board's Standing Orders. The Chief Executive is accountable to the Board for exercising these functions.

It is the responsibility of the Chief Executive, officers and staff of S4C to manage and maintain S4C on a day-to-day basis. This responsibility includes the provision of S4C's television and online services.



# The Unitary Board

**The shadow Unitary Board comprises up to nine non-executive members, together with the Chief Executive, and up to two other executive members.**

**Detailed information on the membership of the shadow Unitary Board can be found later in this report.**

**The non-executive members of the Board do not participate in S4C's day-to-day decisions. In particular, the non-executive members of the Board are not involved in any commissioning or editorial decisions. This practice has existed since 1982. It ensures that the Board remains at arm's length from decisions made by officers – especially in the case of programme content.**

## Effectiveness and Evaluation

The Board undertakes an annual evaluation of its own performance and the work of its committees and members.

An external assurance review of governance and the Board's effectiveness was undertaken during 2020 by TIAA (S4C's Internal Auditors). TIAA are independent of S4C and the review considered the high level arrangements in place through discussions with Board members and comparison to best practice guidance, in order to determine the effectiveness of the new Unitary Board. TIAA made several recommendations, and these have since been fully implemented by the Board.

During 2023–24, in accordance with best practice, the Board and sub-committees engaged in a self-assessment of their performance, and the feedback received will inform meeting arrangements from 01 April 2024 onwards.

## Responsibilities of the Board

The Board's main responsibilities include:

- providing S4C's television and digital & online services;
- ensuring compliance of the services with the relevant regulatory requirements, including the Ofcom Broadcasting Code;
- taking into account the audience's views regarding S4C's provision;
- approving S4C's strategy, annual budget and long term financial plans;
- overseeing, approving and scrutinising the proper management of S4C;
- operating as a public body;
- acting as regulator in a limited number of areas relating to S4C's online services;
- preparing annual reports and accounts; and
- appointment of the Chief Executive and Secretary.

Further information regarding the Board's procedures and responsibilities can be found in its Standing Orders on the [www.s4c.cymru](http://www.s4c.cymru) website.

## Annual Report and Statement of Accounts

The Board has a specific duty to submit an Annual Report and Statement of Accounts of S4C's activities to the UK Parliament each year.

In addition, the Board has agreed to present S4C's Annual Report and Statement of Accounts before the Welsh Parliament.

The Annual Report and Statement of Accounts also form the basis of S4C's appearances before parliamentary committees – including the UK Parliament's Welsh Affairs, and Culture, Media and Sport committees; and the Welsh Parliament's Culture, Communications, Welsh Language, Sport, and International Relations Committee – which provides an element of external scrutiny of and accountability for S4C's activities.



## Regulatory Compliance

S4C's television service is regulated by Ofcom. Under these provisions S4C is required to comply with a wide range of regulatory requirements set out in legislation, and also by Ofcom, the UK's communications regulator.

S4C has a statutory duty to comply with the Ofcom Broadcasting Code and other regulatory requirements. Ofcom has a wide range of regulatory powers and sanctions relating to S4C's television services.

As part of the annual reporting process to Ofcom, S4C pays Ofcom a Regulatory Fee and provides a wide range of information to Ofcom, including financial information, quantitative information about the performance of the service and information regarding compliance with Ofcom's relevant quotas.

The Unitary Board continues to exercise a limited number of regulatory responsibilities that relate to S4C's online services that are outside the provisions of the Ofcom Broadcasting Code.

The Board has agreed and published S4C's Complaints Process which details how complaints relating to compliance or regulatory matters in relation to S4C content are considered.

Where complainants wish to appeal against a decision taken by the Chief Executive under S4C's Complaints Process, the matter is considered by the Board's Complaints Panel, which is convened as required. The Complaints Panel is comprised of three non-executive members of the Unitary Board.

## Audience opinions

The Board has a statutory duty to make arrangements for ascertaining the state of public opinion concerning programmes published by S4C, any effects of such programmes on the attitudes or behaviour of viewers as well as the types of programmes that members of the public would like to see on S4C.

The arrangements put in place by the Board include: a Viewers' Panel, which provides weekly feedback on programmes broadcast by S4C; an annual survey on the audience's perception of S4C; and consideration of relevant data collated via BARB, S4C Clic and the BBC iPlayer.

The Board is also responsible for ensuring that appropriate provisions exist to enable viewers to complain to S4C about the service's programmes. Information regarding submitting a complaint about S4C's programmes can be found on the [www.s4c.cymru](http://www.s4c.cymru) website.

## Oversight of climate-related issues

The Board takes a continued interest in S4C's activities with respect to the climate-related issues.

While day-to-day responsibilities in this respect are discharged by the Management Team, the Board receives frequent updates on initiatives being progressed to reduce the impact of S4C's content and corporate activity on the environment.

During 2022-23, the Board received a presentation on latest developments and the steps being taken to ensure that content produced for S4C achieves Albert accreditation. A further update was provided to the Board on 14 March 2024.

The policy statement approved by the Board in December 2022 on S4C's social and economic contribution also sets out S4C's intention to 'Create Value Sustainably'. A detailed update on this activity is provided elsewhere in this publication.

# Financial Functions

## Budget Preparation and long term financial plans

S4C's budget for each financial year (and any subsequent amendments to it) is approved by the Board. The Board also considers and approves a projected five-year financial plan that sets the long-term direction.

The Chief Executive and Management Team are responsible for considering in detail S4C's draft annual budget, along with long-term financial plans and recommending such budgets and plans to the Board for consideration and approval.

## Audit Functions

The Board has a statutory duty to ensure proper audit arrangements for all aspects of S4C's financial matters. The audit function is divided into two agreements – for External Audit and Internal Audit.

## External Audit arrangements

Following the recommendation of the Independent Review of S4C relating to S4C's audit arrangements, an agreement was reached in October 2019 between S4C and the NAO, facilitating the appointment by the Secretary of State of the Comptroller and Auditor General as S4C's external auditors, until the relevant elements of the Media Act 2024 are commenced. A Letter of Engagement between the NAO and S4C is in place.

## External Auditors' Report

The External Auditors' Report to the Unitary Board can be found within the financial statements for 2023-24.

## Internal Audit

Following a public tendering process, TIAA were appointed as S4C Internal Auditors in September 2019 for a period of three years (until the end of the 2021-22 financial year). On 16 February 2022, TIAA were appointed for a further term following a public tendering process. They will now serve as S4C's Internal Auditors for a three-year period commencing 01 April 2022, with the possibility of two further one-year extensions as appropriate.

An internal audit function has been maintained throughout the year to provide assurance as to the operation and validity of the system of internal control. The Internal Auditors independently review the control process implemented by management and report to the Accounting Officer and the Audit and Risk Committee.

Should there be weak or inappropriate controls in place, thus creating an element of risk to the organisation, the relevant planned corrective actions are independently monitored by the Audit and Risk Committee for timely completion.

## Risk Management and Internal Control

The identification and management of risks is at the heart of the Board's work. The Board and the Management Team have a clear responsibility for the identification of risks facing S4C and for putting in place procedures to monitor and mitigate such risks. The Board and the Management Team operate a risk management framework for identifying, evaluating and managing significant risks faced by S4C. This framework has been developed in accordance with relevant good practice guidance on internal controls and risk management.

Following publication of guidance for directors on internal control, "Internal Control; Guidance for Directors on the Combined Code" (the Turnbull guidance), the Board confirms there is an ongoing process for identifying, evaluating and managing the significant risks faced by the group, which has been in place for the year under review and up to the date of approval of the Statement of Accounts, and that this process is regularly reviewed by the Unitary Board and the Audit and Risk Committee and accords with the guidance.

The key elements of the system of internal control are as follows:

### Financial Management

S4C operates a comprehensive management reporting system that includes preparing annual budgets for each cost centre. These budgets are approved by the Board as part of the overall budget for the year. The results of the cost centres are reported monthly and compared to the budget. Significant variances from budget are investigated as appropriate. Forecasts of commitments are prepared regularly throughout the year.

### Financial Reports

The Board has established systems of internal control and risk management systems that relate to the group's financial reporting process and the group's process for the preparation of consolidated accounts. The Audit and Risk Committee is responsible for overseeing and monitoring these processes, which are designed to ensure that the Board complies with relevant reporting and regulatory provisions.

### Whistleblowing Arrangements

S4C has a 'whistle-blowing' (disclosure) policy to facilitate the confidential communication of relevant information or any incident in confidence. This policy is published on the S4C intranet site. The Audit and Risk Committee, on behalf of the Board, is responsible for ensuring that there are appropriate arrangements in place for the proportionate investigation of matters reported and for appropriate follow-up action.

### Monitoring of Business Controls and Risks

The Board has delegated the task of identifying and evaluating significant business-related risks to the Management Team, together with the planning and implementation of appropriate internal controls. These risks are assessed on a continuous basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, competition, natural disasters and regulatory requirements.

The Chief Executive reports regularly to the Board and the Audit and Risk Committee on risk management issues, and the Committee considers the Strategic Risk Register at every meeting. The Chief Finance Officer also provides quarterly financial performance information to the Board.

The Chief Executive reports to the Board on behalf of the Management Team on significant changes in the business and the external environment that affect significant risks. Where areas for improvement in the system are identified, the Board considers recommendations made by the Management Team and the Audit and Risk Committee.

### Assessing Main Risks, Uncertainties and Opportunities

S4C's Strategic Risk Register is based on an assessment of S4C's Strategic Priorities and the risks that can affect the delivery of these priorities. Officers provided regular reports during the year for the Audit and Risk Committee to monitor risk management and enhancements to the risk register. In addition, relevant reports and assurances were provided by the internal auditors thus enabling the committee to critically assess S4C's risk profile during the year.

The risk assessment set out below contains the principal risks and uncertainties identified during the year, and the actions taken to mitigate these risks. These risks are intended to capture at a strategic level the potential risks that could have significant impact upon S4C's ability to deliver its statutory obligations.

The main areas of risks identified remain similar to the previous year and can be categorised as being related to the provision and quality of the service, and strategic, financial and governance matters.

### 1. The Audience and Service Performance

S4C's primary duty is to provide a Welsh language digital television service consisting of a broad range of high quality and diverse programming. To provide such a service, the Board must ensure that it listens to the needs of its audience, that S4C responds appropriately to these needs and that the independent production sector is able to deliver high quality content.

The Board actively monitored the quality and performance of the service throughout the year, using a wide range of independent information sources and consulting widely with the audience through a range of different methods.

Working closely with independent producers, S4C has discussed audience comments and identified ways of improving the programme output whilst also securing value for money through this collaboration.

Given the rapid development of media platforms, S4C needs to ensure that it can address viewing patterns and audience requirements for content across various current and future digital platforms, including online services, High Definition and other content formats. The Board is satisfied that S4C has the processes in place to monitor and analyse the performance of the S4C across the various services it provides. However, meeting increasing viewer expectations including the cost of providing more choice and quality content on as many platforms and devices as possible requires continued investment, and this will continue to form part of budgetary discussions.

S4C's technical infrastructure is required to deliver its content over an increasing range of platforms, to deliver a very high level of service availability and quality on a 24/7 basis. Business continuity plans within S4C are designed to ensure that these technical systems are robust and that appropriate and proportionate arrangements are in place to deal with major technical incidents.

Since January 2021, S4C has co-located technical broadcast services with those of BBC Cymru Wales at Central Square, Cardiff.

### 2. Strategic and Financial

Since April 2022, S4C's public funding has been provided entirely through the Licence Fee, with all future funding decisions made as part of the Licence Fee funding settlement.

Prior to the new funding arrangements coming into effect, in January 2022, the Secretary of State wrote to S4C to confirm the 2022 Licence Fee settlement – and in doing so, recognised S4C's unique cultural and social position as the only Welsh language broadcaster in the UK, playing a vital role in the future of the Welsh language and the Welsh Government's ambition for one million Welsh speakers by 2050.

The Secretary of State's determination confirmed that from 01 April 2022, S4C would see the consolidation of its previous Licence Fee funding (£74.5 million per annum) together with the grant income from DCMS (£6.85 million per annum). A further £7.5 million per annum was awarded from the Licence Fee to support S4C's digital development.

In total, this provided S4C with approximately £88.85 million in Licence Fee funding from 01 April 2022, with this amount to increase annually in line with CPI inflation from 01 April 2024 until the end of the settlement period (31 March 2028).

Despite this certainty of funding over the medium period, the Unitary Board is very mindful of the particular risks posed by inflation – both in the content production sector and the wider economy. Appropriate steps are therefore being taken by the Management Team to work with the independent production sector to manage costs and ensure value for money for audiences.

S4C is also engaging in the BBC Funding Model Review process being undertaken by DCMS, which will have implications for S4C's own future funding arrangements should the current licence fee model be revised.

### 3. Governance and Structure

The Board's system of and procedures for corporate governance are formally reviewed to ensure that they are robust and fit for purpose.

An assurance review of governance and the Board's effectiveness was undertaken during 2020 by TIAA (the Internal Auditor). The review considered the high level arrangements in place through discussions with Board Members and comparison to best practice guidance, in order to determine the effectiveness of the new Unitary Board. The Board has since implemented all recommendations made by TIAA.

The Board has continued to implement a number of the recommendations of the independent review of S4C published in March 2018 relating to the structure and governance of S4C. This includes the appointment of the Comptroller and Auditor General as S4C's external auditor in 2019.

Following the fact-finding exercise commissioned by the non-executive members of the Board in May 2023, and the decisions subsequently taken, the Board published an Action Plan on 29 February 2024. This Plan includes specific actions to review S4C's governance arrangements, such as commissioning an external review of governance effectiveness and reviewing S4C's Standing Orders. This Action Plan is scheduled to be completed during the course of the 2024-25 reporting year.

A Partnership, Funding and Accountability Agreement between S4C and the BBC has been in place since November 2017. The Board has introduced reporting processes for the provision of financial assurance to the BBC and has presented the required Financial Assurance Reports to the BBC's Audit Committee.

### Risk Appetite Statement

On 14 March 2024, the Board approved a new Statement which outlines S4C's risk appetite.

This risk appetite statement sets out how the S4C balances threats and opportunities in pursuit of achieving its objectives. Understanding and setting a clear risk appetite level is essential to achieving an effective risk management framework. Establishing and articulating the risk appetite level helps to ensure that S4C responds to risk consistently, in line with a shared vision for managing risk. There are risks facing the S4C such as legal compliance and finance where its risk appetite may be very low. Conversely there are risks with choices about change and development, projects, research and delivery roles, where some risk taking is expected. The risk appetite sets out the level of residual risk which is tolerable: where the risk appetite is low, we will either choose options which have low inherent risk, or devote more resources into making sure that we have fully mitigated the inherent risks of the option we want to pursue; where the risk appetite is high, we are more likely to choose options with a high degree of inherent risk or devote less resources to mitigating the risks.

The risk appetite statement forms a key element of S4C's assurance and governance framework and is set by the S4C Board. Breaches of risk appetite, or tensions arising from its implementation will be dealt with by the Audit and Risk committee as appropriate. These may reflect a need to review the risk appetite statement. In determining the statement it is recognised that risk appetite is subject to change and needs to flex in line with S4C's strategic environment and business conditions; and as such the statement will be reviewed on a regular basis and at least annually.

S4C distinguishes between those risks which are mostly operational in nature (and as such are within our control) and those external risk factors which are not directly within our control but which nevertheless must be identified and considered to address those risks we can influence or contingency plans we need to make. This will be discussed and escalated through internal line management chains.

### Overarching Risk Appetite Statement

*S4C does not have a single risk appetite, but rather appetites across the range of its activities. S4C recognises that it may choose to accept different degrees of risk in different areas. S4C has agreed an appropriate level of risk appetite for the differing areas of its business. Where S4C chooses to accept an increased level of risk it will do so, subject always to ensuring that the potential benefits and threats are fully understood before actions are authorised, that it has sufficient risk capacity, and that sensible and proportionate measures to mitigate risk are established.*

## S4C Board Membership

**The shadow Unitary Board comprises the Chair and up to eight non-executive members; the Chief Executive and up to two further executive members.**

**Non-executive members of the S4C Board are appointed by the Secretary of State for Culture, Media and Sport, following consultation with the Secretary of State for Wales, and the Welsh Government.**

**Non-executive positions on the Board are advertised publicly, and appointments are made in accordance with the public appointments process.**

**The non-executive membership bring a breadth of experience and knowledge and are independent of the Management Team and of any business or other relationship which could interfere with the exercise of their independent judgment. This structure ensures that the members' decision making cannot be dominated by an individual or small group.**

**The Chief Executive is an ex officio member of the shadow Unitary Board, while any other executive members of the shadow Unitary Board are appointed by the non-executive members, in accordance with the provisions of S4C's Standing Orders.**

### Diversity

Diversity within the Board membership is considered as part of the selection process run by DCMS. Diversity within the organisation is key to ensuring that S4C's service reflects its audience and their needs.

### Training and Board Members' Induction Programme

A tailored induction programme is provided to all new Board members.

The induction process includes meetings with key individuals within S4C and the Board, the provision of core information relating to directors' duties, information relating to the operation of S4C's business, the media sector and also the principal risks and uncertainties facing S4C.

During 2023–24, training and development opportunities were provided to Board members on various topics, including:

- Key principles and best practice examples on operating as a Unitary Board;
- Activities in relation to the environment, sustainability, and diversity; and
- The independent production sector in Wales, and key developments within the broadcasting sector nationally.

Additionally, members have been offered opportunities to participate in Non-Executive Director development sessions provided by the UK Government Cabinet Office.

### Members' Interests

A register of members' external interests can be found on S4C's website, [www.s4c.cymru](http://www.s4c.cymru).

During the period no non-executive members had an interest in contracts with S4C.

### Members' Remuneration

Details of the remuneration of the Board's members can be found in a note to the Statement of Accounts.

# Membership 2023-24

The composition of the Unitary Board remained relatively static during the reporting year.

Decisions to end the employment of two individuals during the course of the reporting year resulted in changes to the executive membership of the shadow Unitary Board.

## Lead Non-Executive Member

The role of Lead Non-Executive Member was created by the Board in 2016 following advice given by DCMS to its sponsored bodies.

On 08 December 2022, Chris Jones was appointed by the Board as the new Lead Non-Executive Member.

The Lead Non-Executive Member's responsibilities include providing advice and assistance to the Chair; gathering feedback from Board members on the Chair's performance as part of the DCMS-led annual Chair's appraisal; where difficulties or tensions exist in the relationship between the Chair and the Chief Executive, to be responsible for facilitating a resolution of such matters; and working with the Chair and other Board members to seek resolution of any material issues or disputes that impact upon the Board's work.

## Skills

Upon appointment, and once a year, all members of the Board are invited to declare the skills and experiences they can draw upon to make the most effective contribution to S4C and the work of the Board.

The skills balance within the Unitary Board membership is considered as part of the selection process run by DCMS.

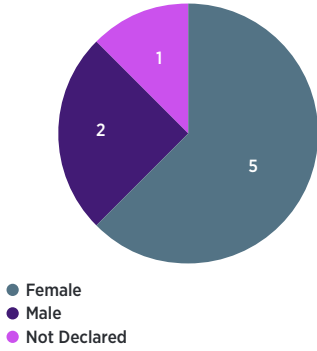
As at 31 March 2024, shadow Unitary Board members possessed direct skills and experiences in the following areas:



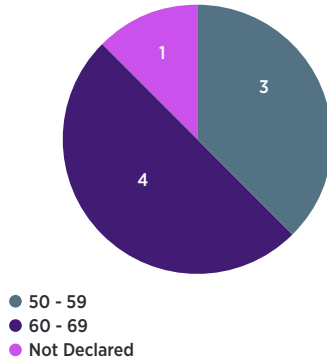
Building on a similar exercise in 2022-23, shadow Unitary Board members were again invited to declare information to enable relevant data on the diversity of the membership to be collected.

The diversity of the shadow Unitary Board as at 08 April 2024 was as follows:

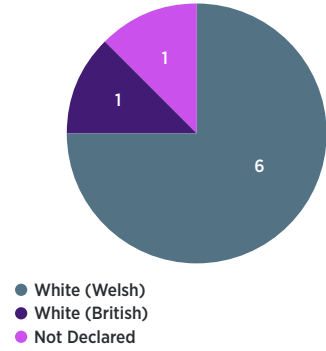
Sex



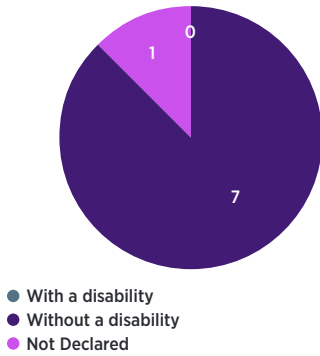
Age



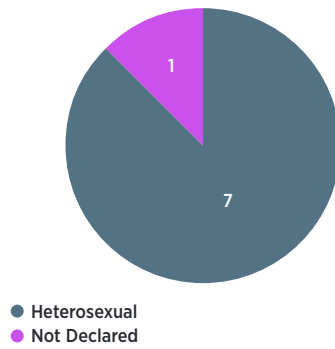
Ethnicity



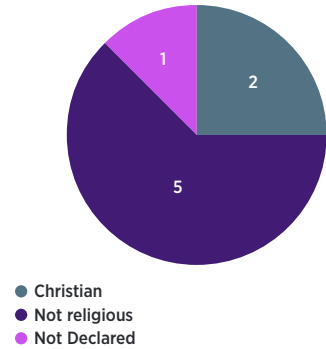
Disability



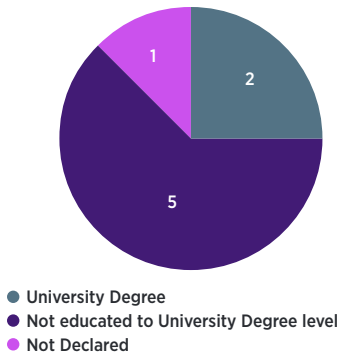
Sexual Orientation



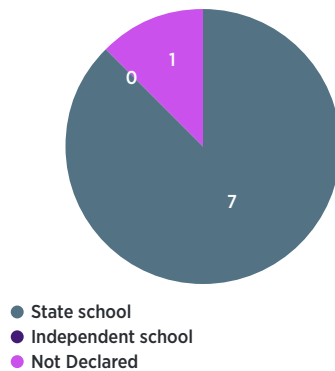
Religion



Standard of education attained by parents



School attended between 11 - 16 years





**Rhodri Williams – Chair  
Non-Executive Member**

**Term of appointment: 02.07.2018 – 31.03.2024  
(Chair 01.04.2020 – 31.03.2024)**

Rhodri is non-executive member of the Board of the Consumer Council for Water and the Chair of its Wales Committee. He was Ofcom's Director in Wales between 2004 and 2018. He co-founded Agenda Television in 1990 and before that was a member of ITV's Y Byd ar Bedwar team. His previous non-executive positions include Member and Chair of the Welsh Language Board (1997-2004) and a member of the Board of Visitors at Her Majesty's Prison, Cardiff.



**Guto Bebb  
Non-Executive Member**

**Term of appointment: 01.02.2021 – 31.01.2025**

Guto has been Chief Executive of the Farmers' Union of Wales Insurance Services since 2020 and Chief Executive of the Farmers' Union of Wales Group as a whole since February 2021. Prior to that, he was Member of Parliament for Aberconwy for a decade and served as a Minister in the Wales Office and the Ministry of Defence.

A native of Flintshire, Guto has lived in Caernarfon for around forty years. Prior to his election to Westminster he ran various businesses including an economic development consultancy and a bookshop.



**Suzy Davies  
Non-Executive Member**

**Term of appointment: 01.08.2022 – 31.07.2026**

A qualified lawyer, Suzy followed careers in arts marketing and as a senior solicitor with ten years' service as a Member of the Senedd, which included a term as Shadow Minister for Culture, Heritage and the Welsh Language.

Since then, she has been an advocate for tourism in Wales, as Chair of the Wales Tourism Alliance, and continues to campaign on greater equality as a board member with Women's Equality Network. She is also a member of Colegau Cymru board and the Children's Commissioner's audit and risk board. A founder member of the Wales International Film Festival, she is now a member of the Iris Film Festival Board.

Born in Swansea, Suzy was raised in Bridgend, the Cynon Valley, Cardiff and Brecon. After working in Swansea, Newton and Aberystwyth, she settled in the Dyfi Valley where her family has a farm and tourism business, and where she learnt Welsh.



**Adele Gritten  
Non-Executive Member**

**Term of appointment: 01.02.2021 – 31.01.2025**

Adele was born and bred in Swansea and is an experienced Board level Executive having worked in senior management roles for a range of media, marketing and research consultancies for over 20 years, including YouGov.

Adele Joined Local Partnerships LLP as its Chief Executive in November 2022, a company jointly owned by the Local Government Association, HM Treasury and the Welsh Government.

A proven, respected and trusted leader, Adele holds an MA in Social and Political Science from the University of Cambridge.



**Chris Jones – Lead Non-Executive Member (from  
08.12.2022)  
Non-Executive Member**

**Term of appointment: 01.02.2021 – 31.01.2025**

Chris was a co-founder of Glas Cymru Cyf, which acquired Welsh Water in 2001 to create the UK's only non-shareholder owned utility company. He was CFO of Welsh Water from 2001 to 2013, and then Chief Executive until he stepped down in May 2020.

He is currently an Non-Executive Director of Xoserve Limited (the central data services provider for Britain's gas market) and is a former Non-Executive Director of the Principality Building Society. He is Lay Member of the Council of Cardiff University and has had a range of trustee and advisory roles with third sector organisations, including the Prince's Trust, the Institute of Welsh Affairs, Water UK and CBI Wales.

Chris learned Welsh as an adult. He was awarded a CBE in the Queen's Birthday Honours List in 2020.





**Denise Lewis Poulton**  
**Non-Executive Member**  
**Term of appointment: 01.04.2021 – 31.03.2025**

Denise is an experienced strategic communications, brand and corporate affairs specialist.

Born and bred in Newcastle Emlyn, she was educated at Llandysul Grammar School and King's College, University of London.

She spent her corporate career primarily as a senior director at international telecommunications companies such as Bell Canada plc, Cable & Wireless Communications plc and Orange plc.

She went on to set up a consultancy business advising a number of cultural, media and public sector organisations including the Welsh Government, the Welsh Parliament, S4C, and the Millennium Centre in Cardiff.

She has served as a Trustee and Non-Executive Director with several national cultural organisations including The Welsh National Opera, the Hay Literary Festival, and The Wallace Collection in London. She is an Honorary Lifetime Fellow of BAFTA.

In March 2023, Denise was appointed Trustee of the National Lottery Heritage Fund and National Heritage Memorial Fund and was appointed Chair of the Wales Committee.



**Siân Doyle**  
**Chief Executive (until 24.11.2023)**  
**Executive Member**

Siân Doyle took up the post of S4C's Chief Executive and Accounting Officer in January 2022. She was dismissed from the role on 24.11.2023.

Prior to joining S4C, Siân had extensive experience in the telecommunications and retail sectors in the UK, Canada and the United States. She was a Managing Director with telecommunications company TalkTalk, and was previously Retail Director with EE. She was also Senior Vice President of Retail at Comcast Cable in Philadelphia.

Educated at Ysgol Glan Clwyd, St Asaph, Siân graduated in History and Politics from Cardiff University.



**Llinos Griffin-Williams**  
**Chief Content Officer (until 12.10.2023)**  
**Executive Member**

She was dismissed from the role on 12.10.2023.

Before joining S4C in April 2022, Llinos was Creative Director of Cardiff based independent production company, Wildflame.

During her tenure at the award-winning Welsh indie, she helped spearhead the company's move into international content development with contracts from global broadcasters including Discovery+, Paramount+, Smithsonian Channel/ViacomCBS and Science Channel as well as selling content to Amazon Prime, Acorn, BritBox and Nat Geo.



**Geraint Evans**  
**Director of Content and Publishing Strategy , and interim Chief Executive (25.11.2023 to 31.03.2024)**  
**Executive Member**

Prior to his appointment as Director of Content and Publishing Strategy in spring 2022, Geraint Evans was S4C's Commissioner for News and Current Affairs.

Since joining S4C in 2019 he relaunched the popular discussion programme Pawb a'i Farn, he has commissioned a number of powerful current affairs documentaries such as Llofruddiaeth Mike O'Leary, Prif Weinidog mewn Pandemig, and Cadw Cyfrinach and has been responsible for leading S4C's News provision into the digital age by developing a new digital news service for S4C.



**Elin Morris**  
**Chief Operating Officer, and interim Chief Executive (25.11.2023 to 31.03.2024)**  
**Executive Member**

Elin hails originally from Llanrhystud, Aberystwyth. She was a lawyer in the Corporate Department of Geldards for over 18 years.

She was appointed Corporate and Commercial Director at S4C in 2009, becoming Chief Operating Officer in 2018.

# Attendance

The table below notes attendance at meetings of the Unitary Board and its committees.

01 April 2023 - 31 March 2024					
	Unitary Board	Audit and Risk Committee	Communications Committee	Content Committee	People and Remuneration Committee
Number of meetings during the year	7	5	4	3	2
Rhodri Williams	7/7	X	4/4	3/3	2/2
Guto Bebb	7/7	5/5	3/4	3/3	X
Suzy Davies	6/7	5/5	4/4	X	X
Adele Gritten	5/7	X	X	3/3	2/2
Chris Jones	7/7	5/5	X	X	2/2
Denise Lewis Poulton	6/7	X	4/4	2/3	X
Siân Doyle	2/3	3/3	2/2	1/1	1/1
Elin Morris	7/7	5/5	X	X	2/2
Llinos Griffin-Williams	1/2	X	2/2	1/1	X
Geraint Evans	2/2	X	1/1	2/2	X

Attendance is expressed as the number of meetings attended as a formal member / the number of meetings that the member was expected to attend.

# The Management Team

**The Board delegates a number of specific functions to the Chief Executive and their officers, who form S4C's Management Team in accordance with the relevant Standing Orders.**

**The Management Team is responsible for the day to day operation of S4C, and is accountable to the S4C Board through the Chief Executive.**

**The Board is responsible for approving appointments to the Management Team. The membership of, appointments, changes to and terms and conditions of the Management Team are proposed to the Board by the Chief Executive, via the People and Remuneration Committee.**

## Membership 2023-24

During the reporting year, there were changes to the composition and membership of the Management Team.

The following served on the Management Team during 2023-24:



### **Siân Doyle (until 24.11.2023) Chief Executive**

Siân Doyle took up the post of S4C's Chief Executive and Accounting Officer in January 2022. She was dismissed from the role on 24.11.2023.

Prior to joining S4C, Siân had extensive experience in the telecommunications and retail sectors in the UK, Canada and the United States. She was a Managing Director with telecommunications company TalkTalk, and was previously Retail Director with EE. She was also Senior Vice President of Retail at Comcast Cable in Philadelphia.

Educated at Ysgol Glan Clwyd, St Asaph, Siân graduated in History and Politics from Cardiff University.



### **Manon Edwards Ahir Director of Communications and Marketing (from 19.06.2023)**

Manon has worked in journalism and communications for over twenty-five years. She was most recently Head of Planning and External Affairs at Amgueddfa Cymru, the National Museum of Wales after spending a period as Head of News, Media, and Digital at Wales' seat of democracy, overseeing the communications and rebrand of the National Assembly for Wales as it evolved to Senedd Cymru, the Welsh Parliament.

Previously she co-owned and was Managing Director at the award-winning bilingual communications agency, Mela Media, representing a wide roster of private and public sector clients with a specialism in the media and broadcast sector.

Manon is also a Non-Executive Director with Welsh National Opera.



### **Geraint Evans Director of Content and Publishing Strategy, and interim Chief Executive (25.11.2023 to 31.03.2024)**

Prior to his appointment as Director of Content and Publishing Strategy in spring 2022, Geraint Evans was S4C's Commissioner for News and Current Affairs.

Since joining S4C in 2019 he relaunched the popular discussion programme Pawb a'i Farn, he has commissioned a number of powerful current affairs documentaries such as Llofruddiaeth Mike O'Leary, Prif Weinidog mewn Pandemig, and Cadw Cyfrinach and has been responsible for leading S4C's News provision into the digital age by developing a new digital news service for S4C.



### **Llinos Griffin-Williams Chief Content Officer (until 12.10.2023)**

She was dismissed from the role on 12.10.2023.

Before joining S4C in April 2022, Llinos was Creative Director of Cardiff based independent production company, Wildflame.

During her tenure at the award-winning Welsh indie, she helped spearhead the company's move into international content development with contracts from global broadcasters including Discovery+, Paramount+, Smithsonian Channel/ViacomCBS and Science Channel as well as selling content to Amazon Prime, Acorn, BritBox and Nat Geo.



**Elin Morris**  
**Chief Operating Officer, and interim**  
**Chief Executive (25.11.2023 to 31.03.2024)**

Elin hails originally from Llanrhystud, Aberystwyth. She was a lawyer in the Corporate Department of Geldards for over 18 years.

She was appointed Corporate and Commercial Director at S4C in 2009, becoming Chief Operating Officer in 2018.



**Amanda Rees**  
**Director of Platforms**  
**Member of the Management Team until 13.10.2023**

Amanda directed, produced and executive produced a wide range of factual programmes for broadcasters across the world before forming her own company in 2012. Her programme Finding Mum and Dad (for Channel 4) was nominated for Grierson and Broadcast awards in 2015.

Amanda was appointed Director of Content at S4C in October 2016. Since December 2021, Amanda served as S4C's Director of Platforms.



**Catrin Whitmore**  
**Human Resources Director**

Having started her career in the independent sector, Catrin later joined the BBC, where she worked on various productions before leading the Talent function within Wales and Bristol for BBC Studios.

Originally from the Rhondda, Catrin is passionate about nurturing talent and developing the creative sector within Wales.



**Sharon Winogorski**  
**Chief Finance Officer**

Sharon is a chartered accountant. Prior to joining S4C in 1998, Sharon worked for a number of companies and organisations.

She was appointed to S4C's Management Team in October 2018. She is responsible for S4C's Finance Department and financial and budgetary issues for both S4C's public and commercial entities.

Sharon is a Welsh learner.

## The S4C Board's Work Structure

The shadow Unitary Board meets as required, and at least six times each year. Two further 'strategy days' are typically held each year, in addition to the formal meetings.

As well as the non-executive and executive Board members, other senior members of S4C's Management Team and the Board Secretary also attend the Board's meetings and take part in the Board's discussions.

The Board's Standing Orders include provisions relating to the operation of the shadow Unitary Board system, and in particular, provisions relating to status of the executive members, the quorum requirements and voting rights of the shadow Unitary Board members. These provisions will continue until the relevant statutory provisions relating to S4C's governance framework are amended.

The Management Team provides the Board members with appropriate and timely information, and Board members are free to seek any further information they consider necessary.

All members have access to advice from the Secretary and independent professionals at S4C's expense.

Board members scrutinise S4C's performance in meeting agreed goals and objectives and monitor performance reporting. They satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and implemented appropriately.

Subject to periodic review by the shadow Unitary Board of the delegation of powers and responsibilities to the Management Team and the Board's overriding statutory responsibilities, responsibility for the formulation and operation of detailed policy, in accordance with S4C's remit and Content Strategy and the conduct of the affairs of S4C, has been delegated to the Chief Executive and through them to the Management Team.

During 2023–24, the matters considered by the Unitary Board included:

- Progress on implementing 2022 Strategy, and approval of a dashboard on the delivery of the Strategy for submission to DCMS on a quarterly basis;
- An external report on S4C's contribution to the economy and society;
- Approval of: a new Welsh-language Strategy, Welsh language guidelines for S4C content, and a Social Media Policy;
- Responding to the concerns raised by Bectu in relation to the working environment at S4C;
- Approval of S4C's budget for the year 2024–25, and considering the financial forecasts for the period thereafter;
- Approval of the Annual Report and Financial Statements for 2022–23;
- Approving a programme plan for the 10 hours of content the BBC will provide to S4C in 2024–25;
- Receiving reports on the development of the Media Bill and the implications for S4C, and offering guidance where relevant;
- Considering S4C's strategy for responding to discussions on the future of the Licence Fee, and the future of public service broadcasting; and
- Holding annual meetings with representatives from TAC, and Bectu.

### The S4C Board's Committees

The Board has established a number of committees to oversee different aspects of S4C's work.

The committees regularly report to the Board, with the Board approving the committees' recommendations.

To coincide with the approval of a new corporate strategy, the committee structure was reviewed and rationalised. The revised structure came into force on 01 April 2022.

The Board now has four main committees which support effective governance processes.

In addition to the formal committee membership – which includes non-executive and executive Board members as appropriate – other senior members of S4C's Management Team and the Board Secretary also attend committee meetings and contribute to discussions.

In addition, a Complaints Panel is convened as required by the Board to consider matters raised in relation to S4C's Complaints Process.

The Board has also established a Commercial Group Board, to oversee S4C's Commercial Activities. Information on this Commercial Board is provided separately.

### Audit and Risk Committee

The Audit and Risk Committee supports the Board and Chief Executive (as Accounting Officer for S4C) in relation to the organisation's internal control and assurance arrangements.

During 2023–24, the following were members of the committee:

- Chris Jones – Chair
- Guto Bebb
- Suzy Davies

During the reporting year, the matters considered by the committee included:

- Approval of annual plans and receiving relevant reports from the internal and external auditors;
- Review of the Management Team's updates to the Risk Register;
- Receipt of specific assurance reports on: value for money, and cyber security arrangements;
- Implementation of a new risk management system, and the development of a risk appetite statement;
- Evaluation of how the Committee operates against the NAO's good practice criteria;
- Commendation of the Annual Report and Financial Statements for 2022–23 to the Unitary Board, including the review of the Governance Statement.

### Communications Committee

The Communications Committee is responsible for overseeing the strategy and performance of S4C's corporate communications and marketing activities on behalf of the Unitary Board.

During 2023–24, the following were members of the committee:

- Denise Lewis Poulton – Chair
- Guto Bebb
- Suzy Davies
- Siân Doyle, Chief Executive (until 24.11.2023)
- Geraint Evans, Interim Chief Executive (from 25.11.2023)
- Llinos Griffin-Williams, Chief Content Officer (until 12.10.2023)

During the reporting year, the matters considered by the committee included:

- Updates on communications, marketing and promotional activities;
- An external review of S4C's marketing processes, and the recommendations being implemented by management;
- Work to commission an Assessment of S4C's Contribution to the Economy and Society;
- Development of a new Marketing and Communications Strategy; and
- The structure and presentation of the Annual Report.

### Content Committee

The Content Committee is responsible for overseeing the strategy and performance of S4C's content and services, to ensure they meet the needs of the audience.

During 2023–24, the following were members of the committee:

- Guto Bebb – Chair
- Siân Doyle, Chief Executive (until 24.11.2023)
- Geraint Evans, Interim Chief Executive (from 25.11.2023)
- Llinos Griffin-Williams, Chief Content Officer (until 12.10.2023)
- Adele Gritten
- Denise Lewis Poulton

During the reporting year, the matters considered by the committee included:

- Detailed updates on the following genres: entertainment and factual entertainment, and news;
- Plans for S4C's content from live events during 2024;
- Approaches to targeting various audiences;
- The new commissioning process;
- Monthly performance reports; and
- Reports of meetings between S4C and the sector.

## **People and Remuneration Committee**

The People and Remuneration Committee is responsible for overseeing S4C's employment arrangements and monitoring their effectiveness. It also advises the Board on senior appointments and, on behalf of the Board, monitors the performance of senior managers.

During 2023-24, the following were members of the committee:

- Adele Gritten – Chair
- Rhodri Williams, Board Chair
- Siân Doyle, Chief Executive (until 24.11.2023)
- Chris Jones
- Elin Morris, Chief Operating Officer

None of S4C's employees – whether committee members or in attendance – were entitled to attend when the Committee considered any matter relating to their employment, including the outcome of their annual assessment and discussions about their salaries. In such situations, the individual concerned were asked to leave the meeting temporarily.

During the reporting year, the matters considered by the committee included:

- The outcome of the staff survey held during the year;
- The annual pay settlement for S4C employees;
- The salary benchmarking process;
- The structure and membership of the Management Team; and
- Staffing data – including absence trends, starters and leavers, and training and development.

# Report of the Audit and Risk Committee for the 2023–24 financial year

**The following report was approved by the Audit and Risk Committee at its meeting on 09 May 2024, for presentation to the S4C shadow Unitary Board, and the Interim Chief Executive as Accounting Officer.**



# Report of the Audit and Risk Committee for the 2023–24 financial year

**This report sets out the responsibilities of the Audit and Risk Committee, and summarises the business undertaken by the Committee during the period 01 April 2023 to 31 March 2024.**

**The report also sets out how the Committee has assisted the shadow Unitary Board to review S4C's internal control environment, the work of the Committee in relation to reviewing the effectiveness of the internal and external auditors, as well as overseeing activities and processes to achieve value for money.**

## Committee membership

Members of the Committee have a wide range of experience in the fields of business, financial, governance and human resources that enables the Committee to fulfil its terms of reference in a robust and independent manner.

During the 2023–24 financial year, the following individuals served as members of the Committee:

- Chris Jones, Chair
- Guto Bebb
- Suzy Davies

S4C's Chief Executive, the Chief Operating Officer, the Chief Finance Officer, and S4C Board Secretary also attend committee meetings during the period in question.

Meetings were also attended by representatives of the internal and external auditors as appropriate.

All Committee members receive appropriate training and one-to-one information sessions with the Committee Chair, the S4C Board Secretary, and other relevant staff as part of their inductions.

## Meetings

The Committee met five times during the year:

- 16 May 2023
- 29 June 2023
- 13 September 2023
- 16 November 2023
- 29 February 2024

All meetings were quorate.

All members of the shadow Unitary Board were invited to attend the meeting held on 29 June 2023 to receive the report of the National Audit Office (NAO) on the external audit of the Annual Report and Financial Statements for the year ended 31 March 2023.

In accordance with best practice, Committee members meet in private with the internal and external auditors annually – typically in advance of the meeting at which the audited Annual Report and Financial Statements are presented for consideration.

The Committee's minutes are formally reported to the Unitary Board after each meeting of the Committee.

## Terms of Reference

The Committee's terms of reference were last revised by the Unitary Board during the final quarter of 2021–22, in the context of a wider review of the committee structure.

In accordance with the current terms of reference, the Audit and Risk Committee supports the Unitary Board and Chief Executive (as Accounting Officer for S4C) in relation to the organisation's internal control and assurance arrangements. It is accountable to the Unitary Board. The Committee's full terms of reference can be found at [www.s4c.cymru](http://www.s4c.cymru).

The Committee has agreed an annual work plan which ensures that all responsibilities detailed in the terms of reference are considered at the appropriate point in the meeting cycle.

# Internal Audit

## Arrangements

During 2023–24, the Committee continued to oversee the work of S4C's internal auditors, TIAA, taking account of their reports, management's responses, and action plans as a result of relevant recommendations. The Committee also considered an assessment of S4C's audit needs and approved the internal auditors' annual work plan.

TIAA were originally appointed as S4C's internal auditors in 2019, for a period covering the three reporting years to 2021–22. Following a competitive tender process during early 2022, TIAA were reappointed by the Committee as internal auditors from 01 April 2022 for a period of three (and up to five) years.

## Internal Audit Plan and Reports

TIAA presented its draft Internal Audit Plan for 2023–24 to the Committee on 16 February 2023. This had been developed in consultation with senior management and was the second session within the course of a three-year rolling programme (2022–23 to 2024–25) of auditing.

Six internal audits were completed by TIAA during 2023–24, in relation to:

- Business Continuity;
- Risk Management Framework;
- Key Financial Controls;
- Human Resources – Appointment Process;
- Commissioning and Content; and
- Procurement.

One of these audits was advisory in nature, with appropriate assurance assessments provided by TIAA for the remaining audits undertaken. Members particularly noted that all these audits resulted in 'Reasonable' or 'Substantial' assurance ratings, which was notable given the internal situation during 2023–24 as a result of the fact-finding exercise and related decisions.

All reports were presented to the Committee for consideration. The Committee focussed on all weaknesses and recommendations reported by the Internal Auditors, but were particularly concerned with such areas where the conclusion significantly affected the assurance rating.

## Recommendations Log

The log of outstanding recommendations has been regularly monitored by the Committee and updated. Members have been apprised of progress against all outstanding points, have been notified as to what issues have been resolved since the previous meeting, and which recommendations are still outstanding. Where required, members challenged management over delays in addressing internal audit recommendations.

As part of the agreed Internal Audit Plan for the year, TIAA conducted a 'Follow-up' audit to consider progress against internal audit recommendations raised in 2022–23, as well as those raised in previous years but which remained outstanding.

22 of the 30 recommendations reviewed had been implemented. Four recommendations remained outstanding. Of these, two recommendations had yet to reach the original implementation date. One recommendation had yet to be implemented due to other existing priorities. Four recommendations had been superseded by a full review being undertaken by external consultants.

Committee members agreed to continue to monitor the implementation of the outstanding actions via the Recommendations Log at future meetings.

## Internal Audit Performance and Assessment

In their Annual Report to the Committee on 09 May 2024, TIAA included a self-assessment of their performance during 2023–24. 100 per cent of the audits had been completed within the budgeted days agreed in the Internal Audit Plan for 2023–24 (2022–23: 100 per cent), while 43 per cent of final reports had been issued by TIAA within 10 working days of receipt of responses (2022–23: 100 per cent). The delay in issuing final reports during 2023–24 was attributed to the Christmas shutdown.

The Committee confirmed that it was content with the accuracy of the summary and with the Internal Auditors' overall performance for the year.

## Internal Audit Annual Opinion 2023–24

The Head of Internal Audit's Annual Opinion for 2023–24 was presented to the Committee on 09 May 2024, and stated:

*TIAA is satisfied that, for the areas reviewed during the year, S4C has reasonable and effective risk management, control and governance processes in place.*

*This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or (the institution's) ability to meet financial obligations which must be obtained by S4C from its various sources of assurance.*

## External Audit

The NAO were responsible for undertaking the external audit of the S4C Group for the year ended 31 March 2024.

The External Audit Plan was presented to the Committee on 29 February 2024. The resulting report – summarising the outcome of the audit process – was presented to the Committee on 27 June 2024. All Unitary Board members were invited to attend this meeting of the Committee to receive the NAO's report.

Elements of the Group's Annual Report and Financial Statements for the year ended 31 March 2024 – including the proposed Governance Report – were presented to the Committee on 09 May 2024 for consideration. Members provided feedback on these drafts.

## Risk Management

Throughout 2023–24, the Chief Financial Officer presented reports and updates on developments in risk management within S4C together with copies of the Strategic Risk Register. Specific changes to risk ratings were reported and discussed as were mitigating factors.

Members were also briefed on the deployment of a new risk management software package. This included a presentation on the new features offered by the software, which led to enhanced reporting to the Committee on risk being introduced during the reporting year.

During 2023–24, the key risks discussed by the Committee included:

- cyber-security arrangements, both in terms of protection offered through the outsourcing of key technological systems to the BBC, and the remaining systems organised by S4C directly; and
- a holistic view on managing risks relating to S4C's supply chain, including the effect of inflation within the production sector.

## Policy Review

On 16 November 2023, the Committee considered and approved minor revisions to S4C's Risk Management Policy. This coincided with the Committee undertaking a 'deep dive' session on S4C's risk appetite during the same meeting.

Furthermore, on 29 February 2024, the Committee considered a draft Risk Appetite Statement which had been prepared to accompany the Risk Appetite Matrix previously approved. On the Committee's recommendation, this new Risk Appetite Statement was formally adopted by the Unitary Board on 14 March 2024.

## Other Key Business

During the course of the reporting year, the Committee additionally considered the following key business:

### Review of a particular piece of content

During the 2023–24 reporting year, the Management Team commissioned S4C's internal auditors to undertake an independent review of arrangements relating to the on-going production of a particular piece of content commissioned by S4C.

The resulting report was presented to the Committee on 29 June 2023 where it was discussed by members.

## Value for Money

The Committee considered an annual report on assessing and maintaining the value for money of S4C services. As in previous years, the impact of inflation on the cost of producing content was a key consideration for member.

### Reviewing how the Committee operates

During 2023–24, the Board Secretary reviewed how the Committee operates against a self-assessment checklist for Audit and Risk Committees published by the NAO. The resulting assessment was presented to the Committee for consideration on 29 February 2024.

Overall, members agreed that the Committee already complies with recommended practice to a large extent. However, a couple of minor action points were agreed to further align with best practice.

## Conclusion and Assurance

During the period covered by this report, the Committee has reviewed reports by the internal auditors and other assurance providers, assessed the actions put in train by management to address any highlighted control issues, focussed on ensuring that agreed actions are introduced and monitored, and has considered other information presented to it.

On the basis of this work, and these assurances, the Audit and Risk Committee is able to give an assurance to the shadow Unitary Board that it can place reasonable reliance on the adequacy and effectiveness of S4C's internal controls, risk management systems and governance processes. The Committee can also assure the Unitary Board that the institution's arrangements for securing value for money are, overall, effective.

The Committee is satisfied that the completed audits provide reasonable assurance on controls in the areas covered, although it recognises that the role of the Audit and Risk Committee should not be a substitute for the operation of, and compliance with, internal controls, the responsibility for which rests with the S4C Management Team, and ultimately with the Unitary Board.

# Employment Policy Report

# S4C's Employment Policy Report

**This report provides information relating to S4C's employment and remuneration policy, and gender pay report.**

## Equal opportunities

S4C is an equal opportunities employer. It does not tolerate discrimination based on gender, race, colour, disability, neurodiversity, ethnic or socio-economic background, age, family situation, marital status, part-time or full-time employment, religion, political beliefs, sexual orientation, use of language or any other irrelevant difference, and is committed to working with diversity in a positive way. The principles of fair and open competition apply and appointments are made on merit.

S4C operates an appraisal system which sets personal objectives for all members of staff including the Management Team. These objectives are based on S4C's annual corporate objectives and performance against these objectives by all members of staff is monitored and evaluated as part of S4C's staff appraisal system.

Under the remuneration policy and existing employment agreements, S4C does not operate any performance related pay arrangements and no bonus payments or discretionary salary elements are paid to S4C staff.

## Remuneration of Non-Executive Board Members

The remuneration and period of appointment of the Chair and the non-executive members of the Board are determined by the Secretary of State for Culture, Media and Sport.

Details of the remuneration of the Chair and members are set out in Note 6 to the Statement of Accounts.

No remuneration increases were awarded by the Secretary of State to the Chair or Board members during the reporting period.

## Remuneration of Executive Board Members

Remuneration of executive members of the Board is determined by the non-executive members of the Board, in accordance with the relevant statutory provisions and the Board's Standing Orders.

## Remuneration of S4C staff

The remuneration of the Chief Executive, the Secretary and the members of the Management Team is determined by the Board. The salaries of other S4C members of staff are determined by the Chief Executive and the Management Team within the annual budget approved by the Board.

Any general salary increases for staff are ratified by the Board on the recommendation of the Chief Executive and Management Team. The median salary of all staff excluding the Management Team at 31 March 2024 was £39,817 (at 31 March 2023 - £36,867).

## Remuneration Policy

During the 2023-24 reporting year, the Board approved the following annual pay settlement for S4C employees:

- A salary increase of £2,000 for employees earning under £40,000 a year;
- A 5% increase in basic salary for employees earning over £40,000 a year

The pay settlement is intended to ensure a balance between recognising the contribution of all staff to the success of the service, with the need to ensure that S4C's total staff costs continue to account for a small percentage of S4C's total spend, providing value for money within the current funding settlement.

Remuneration of new appointments is benchmarked with comparable positions within the market to ensure S4C can attract suitably-qualified individuals.

## Annual Report on Remuneration of the Chief Executive and Management Team

The median salary of the Management Team as at 31 March 2024 was £105,389 (at 31 March 2023 - £115,135). The salary of the highest paid director was 3.3 times the median remuneration of all staff excluding the Management Team (2022-23 - 4.4 times).

Details of the remuneration of the Chief Executive and Management Team are set out in Note 6 of the Statement of Accounts.

With the exception of the Chief Content Officer and the Director of Platforms, all members of the Management Team are employed on permanent contracts.

## Performance of the Chief Executive and Management Team

The Chief Executive's performance is assessed annually by the Board. This process is led by the Chair.

S4C operates a system of performance assessment and personal and corporate objectives for Management Team members. These objectives are agreed between the Chief Executive and the individual members of the Management Team at the beginning of the year and their performance is assessed by the Chief Executive during and following the end of the year.

## Composition of S4C's workforce

At 31 March 2024, S4C's workforce comprised of 63% women and 37% men (at 31 March 2023 - 62% women and 38% men).

## The Trade Union (Facility Time Publication Requirements)

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, this report sets out the amount of time spent by S4C employees on union facility time.

### Relevant union officials

During the year, one employee acted as a relevant union official.

### Percentage of time spent on facility time

The relevant employee spent 20 contracted hours on facility time.

### Percentage of pay bill spent on facility time

Less than 1% of the total pay bill was spent on facility time.

## Gender Pay Report

New gender pay legislation came into effect in April 2017, requiring all UK companies with over 250 employees to publish their gender pay gap. Although S4C does not have more than 250 employees we have decided to publish gender pay data.

A gender pay gap shows the difference between the average pay of all women and the average pay of all men, irrespective of any differences in the work they do. As a result, it is affected by the make-up of the workforce, including numbers in different types of jobs and at different levels within the organisation.

S4C's aim is to ensure that there is gender balance across our workforce, both in terms of seniority, remuneration and the nature of the work.

Across the whole organisation, S4C's overall mean gender pay gap was 19.7% (2022-23 - 12.2%) and the median gender pay gap was 32% (2022-23 - 23.3%). The dismissal of two senior employees during 2023-24 contributed to the increased gender pay gap being reported for the year.

The data below sets out the percentage of male and female staff and the pay gap within sectors known as quartiles (which are equally sized pay bands ranging from the lowest paid 25% of workers to the highest paid 25%). The number of staff in each quartile in 2023-24 is the same as 2022-23.

The upper quartile continues to reflect an almost 50:50 gender balance. The upper quartile median pay gap has improved, at 31 March 2024 this was 3.8% (2022-23: 4.2%). The upper middle (-0.4%) and lower quartiles (-0.2%) median pay gap have also improved and are now almost equal (2022-23: -3.7% and 4.9% respectively). The lower middle median pay has increased to 3.0% (2022-23: -2.6%).

S4C's gender pay gap is explained by two main factors:

1. There is a gender imbalance in the lower two quartiles, with four times more jobs done by female employees. The significantly higher percentage of women in the lower quartiles reduces the average salary of women across the organisation and, as a result, increases the pay gap.
2. At the same time, there is a higher percentage of men than women in the upper two quartiles, which increases the average salary of men across the organisation and impacts the gender pay gap.

To help address the gender imbalance S4C conducted Diversity and Equality training for all its staff. We also take appropriate steps to promote awareness and best practice more generally within the organisation. S4C offers flexible and hybrid working on all its job vacancies, in addition to ensuring the jobs are advertised on a broad range of platforms, and taking steps to reach people who are from backgrounds currently under-represented in the sector.

S4C has a personnel panel which meets regularly to discuss vacancies, changes to roles, and remuneration. All salaries are benchmarked externally within similar industries.

S4C continues to take appropriate actions to further reduce the gender pay gap, including the initiatives mentioned above, alongside regular review of industry and wider corporate best practice.

Year	Total		Quartile 1 Upper		Quartile 2 Upper middle		Quartile 3 Lower middle		Quartile 4 Lower	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
% staff										
<b>2023/24</b>	<b>37%</b>	<b>63%</b>	<b>52%</b>	<b>48%</b>	<b>58%</b>	<b>42%</b>	<b>23%</b>	<b>77%</b>	<b>17%</b>	<b>83%</b>
2022/23	38%	62%	45%	55%	65%	35%	16%	84%	27%	73%
<b>Median salary 2023/24</b>	<b>£49,040</b>	<b>£33,363</b>	<b>£80,264</b>	<b>£77,175</b>	<b>£48,186</b>	<b>£48,360</b>	<b>£35,800</b>	<b>£32,980</b>	<b>£27,348</b>	<b>£27,400</b>
<b>Median % pay gap 2023/24</b>	<b>32.0%</b>		<b>3.8%</b>		<b>-0.4%</b>		<b>3.0%</b>		<b>-0.2%</b>	
Median salary 2022/23	£45,000	£34,528	£76,442	£73,268	£44,291	£45,914	£32,000	£32,843	£26,758	£25,450
Median % pay gap 2022/23	23.3%		4.2%		-3.7%		-2.6%		4.9%	
<b>Average salary 2023/24</b>	<b>£55,278</b>	<b>£44,380</b>	<b>£80,543</b>	<b>£85,970</b>	<b>£48,502</b>	<b>£49,078</b>	<b>£34,651</b>	<b>£33,900</b>	<b>£27,744</b>	<b>£27,044</b>
<b>Average % pay gap 2023/24</b>	<b>19.7%</b>		<b>-6.7%</b>		<b>-1.2%</b>		<b>2.1%</b>		<b>2.5%</b>	
Average salary 2022/23	£50,399	£44,267	£77,073	£84,882	£45,693	£45,151	£32,860	£33,130	£26,447	£25,603
Average % pay gap 2022/23	12.2%		-10.1%		1.2%		-0.8%		3.2%	

# Accounts 2023-24



# Statement of Accounts 2023/24

## Report of S4C for the year ended 31 March 2024

### Foreword

This report sets out S4C's Statement of Accounts for the year ended 31 March 2024, together with explanatory notes.

The Statement of Accounts of S4C for the year ended 31 March 2024 is presented in accordance with the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport to S4C in March 2020.

The Board presents a balanced assessment of S4C's position and prospects in the information required to be presented by statutory requirements.

### Principal activities

S4C operates under Sections 203 to 207 (inclusive) and Schedule 12 of the Communications Act 2003. Section 204 provides that S4C shall have the function of providing television programme services of high quality with a view to them being available for reception wholly or mainly by members of the public in Wales. In carrying out that function, S4C must continue to broadcast the service provided in digital form referred to in legislation as S4C digital.

### Group structure

Sub-paragraphs (2) and (3) of Paragraph 1 of Schedule 6 to the Broadcasting Act 1990 (as amended by Section 206 (6) of the Communications Act 2003) entitles S4C, to the extent that it appears to them incidental or conducive to the carrying out of their functions to do so, to carry out activities, including commercial activities, through S4C companies using commercial revenues only. Likewise, the transitional provisions contained in paragraph 27 of Schedule 18 to the Communications Act 2003 permit S4C to continue carrying on any activities, including commercial activities, which were being carried on immediately before the commencement of Section 206, either itself or through an S4C company.

Within this consolidated Statement of Accounts, the Public Service Fund is referred to as S4C and the total of both public service and commercial activities is referred to as the S4C Group. The assets of S4C that are not comprised in the Public Service Fund are referred to as the General Fund.

### Funding

The provisions relating to the financial requirements of S4C are set out in Section 31 of the Public Bodies Act 2011. This places a statutory duty upon the Secretary of State to ensure that S4C is paid an amount which they consider sufficient to cover the cost to S4C each year of (a) providing S4C's public services (within the meaning of Section 207 of the Communications Act 2003); and (b) arranging for the broadcasting or distribution of those services. The Secretary of State for Culture, Media and Sport may discharge this duty by making payments themselves or entering into an agreement with another person for that person to do so (or both). Such funding must be held in the Public Service Fund and be applied only for the purposes of providing S4C's public services. No subsidy is permitted from the Public Service Fund for any S4C subsidiary.

During the year S4C's funding was derived from the licence fee, through the BBC. S4C also generates commercial revenues through activities including advertising sales and programme sponsorship.

The provisions relating to the licence fee contribution for 2023/24 are set out in the BBC Framework Agreement published in December 2016 (as amended in May 2022) which includes the financial provisions that have been agreed between the BBC, the Secretary of State and S4C for the licence fee contribution from 2022/23 to 2027/28.

The Secretary of State has set out the sums that DCMS will contribute to S4C in 2023/24 in a Licence Fee settlement letter on 21 January 2022. This determination applies for the remainder of the settlement period until 31 March 2028.

### Public Service Fund income and General Fund Turnover

Amounts receivable from the BBC during the period totalled £88.850m (period to 31 March 2023 - £88.850m). This income was used to finance the cost of commissioning and acquiring Welsh language programmes, the transmission costs of S4C, expenditure on fixed assets and overheads. The balance of this income, after the cost of programme transmission and operational and administrative expenses, therefore represents the principal means of financing the net assets of S4C and is treated as deferred income in the Public Service Fund. General Fund turnover was generated by sales of airtime, rights in television programmes, sponsorship, merchandising, publishing and investment activities. It totalled £1.790m during the period to 31 March 2024 (period to 31 March 2023 - £1.922m). Further details are given in note 3 to the Statement of Accounts.

### Expenditure

Costs charged to the Consolidated Statement of Comprehensive Income during the period include £90.950m (period to 31 March 2023 - £91.769m) for the cost of the programme service and transmission and distribution costs, £0.580m for other direct costs (period to 31 March 2023 - £0.930m) and £3.839m (period to 31 March 2023 - £3.225m) for operational and administrative expenses. The costs of programmes transmitted included £69.709m (period to 31 March 2023 - £72.985m) in respect of the cost of programmes commissioned or acquired from programme suppliers and repeats. Transmission and distribution costs are incurred in respect of digital terrestrial and satellite platforms including video on demand services provided by contractors. The balance comprised the direct costs of programme commissioning and presentation, the operational costs of access services provided by S4C and other related costs of the programme service such as marketing costs and audience research.

Other direct costs include profit participation due to third parties in respect of programme sales, agency commission and playout costs relating to advertisements and digital costs relating to S4C2 Cyf's broadcasting capacity. Further details of the operational and administrative costs of S4C are given in note 4 to the Statement of Accounts.

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# Statement of Accounts 2023/24

## Report of S4C for the year ended 31 March 2024

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Income from the BBC is received in advance of all costs being charged to the Statement of Comprehensive Income. At the Balance Sheet date, any income received in advance is transferred to the Public Service Fund. £3.658m has been transferred from the Public Service Fund at 31 March 2024 (at 31 March 2023 - £3.844m from the Public Service Fund).

### **Payment policy**

It is S4C's policy to agree appropriate terms and conditions for its transactions with suppliers and, subject to their compliance, to make payments in accordance with these terms. Typically during the year, 92% (period to 31 March 2023 - 91%) of supplier balances were paid within 30 days.

## Hours transmitted and average cost per hour

The total hours of programmes transmitted by S4C during the period amounted to 6,520 (period to 31 March 2023 - 6,544 hours), representing an average per week of 125.4 hours (period to 31 March 2023 - 125.8 hours).

The statutory hours supplied by the BBC, which included an element of repeat programmes, were provided to S4C under Section 58 (1) of the Broadcasting Act 1990 (as amended by Section 29 of the Broadcasting Act 1996) and were funded by the BBC out of the license fee revenue. S4C also made payments totalling £0.717m for the provision of drama programming and weather bulletins (period to 31 March 2023 - £1.615m for the provision of sports programming and weather bulletins) not provided as part of the statutory hours.

During the period 1,281 hours (period to 31 March 2023 - 1,278 hours) of Welsh language programmes were transmitted in the peak hours between 6.30 p.m. and 10.00 p.m. with a weekly average of 24.6 hours (period to 31 March 2023 - 24.6 hours).

The hours transmitted and average cost per hour of linear and digital content is not covered by the Comptroller and Auditor General's opinion on the financial statements.

	2023/24		2022/23	
	Hours	Cost per hour £	Hours	Cost per hour £
<b>Commissioned programmes</b>				
Independent productions	1,475	45,184	1,477	46,667
BBC	43	16,676	103	15,678
	<b>1,518</b>	<b>44,376</b>	1,580	44,647
Acquired programmes	108	12,070	88	11,551
<b>Repeats</b>				
Independent productions	4,293	243	4,266	334
BBC	85	-	87	-
	<b>6,004</b>	<b>11,611</b>	6,021	12,122
BBC - Statutory hours	516	-	523	-
<b>Total</b>	<b>6,520</b>		6,544	
Average per week	<b>125.4</b>		125.8	

## Transmitted programmes by category

	2023/24		2022/23	
	Hours	Cost per hour £	Hours	Cost per hour £
<b>Commissioned programmes</b>				
Drama	60	164,849	64	174,729
General Factual	528	35,814	498	33,591
Current Affairs and Weather	85	35,530	89	32,240
Light Music / Entertainment	114	81,768	156	75,412
Children	263	22,977	265	26,877
Music and Arts	87	41,049	103	49,313
Sport	358	42,642	379	38,192
Religion	23	58,295	26	50,840
<b>Total</b>	<b>1,518</b>	<b>44,376</b>	1,580	44,647

### Additional content published (excluding social media)

In addition to the commissioned content above, 50 hours of digital content was published in the year totalling £2.178m (58 hours - £1.834m in 2022/23).

Commissioned programmes	2023/24		2022/23	
	Hours	Cost per hour £	Hours	Cost per hour £
Drama	2	104,958	3	32,842
General Factual	8	20,862	5	26,707
Current Affairs and Weather	2	98,987	4	48,903
Light Music / Entertainment	11	82,944	2	77,476
Children	19	21,093	28	30,828
Music and Arts	7	40,127	7	32,449
Sport	1	9,650	9	17,896
<b>Total</b>	<b>50</b>	<b>43,569</b>	<b>58</b>	<b>31,621</b>

BBC	2023/24	2022/23
	Hours	Hours
Drama	62	63
News	216	246
Current Affairs and Factual	7	19
Youth and Children	18	16
Music and Arts	88	89
Sport	125	90
<b>Total</b>	<b>516</b>	<b>523</b>

# Statement of Responsibilities

## Preparation of Financial Statements

In these financial statements directors refer to the S4C Board, S4C Accounting Officer and directors of the S4C commercial subsidiary companies.

- (a) There is an overriding requirement under United Kingdom company law for directors to ensure that financial statements are prepared for each financial year which give a true and fair view of the state of affairs of their company as at the end of the financial year and of the profit or loss for that period.
- (b) In addition, directors are required:
- to adopt appropriate accounting policies and apply them consistently;
  - to make judgements and estimates reasonably and prudently;
  - to comply with applicable accounting standards; and
  - to prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.
- (c) It is the responsibility of directors to:
- ensure that adequate accounting records are maintained to safeguard the assets of the company; and
  - take reasonable steps to prevent and detect fraud and other irregularities.

In so far as the directors are aware:

- There is no relevant audit information of which the group's auditors are unaware; and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.
- The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of S4C, responsibility for the preparation of a Statement of Accounts is placed on S4C as a statutory body by the Broadcasting Act 1990 Schedule 6 paragraphs 12 and 13 (as amended).

The Interim Chief Executive, as Accounting Officer, together with the Chief Finance Officer, have responsibility for ensuring that the Statement of Accounts is prepared and for the implementation of controls. The Accounting Officer has been provided with the necessary assurances concerning the implementation and operation of controls for the full reporting period to be able to meet this responsibility.

The Board confirms that S4C's Statement of Accounts complies with all appropriate requirements. The Board considers that it is discharging its responsibilities in all the above respects. In total £3.658m has been transferred from the Public Service Fund to the profit and loss account in 2023/24 (2022/23 - £3.844m). These transfers have been funded from prior year surpluses.

## Going Concern

In relation to the assessment of the viability of the business, the Board has assessed the prospects of S4C's business for the period up to March 2028. This period is relevant to S4C's business as it relates to the Licence Fee settlement period up to 31 March 2028 including the provisions of clause 39 of the BBC Framework Agreement (approved in December 2016).

The Board has considered the statutory duty of the Secretary of State to ensure sufficient funding for S4C to enable it to provide its public broadcasting services and the funding settlement for the period 2021/22 to 2027/28.

In its overall assessment of the viability of S4C's business, the Board has:

- considered the statutory duty to ensure sufficient funding for S4C to enable it to provide its public broadcasting services;
- approved the S4C group budget to 31 March 2025 taking account of the Board's agreed risk appetite, S4C's strategy, and its remit under the Communications Act 2003. The budget included revenue and cost as well as its current financial position and cash resources. The Board also reviewed the financial forecasts for the periods 2025/26 to 2027/28;
- considered S4C's VAT arrangements;
- reviewed S4C's 2023/24 strategic objectives and content strategy. Following confirmation of the funding settlement for the period 2021/22 - 2027/28 the Board has approved a strategy for that period;
- reviewed audience expectation of S4C's services. The Board actively monitored the quality and performance of the service throughout the year and consulted widely with the audience through a range of different methods. Working closely with independent producers, S4C has discussed audience comments and identified ways of improving the programme output whilst also securing value for money through this collaboration;
- considered the strategic risk register and each of the principal risks and uncertainties noted in the Governance Report above, including how they are managed;
- considered the matters raised during the fact-finding process and the implications of the related decisions taken;
- considered reports summarising business assurance work during the year; and
- reviewed performance updates in the normal course of business that provides the foundation to implement S4C's long-term strategy.

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## Statement of Responsibilities

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Although this assessment does not consider all of the risks that S4C may face, the Board confirm that its assessment of the strategic risks facing S4C was robust.

Based on the results of their activities around principal risks and viability and the statutory provisions relating to the sufficient funding of S4C, the Board has a reasonable expectation that it will be able to continue to operate and meet its liabilities, as they fall due. For this reason, it continues to adopt the going concern basis in preparing the Statement of Accounts.

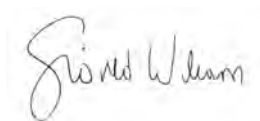
### **Independence of the external auditors**

The Board maintains an appropriate relationship with external auditors.

### **External Auditors**

The report of the external auditor, the Comptroller and Auditor General, on the Statement of Accounts is given on pages 95 to 96.

By order of the Board



Sioned Williams  
Interim Chief Executive

23 July 2024

# THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE BOARD OF SIANEL PEDWAR CYMRU (S4C), ACKNOWLEDGING THAT THE HOUSES OF PARLIAMENT ALSO PLACES RELIANCE ON THE S4C ANNUAL REPORT AND ACCOUNTS

## Opinion on financial statements

I certify that I have audited the financial statements of the Sianel Pedwar Cymru (S4C) Group, comprising S4C and its subsidiaries, for the year ended 31 March 2024:

The financial statements comprise:

- Consolidated and S4C Balance Sheet as at 31 March 2024;
- Consolidated Statement of Comprehensive Income, Consolidated Cash Flow Statement and Consolidated and S4C Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of S4C and its Group's affairs as at 31 March 2024 and its loss after taxation for the year then ended; and
- have been properly prepared in accordance with the Broadcasting Act 1990 and Secretary of State directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of S4C and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that S4C and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the S4C and its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Chief Executive, as Accounting Officer, with respect to going concern are described in the relevant sections of this certificate.

## Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Chief Executive, as Accounting Officer, is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate and report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Broadcasting Act 1990; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of S4C its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by S4C its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Annual Report subject to audit are not in agreement with the accounting records and returns.

## Responsibilities of the S4C Board and Chief Executive as Accounting Officer for the financial statements

As explained more fully in the Statement of Responsibilities, the S4C Board and Chief Executive, as Accounting Officer, are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within S4C and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;

# THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE BOAR OF SIANEL PEDWAR CYMRU (S4C), ACKNOWLEDGING THAT THE HOUSES OF PARLIAMENT ALSO PLACES RELIANCE ON THE S4C ANNUAL REPORT AND ACCOUNTS

- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Broadcasting Act 1990;
- preparing the annual report in accordance with with Secretary of State directions issued under the Broadcasting Act 1990; and
- assessing S4C its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Executive/ Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Deed of Agreement between the Secretary of State and S4C dated 7 May 2019 pursuant to the requirements of the Broadcasting Act 1990, and International Standards on Auditing.

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

## Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

## Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of S4C and its Group's accounting policies;
- inquired of management, the S4C Group Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to S4C and its Group's policies and procedures on:
  - o identifying, evaluating and complying with laws and regulations;
  - o detecting and responding to the risks of fraud; and
  - o the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including S4C and its Group's controls relating to compliance with the Broadcasting Acts 1990 and 1996 and the Communications Act 2003;
- inquired of management, the S4C Group Head of Internal Audit and those charged with governance whether:
  - o they were aware of any instances of non-compliance with laws and regulations;
  - o they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including significant component audit teams and the relevant internal and external specialists, such as pensions specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within S4C and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of S4C and its Group's framework of authority and other legal and regulatory frameworks in which S4C and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of S4C and its Group. The key laws and regulations I considered in this context included Broadcasting Acts 1990 and 1996 and the Communications Act 2003, employment law and tax legislation.

## Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

## Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## Report

I have no observations to make on these financial statements.

Gareth Davies  
24 July 2024  
**Comptroller and Auditor General**  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP



# Consolidated Statement of Comprehensive Income

for the year ended 31 March 2024

The Consolidated Statement of Comprehensive Income, Balance Sheets, Statements of Changes in Equity and the Consolidated Cashflow Statement show the results and performance of both S4C and its commercial group of companies. Within this Consolidated Statement of Accounts, the Public Service Fund is referred to as S4C and the total of both public service and commercial activities is referred to as the S4C Group. The assets that are not comprised in the Public Service Fund are referred to as the General Fund.

	Note	2023/24	2022/23
		£000	£000
Public Service Fund Income and General Fund Turnover	3	<b>90,754</b>	90,933
Turnover of S4C		<b>90,754</b>	90,933
Cost of programme service		<b>(85,886)</b>	(87,677)
Transmission and distribution costs		<b>(5,064)</b>	(4,092)
Other direct costs		<b>(580)</b>	(930)
Gross loss		<b>(776)</b>	(1,766)
Operational and administrative costs	4	<b>(3,839)</b>	(3,225)
Operating loss	3	<b>(4,615)</b>	(4,991)
Sale of investments	8	-	582
		<b>(4,615)</b>	(4,409)
Gain / (loss) on investment	11	<b>779</b>	(970)
Investment income		<b>281</b>	202
Net interest		<b>565</b>	254
Loss on ordinary activities before taxation		<b>(2,990)</b>	(4,923)
Taxation on loss on ordinary activities	6	-	53
Loss after taxation		<b>(2,990)</b>	(4,870)
Actuarial gain on the pension scheme assets and liabilities	19	<b>100</b>	100
Other comprehensive profit		<b>100</b>	100
Total comprehensive loss for the year		<b>(2,890)</b>	(4,770)
Transfer from Public Service Fund (deferred income)	13	<b>3,658</b>	3,844
Retained in the General Fund	13	<b>768</b>	(926)

The Statement of Accounts was approved by the Board on 23 July 2024.  
The notes on pages 102 to 119 form part of the Statement of Accounts.

# Consolidated Balance Sheet

at 31 March 2024

	Note	At 31/03/24		At 31/03/23	
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Tangible fixed assets	7	55		78	
Investments	8	409		156	
			<b>464</b>		<b>234</b>
<b>Current Assets</b>					
Stock	9	20,083		13,937	
Debtors - amounts falling due within one year	10	4,232		4,771	
Debtors - amounts falling due after more than one year	10	5,629		6,682	
Investments	11	13,350		12,646	
Cash at bank and in hand	18	11,592		19,529	
			<b>54,886</b>		<b>57,565</b>
<b>Current Liabilities</b>					
Creditors - amounts falling due within one year	12	(17,400)		(15,419)	
Creditors - amounts falling due after more than one year	12	(2,321)		(3,861)	
Net Current Assets			<b>35,165</b>		<b>38,285</b>
<b>Total Assets less Total Liabilities</b>			<b>35,629</b>		<b>38,519</b>
<b>Reserves</b>					
Public Service Fund	13		<b>15,790</b>		19,448
General Fund	13		<b>19,839</b>		19,071
<b>Total Reserves</b>			<b>35,629</b>		<b>38,519</b>

The Statement of Accounts was authorised for issue to comply with FRS 102 para 32.09. by the Board on 23 July 2024.

**Guto Bebb** Interim Chairman  
**Sioned Wiliam** Interim Chief Executive

The notes on pages 102 to 119 form part of the Statement of Accounts.



# S4C Balance Sheet

at 31 March 2024

	Note	At 31/03/24		At 31/03/23	
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Tangible assets	7	55		78	
			<u>55</u>		<u>78</u>
<b>Current Assets</b>					
Stock	9	20,083		13,937	
Debtors - amounts falling due within one year	10	4,049		5,331	
Debtors - amounts falling due after more than one year	10	5,227		6,259	
Cash at bank and in hand	18	5,655		12,612	
			<u>35,014</u>		<u>38,139</u>
<b>Current Liabilities</b>					
Creditors - amounts falling due within one year	12	(16,958)		(14,908)	
Creditors - amounts falling due after more than one year	12	(2,321)		(3,861)	
Net Current Assets			<u>15,735</u>		<u>19,370</u>
<b>Total Assets less Total Liabilities</b>					
			<u>15,790</u>		<u>19,448</u>
<b>Reserves</b>					
Public Service Fund	13		15,790		19,448
General Fund	13		-		-
<b>Total Reserves</b>			<u>15,790</u>		<u>19,448</u>

The Statement of Accounts was authorised for issue to comply with FRS 102 para 32.09. by the Board on 23 July 2024.

**Guto Bebb** Interim Chairman  
**Sioned Wiliam** Interim Chief Executive

The notes on pages 102 to 119 form part of the Statement of Accounts.



## Consolidated Statement of Changes in Equity at 31 March 2024

S4C Group	Retained earnings	Total equity
	£000	£000
At 1 April 2023	38,519	38,519
Loss for the year	(2,990)	(2,990)
Other comprehensive profit for the year	100	100
Total comprehensive loss for the year	(2,890)	(2,890)
At 31 March 2024	35,629	35,629

## Consolidated Statement of Changes in Equity at 31 March 2023

S4C Group	Retained earnings	Total equity
	£000	£000
At 1 April 2022	43,289	43,289
Loss for the year	(4,870)	(4,870)
Other comprehensive profit for the year	100	100
Total comprehensive loss for the year	(4,770)	(4,770)
At 31 March 2023	38,519	38,519

## S4C Statement of Changes in Equity at 31 March 2024

S4C	Retained earnings	Total equity
	£000	£000
At 1 April 2023	19,448	19,448
Loss for the year	(3,758)	(3,758)
Other comprehensive profit for the year	100	100
Total comprehensive loss for the year	(3,658)	(3,658)
At 31 March 2024	15,790	15,790

## S4C Statement of Changes in Equity at 31 March 2023

S4C	Retained earnings	Total equity
	£000	£000
At 1 April 2022	23,292	23,292
Loss for the year	(3,944)	(3,944)
Other comprehensive profit for the year	100	100
Total comprehensive loss for the year	(3,844)	(3,844)
At 31 March 2023	19,448	19,448

# Consolidated Cash Flow Statement

for the year ended 31 March 2024

Net cash flow from operating activities shows the cash generated from core activities before investment and financing.

		2023/24	2022/23
<b>Cash flow from operating activities</b>		<b>£000</b>	£000
Loss for the financial year		<b>(2,990)</b>	(4,923)
Net interest		<b>(563)</b>	(254)
Investment income		<b>(281)</b>	(202)
Unrealised (gain) / loss on investment	11	<b>(779)</b>	970
Depreciation and amortisation	7	<b>45</b>	151
Profit on sale of investments	8	<b>-</b>	(582)
(Increase) / decrease in stock		<b>(6,146)</b>	734
Decrease / (increase) in debtors		<b>1,595</b>	(1,392)
Increase in creditors		<b>539</b>	342
Decrease in investments		<b>75</b>	77
<b>Net cash outflow from operating activities</b>		<b>(8,505)</b>	(5,079)
<b>Cash flow from financing activities</b>			
Investment income		<b>281</b>	202
Interest received		<b>563</b>	122
Loans issued		<b>-</b>	(400)
<b>Net cash inflow / (outflow) from financing activities</b>		<b>844</b>	(76)
<b>Cashflow from investing activities</b>			
Purchase of tangible fixed assets	7	<b>(22)</b>	(7)
Purchase of Investments		<b>(254)</b>	(50)
Sale of fixed assets		<b>-</b>	4,486
<b>Net cash (outflow) / inflow from investing activities</b>		<b>(276)</b>	4,429
<b>Decrease in cash</b>		<b>(7,937)</b>	(726)
Unrealised gain / (loss) in investment	11	<b>779</b>	(970)
Management charges	11	<b>(75)</b>	(77)
<b>Movement in net funds</b>		<b>(7,233)</b>	(1,773)
Cash at bank at 1 April 2023		<b>19,529</b>	20,255
Cash at bank at 31 March 2024		<b>11,592</b>	19,529
<b>Net decrease in cash at bank</b>		<b>(7,937)</b>	(726)
Net funds at 1 April 2023	18	<b>32,175</b>	33,948
<b>Net funds at 31 March 2024</b>	18	<b>24,942</b>	32,175

# Notes to the Accounts

for the year ended 31 March 2024

## 1. Accounting Policies

The principal accounting policies of S4C are set out below. Within this consolidated Statement of Accounts, the Public Service Fund is referred to as S4C and the total of both public service and commercial activities is referred to as the S4C Group. The assets of the S4C Group that are not comprised in the Public Service Fund are referred to as the General Fund. The presentation and functional currency of these financial statements is sterling. Rounding is to the nearest £000 with the exception of the salary and staff expenses disclosure.

The Board consider that S4C is a Public Benefit Entity as defined by FRS 102. A Public Benefit Entity is an entity whose primary objective is to provide goods or services for the general public, community or social benefits and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to producing a financial return to equity providers, shareholders or members.

The financial statements have been prepared on a going concern basis as described in the going concern and viability section on pages 93 to 94.

### (a) Basis of preparation of Statement of Accounts

The financial statements have been prepared under the historical cost convention in compliance with paragraph 12 (1) of Schedule 6 to the Broadcasting Act 1990 (as amended), the Accounts Direction issued by the Secretary of State for Culture, Media and Sport, and in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard (FRS) applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying S4C's accounting policies (see note 2).

The following principal accounting policies have been applied:

### (b) Basis of consolidation

The consolidated Statement of Accounts incorporate those of S4C and of its subsidiary undertakings (see note 8) drawn up to 31 March 2024. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition at that date.

### (c) Income

Income from the licence fee is recognised in line with the underlying funding agreement, as S4C perform its statutory obligations, on a straight-line basis.

Other income, which includes income from sales of airtime, rights in television programmes, sponsorship, merchandising, publishing and investment activities, is recognised in the Statement of Comprehensive Income when the associated services are delivered.

### (d) Cost of programmes

The cost of commissioned public service programmes is expensed to the Statement of Comprehensive Income on first transmission or written off when it becomes apparent no transmission will occur.

### (e) Programme and other stocks

Direct costs incurred in the commissioning or purchase of public service programmes as yet untransmitted are held at cost and carried forward as stock, after providing for expenditure on material which is unlikely to be transmitted. For a series of programmes, the allocation of stock between programmes completed but not yet transmitted and programmes in the course of production is based on total costs to date and the contractual cost per completed episode.

Direct cost is defined as payments made or due to production companies or programme suppliers.

### (f) Income received in advance of related expenditure

As a result of the above policies, income from the BBC is received in advance of all costs being charged to the Statement of Comprehensive Income. At the Balance Sheet date, any income received in advance is transferred to the Public Service Fund. As the related costs are charged, there is a corresponding transfer of the relevant income from the Public Service Fund to the Statement of Comprehensive Income. The Statement of Comprehensive Income therefore contains a net transfer to or from the Public Service Fund comprising these transfers.

### (g) Investments in joint ventures and associates

Investments in joint ventures are recognised initially in the Consolidated Balance Sheet at the transaction price and subsequently adjusted to reflect the group's share of total comprehensive income and equity of the joint venture, less any impairment.

### (h) Debtors

Short term and long term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### (i) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

### (j) Financial instruments

S4C primarily enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that S4C would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **(k) Creditors**

Short term and long term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **(l) Fixed asset investments**

Fixed asset investments are held at historic cost less impairment.

#### **(m) Tangible fixed assets**

Tangible fixed assets are stated at cost, together with any incidental expenses of acquisition, less depreciation. Depreciation is calculated so as to write off the cost of the asset less its residual value on a straight line basis over its estimated useful life. The principal annual rates used for this purpose are as follows:

Plant and equipment 20%

Improvements to short leasehold buildings are depreciated on a straight line basis over the remaining period of the lease.

#### **(n) Pension contributions**

##### **Defined benefit scheme**

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The defined benefit obligation is calculated using the projected unit credit method. S4C engages independent actuaries to calculate the obligation annually. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discounted rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with S4C's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gain on the pension scheme assets and liabilities.

#### **Defined contribution scheme**

S4C operates a defined contribution plan.

A defined contribution plan is a pension plan under which S4C pays fixed contributions into a separate entity. Once the contributions have been paid S4C has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet.

#### **(o) Taxation**

The tax expense for the year comprises current tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The Statement of Accounts is prepared on the basis that taxation is not levied in relation to amounts received by S4C from the BBC.

Profits generated by subsidiary undertakings are subject to corporation tax.

#### **(p) Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Transactions are translated at the rate ruling at the date of the transaction. Exchange differences arising on translation and transactions in foreign currencies are dealt with through the Statement of Comprehensive Income.

#### **(q) Current asset investments**

Current asset investments are held at fair value with any change recognised in the profit and loss account.

#### **(r) Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of S4C but are presented separately due to their size or incidence.

## 2. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

### **Impairment of fixed asset investments**

The carrying value of the strategic investments are assessed for potential impairment using a discounted cash flow model approved by management. Where formal forecasts are not available, other commonly used valuation techniques are used in the impairment model.

### **Stock**

Direct costs incurred in the commissioning or purchase of public service programmes as yet untransmitted are carried forward as stock, after providing for expenditure on material which is unlikely to be transmitted.

### **Defined benefit scheme**

The pension costs charged against the Statement of Comprehensive Income are based on the actuarial methods and assumptions designed to spread the anticipated pension costs over the service lives of the employees in the Plan, so as to ensure that the regular pension cost represents a substantially level percentage of the current and expected future pensionable payroll. Variations from regular cost are spread over the average remaining service lives of current employees in the scheme.

In the absence of any agreement to pay a refund to S4C and because the Plan is now closed to future service accrual, the Plan's surplus at 31 March 2024 is restricted in S4C's Balance Sheet to nil.



### 3. Public Service Fund income and General Fund turnover

Public Service Fund income is received in order that S4C may fulfil its public service responsibilities (within the meaning of Section 207 of the Communications Act 2003). General Fund turnover represents the income generated from commercial and other non-public service activities as permitted under Section 206 of the Communications Act 2003 and the transitional provisions contained in paragraph 27 of Schedule 18 to the Communications Act 2003.

The income from the licence fee is recognised in line with the underlying funding agreement, when it is received. Other income, which includes income from sales of airtime, rights in television programmes, sponsorship, merchandising, publishing and investment activities, is recognised in the Consolidated Statement of Comprehensive Income on an accruals basis.

	2023/24		2022/23	
	£000	£000	£000	£000
Public Service Fund income				
Income received from the licence fee	<b>88,850</b>		88,850	
Other income	<b>114</b>		161	
		<b>88,964</b>		89,011
General Fund turnover				
Programme and airtime sales	<b>1,416</b>		1,336	
Publishing and merchandising	<b>40</b>		40	
Other including digital exploitation	<b>334</b>		546	
		<b>1,790</b>		1,922
Group turnover		<b>90,754</b>		90,933

An analysis of General Fund turnover by geographical market is given below:

	2023/24		2022/23	
	£000	£000	£000	£000
United Kingdom	<b>1,761</b>		1,854	
United States of America	<b>16</b>		56	
Rest of the World	<b>13</b>		12	
		<b>1,790</b>		1,922

#### Operating loss

Operating loss is the Public Service Fund deficit and the (loss)/gain from commercial activities before investment income, interest and tax.

An analysis of the operating loss of the S4C Group by activity is given below:

	2023/24		2022/23	
	£000	£000	£000	£000
Public Service Fund				
Public Service Fund activities	<b>(4,861)</b>		(4,957)	
		<b>(4,861)</b>		(4,957)
General Fund				
Programme and airtime sales	<b>668</b>		620	
Publishing and merchandising	<b>(40)</b>		25	
Other activities	<b>(382)</b>		(679)	
		<b>246</b>		(34)
		<b>(4,615)</b>		(4,991)

Other activities include the provision of management services to commercial subsidiaries by S4C Masnachol Cyf., the provision of digital broadcasting services by S4C2 Cyf. and property rental by S4C PTG Cyf.

## Net assets

The net assets of the S4C Group is the total assets less total liabilities.

	2023/24		2022/23	
	£000	£000	£000	£000
Public Service Fund				
Public Service Fund activities	<b>15,790</b>		19,448	
		<b>15,790</b>		19,448
General Fund				
Programme and airtime sales	<b>315</b>		340	
Publishing and merchandising	<b>9</b>		10	
Administration	<b>135</b>		135	
Other trading activities	<b>19,380</b>		18,586	
		<b>19,839</b>		19,071
		<b>35,629</b>		38,519

## 4. Operating loss

Operating loss is the Public Service Fund deficit and the gain / (loss) from commercial activities before investment income, interest and tax.

	2023/24		2022/23	
	£000	£000	£000	£000
Operating loss is stated after:				
Cost of programme service				
Depreciation	<b>17</b>		85	
Staff costs	<b>5,609</b>		5,730	
Travel and subsistence	<b>146</b>		137	
Operational and administrative costs				
Staff costs	<b>1,891</b>		1,697	
Depreciation	<b>28</b>		66	
National Audit Office fee for the audit of the S4C Group annual accounts	<b>130</b>		108	
Non-audit services with other auditors:				
Taxation compliance services	<b>22</b>		17	
Internal audit services	<b>11</b>		13	
Other administrative costs	<b>1,518</b>		1,095	
Operating lease costs:				
Operating lease costs - Land and buildings	<b>195</b>		192	
Travel and subsistence	<b>44</b>		37	
		<b>3,839</b>		3,225

The operational and administrative costs can be analysed as follows:

	2023/24		2022/23	
	£000	£000	£000	£000
Public Service Fund costs	<b>3,543</b>		2,857	
General Fund costs	<b>296</b>		368	
		<b>3,839</b>		3,225

The National Audit Office did not provide any non-audit services during the year.

## 5. Members and employees

Total employee remuneration during the year comprised:

	2023/24	2022/23
	<b>£000</b>	£000
Gross salaries	<b>5,755</b>	5,646
Employer's NI contributions	<b>621</b>	651
Pension contributions	<b>1,094</b>	1,080
	<b>7,470</b>	7,377

During the year two payments were made under the redundancy scheme totalling £0.063m (2022/23 - four payments totalling £0.147m). Pension contributions include employer's contributions. S4C had no 'off payroll' engagements that fall within the criteria set out in HMT guidance with regards to tax arrangements of senior public appointees.

The average number of employees during the year was as follows:

	2023/24		2022/23	
	Number Male	Number Female	Number Male	Number Female
Commissioning	7	12	7	9
Publishing and distribution	10	19	12	19
Product development	6	2	6	2
Communications and data	15	20	17	22
Corporate and commercial policy	8	17	7	17
	<b>46</b>	<b>70</b>	49	69

Total travel and subsistence reimbursed to employees during the period ending 31 March 2024 was £178,469 (period to 31 March 2023 - £163,049).

### Members' remuneration

Total remuneration of the Board members for the period was as follows:

	2023/24	2022/23
	<b>£000</b>	£000
Total remuneration	<b>88</b>	87

The remuneration of the Board members during the year is shown below:

	2023/24	2022/23
	<b>£</b>	£
Guto Bebb	<b>9,650</b>	9,650
Suzy Davies	<b>9,650</b>	5,629
Anita George	<b>-</b>	2,439
Adele Gritten	<b>9,650</b>	9,650
Chris Jones	<b>9,650</b>	9,650
Denise Lewis Poulton	<b>9,650</b>	9,650
Rhodri Williams	<b>40,000</b>	40,000

Suzy Davies was appointed on 1 August 2022.

Anita George retired on 1 July 2022.

Rhodri Williams retired on 31 March 2024.

During the period, the Board members incurred the following expenses in the performance of their duties:

Board members' expenses	Travel	Accommodation and Subsistence	Hospitality	2023/24 Total	2022/23 Total
	£	£	£	£	£
Guto Bebb	648	405	-	1,053	1,046
Suzy Davies	204	201	-	405	296
Adele Gritten	504	93	-	597	1,405
Chris Jones	890	83	-	973	778
Denise Lewis Poulton	576	83	-	659	914
Rhodri Williams	2,075	202	-	2,277	2,232
<b>Total</b>	<b>4,897</b>	<b>1,067</b>	<b>-</b>	<b>5,964</b>	<b>6,671</b>

#### Management Team Remuneration

The remuneration of the Management Team during the period is shown below:

	2023/24 Gross pay	2022/23 Gross pay
	£000	£000
Rhidian Dafydd	-	5
Owen Derbyshire	-	46
Siân Doyle	108	162
Manon Edwards-Ahir	68	-
Geraint Evans	126	120
Llinos Griffin Williams	68	124
Elin Morris	120	108
Amanda Rees	63	114
Catrin Whitmore	84	79
Gwyn Williams	-	48
Sharon Winogorski	102	92

Manon Edwards-Ahir joined the Management Team on 19 June 2023.

Rhidian Dafydd joined the Management Team on 1 September 2022 and left on 25 September 2022.

Owen Derbyshire left the Management Team on 13 October 2022.

Siân Doyle joined the Management Team on 6 December 2021 and left on 24 November 2023.

Amanda Rees left the Management Team on 13 October 2023.

Llinos Griffin Williams joined the Management Team on 4 April 2022 and left on 12 October 2023.

Catrin Whitmore joined the Management Team on 1 September 2022. Catrin Whitmore's total gross pay across 22/23 was £79k. Of this, £48k relates to the time spent on the Management Team from 1 September 2022 to 31 March 2023.

Sioned Wiliam was appointed as Interim Chief Executive from 8 April 2024, she joined the Management Team on that date.

Sioned worked 6 days prior to 31 March 2024 before she became a member of the Management Team.

Gwyn Williams left the Management Team on 1 November 2022. A payment was made in addition to the salary in the table above under the S4C redundancy scheme.

During the period, the Management Team members incurred the following expenses in the performance of their duties:

Management Team members' expenses	Travel	Accommodation & Subsistence	Hospitality	2023/24 Total	2022/23 Total
	£	£	£	£	£
Owen Derbyshire	-	-	-	-	319
Siân Doyle	2,516	1,903	1,534	5,953	12,116
Manon Edwards-Ahir	2,188	1,555	323	4,066	-
Geraint Evans	6,126	3,316	90	9,532	15,161
Llinos Griffin Williams	3,318	1,522	1,788	6,628	13,151
Elin Morris	2,567	710	52	3,329	2,819
Amanda Rees	-	-	-	-	1,689
Catrin Whitmore	-	-	-	-	622
Gwyn Williams	-	-	-	-	715
Sharon Winogorski	73	26	-	99	222
<b>Total</b>	<b>16,788</b>	<b>9,032</b>	<b>3,787</b>	<b>29,607</b>	<b>46,814</b>

## Defined contribution scheme - S4C contributions

	2023/24	2022/23
	£000	£000
Rhidian Dafydd	-	1
Owen Derbyshire	-	7
Siân Doyle	17	25
Manon Edwards-Ahir	11	-
Geraint Evans	19	27
Llinos Griffin Williams	12	19
Elin Morris	31	31
Amanda Rees	15	28
Catrin Whitmore	22	12
Gwyn Williams	-	26
Sharon Winogorski	33	21

S4C operates a defined contribution scheme for the benefit of its employees. S4C offers the option for staff to exchange salary into the defined contribution pension scheme. The pension contributions listed in the table above include the individual's salary exchange payments into the scheme.

## 6. Taxation

The Statement of Accounts is prepared on the basis that taxation is not levied in relation to amounts received by S4C from the Department for Culture, Media and Sport and the BBC.

	2023/24	2022/23
	£000	£000
United Kingdom corporation tax at 25% (2023 - 19%)	-	-
Deferred tax	-	(53)
Current taxation for the period	-	(53)

	2023/24	2022/23
	£000	£000
Loss on ordinary activities before taxation	(2,990)	(4,923)
Loss on ordinary activities multiplied by standard rate of tax in the UK of 25% (2023 - 19%)	(748)	(935)
Effects of:		
Fixed asset differences	-	(49)
Expenses not deductible for tax purposes	916	363
Movement in deferred tax not recognised	27	990
Adjustments to tax charge in respect of previous periods	-	5
Income not taxable for tax purposes	(195)	504
Capital gains / (losses)	-	(679)
Difference in deferred tax rate	-	(252)
Current taxation for period	-	(53)

## 7. Tangible fixed assets

The S4C Group

	Land and Buildings		
	Total	Leasehold	Plant and Equipment
Cost	£000	£000	£000
At 1 April 2023	1,002	209	793
Additions	22	-	22
Disposals	(8)	-	(8)
At 31 March 2024	1,016	209	807
Depreciation			
At 1 April 2023	924	209	715
Charge for year	45	-	45
Disposals	(8)	-	(8)
At 31 March 2024	961	209	752
Net book amount			
At 31 March 2024	55	-	55
At 31 March 2023	78	-	78

### Land and buildings

The short leasehold building is S4C's pavilion at the Royal Welsh Showground, Llanellwedd.

## 8. Fixed asset investments

The fixed asset investments below are held in the commercial group of companies.

Total fixed asset investments comprise:

	Investments in unlisted entities	Investments in joint ventures	Investment in associates	Total
Cost or valuation	£000	£000	£000	£000
At 1 April 2023	797	125	50	972
Additions	250	-	-	250
Disposal	-	-	-	-
At 31 March 2024	1,047	125	50	1,222
Impairment				
At 1 April 2023	691	125	-	816
Disposal	-	-	-	-
At 31 March 2024	691	125	-	816
At 31 March 2023	106	-	50	156
At 31 March 2024	356	-	50	406

In addition to the investments above S4C Rhyngwladol Cyf. invested £3,550 in content development.

## Investments in joint ventures

	Country of incorporation	Class of share capital held	Proportion held		Nature of business
			By parent undertaking	By the Authority	
Media Rocket Ltd	Wales and England	Ordinary	50%	50%	Investment company

### Movements in joint venture investments in the year:

Cost	£000
At 1 April 2023	125
At 31 March 2024	125
Impairment	
At 1 April 2023	125
At 31 March 2024	125
Net book value	
At 31 March 2023	-
At 31 March 2024	-

## Investments in associates

S4C Digital Media Limited has investments in the following associates:

Name	Registered	Class of shares	Holding
Aria Studios Cyf	England & Wales	Ordinary	40%

At 31 March 2024 the S4C Group held significant equity shareholdings of the following:

	Country of incorporation	Class of share capital held	Proportion held		Nature of business
			By parent undertaking	By the S4C Group	
S4C Masnachol Cyf	Wales and England	Ordinary	100%	100%	Provision of management services to subsidiaries
S4C Digital Media Ltd	Wales and England	Ordinary	-	100%	Investment company
S4C Rhyngwladol Cyf	Wales and England	Ordinary	-	100%	Selling of airtime and programmes
S4C2 Cyf	Wales and England	Ordinary	-	100%	Digital broadcasting and provision of digital broadcasting services
S4C PTG Cyf	Wales and England	Ordinary	-	100%	Investment Property

During 2022/23 S4C PTG Cyf. disposed of the investment properties held within the company. Following the sale the company has ceased trading, and has therefore produced its own accounts on a non going concern basis.

All of the subsidiary undertakings have been consolidated in the Statement of Accounts. All are wholly owned subsidiary undertakings. The Secretary of State for Culture, Media and Sport has a full right of access to the financial statements of all the S4C Group's subsidiary undertakings in existence now, or set up in the future.

## 9. Stock

Stock of untransmitted programmes comprise the following:

	S4C Group		S4C	
	At 31/03/24	At 31/03/23	At 31/03/24	At 31/03/23
	£000	£000	£000	£000
Programmes in course of production	<b>20,064</b>	13,878	<b>20,064</b>	13,878
Programmes completed but not yet transmitted	<b>19</b>	59	<b>19</b>	59
	<b>20,083</b>	13,937	<b>20,083</b>	13,937

## 10. Debtors

Debtors due within one year

	S4C Group		S4C	
	At 31/03/24	At 31/03/23	At 31/03/24	At 31/03/23
	£000	£000	£000	£000
Trade debtors	<b>320</b>	739	<b>34</b>	261
Amounts owed by group undertakings	-	-	<b>363</b>	1,279
Loans to employees	<b>2</b>	2	<b>2</b>	2
VAT	<b>2,959</b>	2,916	<b>2,901</b>	2,858
Prepayments and accrued income	<b>951</b>	1,114	<b>749</b>	931
	<b>4,232</b>	4,771	<b>4,049</b>	5,331

The loans to employees are under the Cycle to Work Scheme.

Debtors due after more than one year

	S4C Group		S4C	
	At 31/03/24	At 31/03/23	At 31/03/24	At 31/03/23
	£000	£000	£000	£000
Prepayments	<b>5,227</b>	6,259	<b>5,227</b>	6,259
Other debtors	<b>402</b>	423	-	-
	<b>5,629</b>	6,682	<b>5,227</b>	6,259

Prepayments relate to the co-location project and prepaid rent for S4C's headquarters Yr Egin.



## 11. Current asset investments

	S4C Group	
Investment fund:	At 31/03/24	At 31/03/23
	<b>£000</b>	£000
At 1 April	<b>12,646</b>	13,693
Change in market value of investment	<b>779</b>	(970)
Management charges	<b>(75)</b>	(77)
At 31 March	<b>13,350</b>	12,646

Current asset investments also includes co-production and digital investments at a value of £nil (2022/23 - £nil).

The investment fund comprises a portfolio of equities, bonds, cash and other assets managed on behalf of S4C Digital Media Ltd. by Sarasin & Partners LLP. The investment is measured at fair value through the profit and loss where the valuation of the fund at 31 March 2024 is through quoted market price in an active market.

The investment fund is only exposed to market risk and this is mitigated through the use of the fund manager.

The investment fund is classified as a current asset as S4C have the ability to withdraw and close down the fund with short notice.

## 12. Creditors

	S4C Group		S4C	
Creditors due within one year	At 31/03/24	At 31/03/23	At 31/03/24	At 31/03/23
	<b>£000</b>	£000	<b>£000</b>	£000
Trade creditors	<b>433</b>	1,183	<b>278</b>	1,180
Programme creditors	<b>1,187</b>	1,416	<b>1,187</b>	1,416
Other creditors	<b>163</b>	164	<b>163</b>	164
Prepaid and deferred income	<b>173</b>	213	-	-
Advance Grant in Aid	<b>2,240</b>	-	<b>2,240</b>	-
Accruals	<b>13,204</b>	12,443	<b>13,090</b>	12,148
	<b>17,400</b>	15,419	<b>16,958</b>	14,908

### Creditors due after more than one year

	S4C Group		S4C	
	At 31/03/24	At 31/03/23	At 31/03/24	At 31/03/23
	<b>£000</b>	£000	<b>£000</b>	£000
Advance Grant in Aid	<b>2,321</b>	3,861	<b>2,321</b>	3,861
	<b>2,321</b>	3,861	<b>2,321</b>	3,861

The Department for Culture, Media and Sport provided advance Grant in Aid to S4C to fund the co-location project with BBC Wales and relocation of S4C's headquarters to Yr Egin, Carmarthen. Repayments are to be made in line with an agreed payment schedule.

## 13. Reserves

The S4C Group reserves shown below are the reserves for both S4C, the Public Service Fund, and the commercial companies reserves, the General Fund. Other reserves include debtors, investments, cash less creditors. The General Fund reserves are used for investments and projects to enhance S4C's public service activities whilst also seeking a commercial return. Any commercial returns are paid as dividends to S4C for use in its public services.

### S4C Group reserves

	Public Service -----Fund-----			General Fund	Total
	Fixed Assets	Stock	Other		
	£000	£000	£000	£000	£000
At 1 April 2023	78	13,937	5,433	19,071	<b>38,519</b>
General Fund surplus for the period	-	-	-	1,488	<b>1,488</b>
Public Service Fund transfer to profit and loss account	(23)	6,146	(10,501)	-	<b>(4,378)</b>
Transfer to Public Service Fund	-	-	720	(720)	-
At 31 March 2024	<b>55</b>	<b>20,083</b>	<b>(4,348)</b>	<b>19,839</b>	<b>35,629</b>

### S4C reserves

The Public Service Fund reserves at 31 March 2024 are shown separately below:

	Public Service -----Fund-----			General Fund	Total
	Fixed Assets	Stock	Other		
	£000	£000	£000	£000	£000
At 1 April 2023	78	13,937	5,433	-	<b>19,448</b>
General Fund transfer for the year	-	-	-	720	<b>720</b>
Public Service Fund transfer to profit and loss account	(23)	6,146	(10,501)	-	<b>(4,378)</b>
Transfer to Public Service Fund	-	-	720	(720)	-
At 31 March 2024	<b>55</b>	<b>20,083</b>	<b>(4,348)</b>	-	<b>15,790</b>

In total £3.658m has been transferred from the Public Service Fund to the profit and loss account in 2023/24 (2022/23 - £3.844m from the Public Service Fund). This comprises the £0.720m (2022/23 - £0.825m) transfer from the General Fund and the £4.378m (2022/23 - £4.669m) Public Service transfer set out above.

## 14. Operating lease commitments

The S4C Group's future minimum lease payments under operating leases are as follows:

	At 31/03/24	At 31/03/23
Land and Buildings	<b>£000</b>	£000
Less than one year	<b>195</b>	195
One-five years	<b>739</b>	755
Over five years	<b>2,098</b>	2,277
	<b><u>3,032</u></b>	<u>3,227</u>

## 15. Capital commitments

The S4C Group and S4C had no capital commitments at either 31 March 2024 or 31 March 2023.

## 16. Programme commitments

At 31 March, the S4C Group and S4C had the following contractual commitments for expenditure on programmes:

	At 31/03/24	At 31/03/23
	<b>£000</b>	£000
Programme commitments	<b>23,116</b>	19,626

## 17. Financial instruments

	S4C Group		S4C	
	At 31/03/24	At 31/03/23	At 31/03/24	At 31/03/23
	<b>£000</b>	£000	<b>£000</b>	£000
Financial assets	<b>28,626</b>	36,255	<b>8,955</b>	17,012
Financial assets	<b><u>28,626</u></b>	<u>36,255</u>	<b><u>8,955</u></b>	<u>17,012</u>
Financial liabilities	<b>(14,987)</b>	(14,720)	<b>(14,718)</b>	(14,209)
Financial liabilities	<b><u>(14,987)</u></b>	<u>(14,720)</u>	<b><u>(14,718)</u></b>	<u>(14,209)</u>

Financial assets comprise investment funds measured at fair value through the profit and loss and cash, trade debtors (including VAT), amounts owed by group undertakings and other debtors measured at amortised cost less impairment.

Financial liabilities comprise trade creditors, amounts owed to group undertakings and accruals measured at amortised cost.

## 18. Analysis of changes in net funds

	At 01/04/23	Cashflow	Unrealised cash	At 31/03/24
	£000	£000	£000	£000
Cash at bank and in hand	19,529	(7,937)	-	11,592
Other liquid resources	12,646	-	704	13,350
	<u>32,175</u>	<u>(7,937)</u>	<u>704</u>	<u>24,942</u>

## 19. Pension scheme

### Defined contribution scheme

The S4C Group operates a defined contribution pension scheme for the benefit of employees.

A defined contribution plan is a pension plan under which the S4C Group pays fixed contributions into a separate entity. Once the contributions have been paid S4C has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet.

The assets of the scheme are administered by trustees in individual funds independent of those of S4C. The pension charge for the year ended 31 March 2024 was £1,094,295 (year to 31 March 2023 - £1,080,069).

### Defined benefit scheme

The S4C Group operates a defined benefit scheme, which is part of the Ofcom (former ITC) Staff Pension plan. On 31 May 2011 the defined benefit scheme was closed to future accrual. All active members have been transferred into the defined contribution scheme. The assets of the scheme are administered by trustees in a fund independent from those of the S4C Group.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The defined benefit obligation is calculated using the projected unit credit method. The S4C Group engages independent actuaries to calculate the obligation annually. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discounted rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on place assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

Net pension surpluses are recognised to the effect that either assets can be recovered from the scheme, or lead to lower contributions in the future. Where these conditions are not met, the net surplus is not included on the Balance Sheet as is the case at 31 March 2024 and 31 March 2023.

Costs and liabilities of the scheme are based on actuarial valuations. The latest full actuarial valuation was carried out at 31 March 2021, by a qualified independent actuary.

The main assumptions used by the actuary were:

	At 31/03/24	At 31/03/23	At 31/03/22
Retail Price inflation	<b>3.2%</b>	3.3%	3.7%
	<b>RPI less 0.9% pre 2030/ RPI less 0.2% post 2030</b>	RPI less 1.0% pre 2030/ RPI less 0.1% post 2030	RPI less 1.0% pre 2030/ RPI less 0.1% post 2030
Consumer Price Inflation			
Discount rate for scheme liabilities	<b>4.8%</b>	4.8%	2.8%
Rate of increase in fully RPI-linked pensions	<b>3.3%</b>	3.3%	3.7%
Rate of increase in pensions with limited price indexation	<b>3.1%</b>	3.1%	3.5%
Life expectancy of male / female aged 60 at accounting date	<b>26.1/29.0</b>	26.5/29.4	26.9/29.2
Life expectancy of male / female aged 60 at accounting date plus 20 years	<b>27.6/30.4</b>	28/30.8	28.4/30.8

The amount included in the Balance Sheet arising from the S4C Group's obligations in respect of the plan is as follows:

	<b>At 31/03/24</b>	At 31/03/23	At 31/03/22
	<b>Value</b>	Value	Value
	<b>£000</b>	£000	£000
Government bonds	<b>800</b>	800	800
Insured annuities	<b>26,400</b>	26,400	34,600
Cash	<b>400</b>	500	800

Following the completion of a buy-in for the remaining uninsured liabilities in the S4C Section in May 2019, the vast majority of the Section's assets are held in annuity policies which move in line with the Section's liabilities. The remainder of the Section's assets are invested in cash and index-linked gilts to cover running costs and any additional expenses that may arise from the buy-in. The S4C Board is aware of a case involving Virgin Media and NTL Pension Trustees, which could potentially lead to additional liabilities for some pension schemes and sponsors, including (if applicable) the S4C Board. This case is subject to appeal and the impact (if any) is not known and will be assessed as relevant in future.

	<b>At 31/03/24</b>	At 31/03/23	At 31/03/22
	<b>£000</b>	£000	£000
Total market value of assets	<b>27,600</b>	27,700	36,200
Present value of scheme liabilities	<b>(26,500)</b>	(26,500)	(34,900)
Net pension asset	<b>1,100</b>	1,200	1,300
Pension asset not recognised	<b>(1,100)</b>	(1,200)	(1,300)
Net balance sheet position	<b>-</b>	-	-

Under FRS 102, the scheme is represented on the Balance Sheet at 31 March 2024 as a net asset of £nil (at 31 March 2023 - £nil).

The amounts recognised in the income statement are as follows:

	<b>At 31/03/24</b>	At 31/03/23
	<b>£000</b>	£000
Current service cost		
Expected return on pension scheme assets	<b>(1,300)</b>	(1,000)
Running costs	<b>100</b>	100
Interest on pension scheme liabilities	<b>1,200</b>	1,000
Interest on asset ceiling	<b>100</b>	-
Total operating charges	<b>100</b>	100

The amounts charged or credited to the Statement of Comprehensive Income were included in the operating income and charges and within interest payable.

Changes in the present value of the defined benefit obligation are as follows:

	<b>At 31/03/24</b>	At 31/03/23
	<b>£000</b>	£000
Opening defined benefit obligations	<b>26,500</b>	34,900
Interest on pension scheme liabilities	<b>1,200</b>	1,000
Benefits paid	<b>(1,300)</b>	(1,800)
Actuarial gain on liabilities	<b>100</b>	(7,600)
Closing defined benefit obligations	<b>26,500</b>	26,500

Changes in the market value of the scheme assets are as follows:

	At 31/03/24	At 31/03/23
	<b>£000</b>	£000
Market value of scheme assets at start of period	<b>27,700</b>	36,200
Expected return on scheme assets	<b>1,300</b>	1,000
Running costs	<b>(100)</b>	(100)
Benefits paid	<b>(1,300)</b>	(1,800)
Actuarial loss on assets	<b>-</b>	(7,600)
Market value of scheme assets at end of period	<b>27,600</b>	27,700

The major categories of investments of plan assets, as a % of total plan assets:

	At 31/03/24	At 31/03/23
Government bonds	<b>3%</b>	3%
Cash	<b>1%</b>	2%
Insured annuities	<b>96%</b>	95%

Actual return on scheme assets:

	At 31/03/24	At 31/03/23
	<b>£000</b>	£000
Expected return on scheme assets	<b>1,300</b>	1,000
Actuarial loss on assets	<b>-</b>	(7,600)
Actual gain / (loss) on scheme assets	<b>1,300</b>	(6,600)

The amount recognised in the Statement of Other Comprehensive Income for the year ended 31 March 2024 is a gain of £0.1m (year to 31 March 2023 gain - £0.1m).

Historical analysis of asset values, scheme liabilities and overall surplus:

	At 31/03/24	At 31/03/23	At 31/03/22	At 31/03/21	At 31/03/20
	<b>£000</b>	£000	£000	£000	£000
Market value of scheme assets	<b>27,600</b>	27,700	36,200	37,200	31,900
Scheme liabilities	<b>(26,500)</b>	(26,500)	(34,900)	(35,900)	(30,800)
Surplus in scheme	<b>1,100</b>	1,200	1,300	1,300	1,100

## 20. Contingent liabilities – S4C Group and S4C

S4C have received a number of legal claims relating to events that have taken place within the 2023/24 financial year. As at 31 March 2024, due to the stage in the legal process, it is impracticable to assess the claims as pleaded and these are recognised as a contingent liability (at 31 March 2023 - £nil).

## 21. Related party transactions

S4C's related parties are its wholly owned commercial subsidiaries, joint ventures, Board members, members of Management Team, and those discussed below.

During the period the company entered into the following transactions with associates outside of the group that qualify as related parties:

	<b>2023/24</b>	2022/23
	<b>£</b>	£
Income related to Aria Studios Cyf	<b>6,000</b>	13,000

The company has also issued a loan, repayable in cash, to Aria Studios Cyf of which there was an outstanding balance of £457,367 at year end (2023: £423,111). The interest charged during the period was £34,256 (2023: £23,111). During 2022/23 the Company issued a loan to Aria Studio Cyf's property. The loan is subject to credit risk. The loan is repayable over a 10 year period and secured by a floating charge over Aria Studios Cyf's property.

Remuneration of the Board and Management Team members is disclosed in note 5.

During the year, S4C purchased goods worth £49,120 from two related parties. There are no outstanding balances. A member of S4C's Board holds a directorship at one of the parties, and a close family member of S4C's Management Team is Chairman at the other.

All transactions and balances with S4C's wholly owned subsidiaries have been eliminated upon consolidation. S4C has taken advantage of the exemption under Financial Reporting Standard 102 from disclosing transactions with other group companies

## 22. Events after the reporting period

The Media Act 2024 was enacted on 24 May 2024. This Act regulates the powers, remit and audit of S4C. It is a non-adjusting event after the end of the reporting period and we will provide further information on its impact in future Annual Reports and Accounts.

