

**Copyright and Communication Consulting Agency/
Latvian Authors' Association (AKKA/LAA)**

Reg. No. 40008043690

ANNUAL REPORT 2025

RĪGA, 2026

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According to Regulation No. 439 of the CM of July 14, 2022
“Regulations regarding annual accounts of associations, foundations and trade unions
and the keeping of accounts in a simple record system”

Name: **Copyright and Communication Consulting Agency/
Latvian Authors' Association (AKKA/LAA)**

Registration No./ER: 40008043690

Date: December 30, 2004

Address: 97 Aleksandra Čaka Str., Rīga LV-1011

Tel.: +371 67315632

E-mail: info@akka-laa.lv

Unit of measure: EUR

BALANCE

December 31, 2025

Association AKKA/LAA
Reg. No. 40008043690

Name

Balance
at December 31, 2025

(EUR)

No.	Item name	At 31.12.2025	At 31.12.2024
	ASSET		
	<i>LONG-TERM INVESTMENTS</i>		
I	Intangible investments	612 349	736 813
II	Fixed assets:	703 928	697 275
1.	Real estate	649 682	659 802
2.	Other fixed assets	54 246	37 473
	<i>Total long-term investments</i>	<i>1 316 277</i>	<i>1 434 088</i>
	<i>CURRENT ASSETS</i>		
I	Debtors	3 021	3 158
II	Expense of subsequent periods	21 231	14 081
III	Money	11 372 870	9 396 105
	<i>Total current assets</i>	<i>11 397 122</i>	<i>9 413 344</i>
	BALANCE	12 713 399	10 847 432

AKKA/LAA CEO:

Egīls Šēfers

AKKA/LAA Chief Accountant:

Gunta Dambe

Rīga, date in the timestamp

Association AKKA/LAA
Reg. No. 40008043690

Name

		(EUR)	
No.	Item name	At 31.12.2025	At 31.12.2024
LIABILITY			
I	Funds:		
1.	Target fund	173 418	165 117
2.	Real estate revaluation reserve	433 959	433 959
3.	Reserve fund	808 234	634 352
	<i>3.1. reserve fund for previous years</i>	<i>634 352</i>	<i>620 906</i>
	<i>3.2. reference year reserve fund</i>	<i>173 882</i>	<i>13 446</i>
	Total funds	1 415 611	1 233 428
II	Long-term creditors		
1.	Deferred income	60 000	0
	Long-term creditors in total	60 000	0
III	Short-term creditors		
1.	Taxes and compulsory state social insurance contributions	237 642	221 979
2.	Deferred income	20 000	0
3.	Other creditors	9 319 979	7 816 307
	Short-term creditors in total	9 577 621	8 038 286
4.	Accrued liabilities and provisions	1 660 167	1 575 718
	Total short-term creditors with accumulated liabilities and provisions	11 237 788	9 614 004
BILANCE		12 713 399	10 847 432

AKKA/LAA CEO:

Egīls Šēfers

AKKA/LAA Chief Accountant:

Gunta Dambe

Rīga, date in the timestamp

Association AKKA/LAA
Reg. No. 40008043690

Name

Statement of revenue and expenditure
for 2025

(EUR)

No.	Revenue and expenditure items	In the reporting period 2025	In the reporting period 2025
I	Membership fees, enrolment fees and other annual contributions	2 228	2 093
II	EU support for the digitalization of processes	20 000	0
III	Other revenue	2 219 034	1 929 259
V	Other revenue		29 634
VII	<i>TOTAL REVENUE</i>	<i>2 241 262</i>	<i>1 960 986</i>
VIII	<i>Expenditure for the fulfilment of the objectives and tasks laid down in the Statutes</i>	<i>2 060 012</i>	<i>1 940 172</i>
	including		
1.	services of other persons received for the performance of economic activities	195 176	192 597
2.	salaries	1 014 609	904 430
3.	social security payments	230 282	205 962
4.	depreciation and write-off of fixed assets and intangible investments	293 022	177 482
5.	other expenses	326 923	459 701
IX	Taxes:		
1.	Property tax	7 368	7 368
	<i>Taxes in total</i>	<i>7 368</i>	<i>7 368</i>
X	<i>TOTAL EXPENSES</i>	<i>2 067 380</i>	<i>1 947 540</i>
XI	DIFFERENCE BETWEEN REVENUE AND EXPENDITURE	173 882	13 446

AKKA/LAA CEO:

Egīls Šēfers

AKKA/LAA Chief Accountant:

Gunta Dambe

Rīga, date in the timestamp

CLARIFICATION OF THE ANNUAL REPORT

1. Accounting policies and explanations on the statement items of the balance sheet and revenue/ expenditure

1.1. Accounting principles and valuation methods

The annual report has been prepared in accordance with generally accepted accounting principles of Latvia. The accounting organization and procedures for drawing up initial documentation shall comply with the requirements of the Law on Accounting and the Law on Associations and Foundations of the GOP. The annual report has been prepared in accordance with Regulation No. 439 of the Cabinet of Ministers of July 14, 2022, Regulations Regarding Annual Reports of Associations, Foundations and Trade Unions and accounting keeping in a simple recording system. The items in the annual accounts are valued according to the following accounting principles:

- 1) using the same assessment methods as in the previous accounting year;
- 2) the evaluation has been performed with due caution, i.e.
 - the report includes only revenue obtained up to the balance sheet date;
 - expenses incurred in the accounting year, as well as such liabilities which have become known in the period between the balance sheet date and the day when the annual report was drawn up have been taken into account;
- 3) the economic transactions of the association have been recorded and reflected in the annual report, taking into account the economic content and nature thereof.

The accounting register is an account turnover statement. The chart of accounts shall be detailed according to the nature of the economic activity of the association.

Accounting and financial analysis use the accounting computer program “Jumis”. Revenue from rights management is accounted in the Business Information System AVIS program.

The statement of revenue and expenditure has been prepared in accordance with the scheme annexed to Cabinet Regulation No. 439.

Balances of tangible and financial assets have been verified in inventories.

Revenue

Revenue shall consist of deductions to cover the expenses of the administration of rights, membership fees and entry fees. Another part of revenue consists of revenue from currency fluctuations and revenue from expense compensation.

From the remuneration received, the association shall cover only the actual expenses related to the collection, distribution and disbursement of the remuneration (Copyright Collective Management Act, Articles 19 and 24). This corresponds to the expenditure item of the statement of revenue and expenditure “expenditure for the fulfilment of the objectives and tasks laid down in the Statutes”.

The revenue and expense statement does not include interest on bank deposits, but it is added to the current compensation distribution for authors. Excess revenue over expenditure shall be credited to the reserve fund. The excess of expenditure over revenue shall be written off against the balance of the reserve fund. Excess revenue is accumulated and diverted for long-term investments to compensate the funds used.

Revenue from rights management (collected remuneration) is separated in accounting and is not reported in the statement of revenue and expenditure.

Fixed assets

Fixed assets are initially shown at acquisition cost less depreciation. Depreciation of fixed assets is calculated by linear method. Depreciation norms have been approved by the CEO of AKKA/LAA:

2% per year for buildings;
Business Intelligence System – 10%–20%;
for other fixed assets 20%–35%.

The real estate is initially presented at the acquisition value and revalued in 2007, a revaluation reserve is presented, which is not reduced annually by the amount of depreciation of the revalued immovable property.

Money

The funds consist of funds in the bank and the treasury. Monies for royalties are separated in the accounts.

Cash balances in foreign currencies have been recalculated at the exchange rate of the European Central Bank as of December 31, 2025. Exchange differences in net worth are reflected in the statement of revenue and expenditure under “other revenue” or “other expenditure”.

Accounts receivable and accounts payable

Receivables and accounts payable are real and are measured at the end of the reporting period according to accounting records and acts of comparison. If the recovery of receivables is doubtful, provision is made for doubtful debtors. Receivables are shown in the balance sheet net of doubtful receivables and provisions for doubtful receivables.

Payables for distributed and unpaid and unallocated royalties are accounted for separately.

Provisions and accrued liabilities

Accumulated liabilities for unused leave are determined by multiplying the average remuneration of employees for the last six months of the reporting period by the number of days of unused leave, including mandatory social insurance contributions of the employer.

Provisions are based on accounting estimates in the amounts necessary to cover expenses that may arise. The provision shall be made on the basis of decisions of the AKKA/LAA Council and orders of the CEO.

Corporation tax

Accumulated liabilities for unused leave are determined by multiplying the average remuneration of employees for the last six months of the reporting period by the number of days of unused leave, including mandatory social insurance contributions of the employer.

Provisions are based on accounting estimates in the amounts necessary to cover expenses that may arise. The provision shall be made on the basis of decisions of the AKKA/LAA Council and orders of the CEO.

In the 2025 annual report, reclassification of items in the income and expense report for 2024 has been made. By clarifying the nature of the activity, the respective income reported in 2024 in the amount of EUR 1 787 416 was reclassified and included in the item “other revenue” (III).

Association AKKA/LAA

2.2.1. Overview of the long-term investment movement in 2025

	Intangible investment in computer programs (AVIS)	Creation of computer programs	Customer Service Portal (KAP) Nr.17.2-5-L-2024/156	Land	The building and the shed	Other fixed assets	Total longterm investments
Initial value 31.12.2024.	1 144 213	0	241 999	397 862	406 878	219 729	2 410 681
Purchased in 2025	69 878	58 996	0		0	46 337	175 211
Corrections in 2025						(11 043)	(11 043)
Relocation	58 996	(58 996)				0	0
Initial value 31.12.2025.	1 273 087	0	241 999	397 862	406 878	255 023	2 574 849
Accumulated depreciation 31.12.2024.	645 366	0	4 033	0	144 938	182 256	976 593
Calculated in 2025	204 938		48 400		10 120	29 564	293 022
Corrections in 2025						(11 043)	(11 043)
Accumulated depreciation 31.12.2025.	850 304	0	52 433	0	155 058	200 777	1 258 572
Residual value 31.12.2024.	498 847	0	237 966	397 862	261 940	37 473	1 434 088
Residual value 31.12.2025.	422 783	0	189 566	397 862	251 820	54 246	1 316 277

1.2.2 Clarification of AKKA/LAA balance 2025 sheet items

*Balance sheet items are structured according to the scheme of Annex 1 to Cabinet Regulation No. 808, Regulations Regarding Annual Accounts of Associations, Foundations and Trade Unions.
(EUR)*

	At 31.12.2025	At 31.12.2024
Intangible investments	612 349	736 813
Software value less depreciation Expenses for creating a royalty computer program	612 349	736 813
Fixed assets	703 928	697 275
including.		
1) real estate		
Value of land and office building less depreciation	649 682	659 802
of which value of land <i>(ownership rights to land and office building are recorded in the Land Register, Cadaster No. 0100-033-0036 28.03.2003, as an association of 17.03.2006)</i>	397 862	397 862
2) other fixed assets	54 246	37 473
Office technique and inventory value less depreciation <i>See Annex 2.2.1 for the movement of intangible assets and fixed assets</i>		
Debtors	3 021	3 158
including		
1) overtaxation	643	643
2) settlement of membership fees	2 378	2 211
3) other debtors	0	304
Costs of subsequent periods, including:	21 231	14 081
– press subscription, licence extension for 2026	7 123	2 752
– Health Insurance for employees/ January-June 2026	10 417	10 919
– insurance payments for 2026	456	410
– data mining in 2026	3 235	
In 2025 doubtful debtors have accumulated EUR 83 214		
Money	11 372 870	9 396 105
Monies to cover management costs	2 137 975	1 611 311
Monies for royalties		
including.		
1) treasury funds	268	211
2) funds in Swedbank, SEB and Luminor bank accounts <i>(the foreign currency has been recalculated into euro in accordance with the exchange rate determined by the Bank of Latvia on the last working day of the reporting year)</i>	9 234 627	7 784 583
I Funds	1 415 611	1 233 428
1) target fund <i>Resources of the Culture and Education Foundation (CEF) in accordance with Sections 19 and 24 of the Copyright Collective Management Law See Annex 2.3 for a report on the use of the CEF funds</i>	173 418	165 117
2) reserve fund	808 234	634 352

– builds from excess revenue over expenditure, designed to offset long-term expenditure				173 882	13 446
– amount of revenue overrun in previous years				634 352	620 906
Real estate revaluation reserve. Revaluation carried out in 2007.				433 959	433 959
Type of real estate	Cadastral value 31.12.2024	Balance sheet value of real estate until revaluation	Revaluation reserve		
Land	317 373	105 416	292 446		
Office building	173 801	155 841	139 053		
Shed		-	2 460		
Total	491 174	261 257	433 959		
II. Long-term creditors					
Long-term share of deferred revenue/ ES support for the digitalization of processes				60 000	
III Short-term creditors, including:				9 577 621	8 038 286
1. Taxes and state social security contributions at 31.12.2025 <i>Budgeted debits 01.2025. See Annex 2.4</i>				237 642	221 979
2. Deferred income/ ES support for process digitalization				20 000	0
3. Other creditors				9 319 979	7 816 307
1) settlement of distributed and unpaid compensation				2 106 674	1 837 291
<i>Including distributed remuneration for rightsholders in Latvia</i>				<i>1 275 053</i>	<i>1 144 793</i>
<i>of which: distributed and unpaid remuneration due to the settlement of inheritance matters, closed bank accounts, etc.</i>				<i>784 204</i>	<i>734 534</i>
<i>Non-payable remuneration: 127 044 EUR for 2022, 103 970 EUR for 2023, 130 515 EUR for 2024, 129 320 EUR for 2025</i>				<i>490 849</i>	<i>410 259</i>
<i>– distributed royalties to foreign copyright organizations</i>				<i>831 621</i>	<i>692 498</i>
<i>of which: distributed and unpaid remuneration due to closed bank accounts etc.</i>				<i>164 041</i>	<i>122 291</i>
<i>of which: distributed and unpaid remuneration due to sanctions</i>				<i>667 580</i>	<i>570 207</i>
2) settlement of undistributed remuneration				7 034 863	5 854 375
<i>of which blank tape levy and public lending</i>				<i>1 504 467</i>	<i>1 313 791</i>
<i>remuneration still to be distributed from previous years</i>				<i>5 530 396</i>	<i>4 540 584</i>
3) bills of suppliers and customers				121 348	70 926
– payment of December bills				27 991	28 281
– advance payment received				85 237	42 645
– received royalties subject to conditions				8 120	0
4) billing parties				968	1 471
5) settlement of December salary				56 126	52 244
Provisions and accrued liabilities				1 660 167	1 575 718

Accrued liabilities for payment of employee leave money and state social insurance deductions, material stimulation of employees regarding the results of the previous year	300 167	315 718
<i>Provisions</i>		
– upgrading and developing supplements for AVIS software	900 000	800 000
– repair of heating systems and interior of the office building	100 000	100 000
– AKKA/LAA anniversary events	90 000	90 000
– to ensure business continuity of AKKA/LAA	270 000	270 000

1.2.3 Clarification of the AKKA/LAA revenue and expenditure statement items for 2025

Balance sheet items are structured according to the scheme of Annex 2 to Cabinet Regulation No. 808, Regulations Regarding Annual Accounts of Associations, Foundations and Trade Unions

	2025	2024
Membership fee and enrollment fee in 2025	2 228	2 093
A total of 293 members, of which 288 natural persons and 5 legal persons		
Support received from the EU for the digitalization of processes	20 000	0
Other income, in total	2 219 034	1 929 259
Deductions for administration expense of received compensation	2 206 681	1 929 259
of which AKKA/LAA	2 068 144	1 779 290
public lending	27 433	40 209
blank tape levy	111 104	109 760
proceeds from the issue of licences for related rights	384	356
proceeds from exchange rate fluctuations	0	1 288
revenue from the deposit of administrative funds	8 627	26 500
compensation for legal proceedings and other costs	3 342	1 490
Expenditure for the performance of the tasks provided for in the Statutes, in total	2 060 012	1 940 172
Under Article 66 (2) of the Copyright Law, “the collecting society shall bear the actual costs of collecting, distributing and paying the remuneration from the remuneration collected under the contracts entered into”.		
In 2025, the actual expenditure was as follows:		
1. Services, including:	195 176	192 597
– <i>business trip expenses, transport services</i>	13 708	23 895
– <i>office machinery servicing, purchase of spare parts</i>	34 036	38 673
– <i>employee training, personnel recruitment</i>	13 416	780
– <i>legal services and recovery of receivables</i>	22 551	27 045
– <i>communication services</i>	20 305	17 549
– <i>purchase of information, research, advertising</i>	43 056	41 080
– <i>purchase of stationery and household goods</i>	4 559	2 630
– <i>expenditure related to maintenance, repair and utilities of property, property insurance</i>	36 644	34 280
– <i>payment for various services</i>	6 901	6 665
2. Salary	1 014 609	904 430
3. State social security payments	230 282	205 962
4. Depreciation of fixed assets and intangible assets, including	293 022	177 482
– <i>depreciation related to EU support received</i>	20 000	

5. Other expenditure, including:	326 923	459 701
– Labor Protection expenditure, employee health insurance policies	26 686	27 473
– membership fees for CISAC, GESAC, EVA, and foreign databases	19 675	20 439
– representation expenses	8 431	8 092
– savings for holiday money, social security deductions, employee bonus, business continuity	262 097	403 697
– losses from exchange rate fluctuations	3 084	0
– other expenses	6 950	0
Taxes		
– property tax	7 368	7 368

1.3. Report on turnover of resources of the Culture and Education Foundation

(CEF) in 2025

(EUR)

Balance at 31.12.2024	165 117
CEF actual revenue in 2025	201 746
<i>including:</i>	
25% of blank tape levy	150 593
Non-payable remuneration	51 153
TOTAL:	366 863
Actual expenditure of CEF in 2025	
1. Copyright Infinity Awards, event 2025	41 692
2. CEF project management	31 145
3. Copyright Museum maintenance expenses	741
4. Home-page improvement and maintenance expenses	1 097
5. Arranging and conducting educational seminars, events	1 600
6. Author Grants	56 000
7. Calendars	13 000
8. Participation in CopyMonkey project	170
9. Support for GAMMA (Annual Grand Modern	10 000
10. Music Award)	
11. Support for the “Rakstivāls” Festival	3 000
12. Support for RIGA MUSIC WEEK	5 000

13. Donation to Ukraine/ Ukrainian authors	30 000
TOTAL:	193 445

Balance at 31.12.2025. 173 418

1.4. Tax and fee information

Tax payment to the budget in 2025

(EUR)

No.	Type of tax	Calculated for 2025	Paid in 2025
1	Personal income tax	931 326	918 947
	Including:		
	– of salaries	224 122	222 379
	– of the author's remuneration	707 204	696 568
2	State social security contributions	392 905	389 620
3	Property tax	7 368	7 368
4	Risk charge	144	145
	Total:	1 331 743	1 316 080

AKKA/LAA has no overdue tax payments.

1.5. Other information

1.5.1 The association does not have a financial liability that is not shown in the balance sheet. No warranties or guarantees have been provided to other persons; no property of the association has been pledged.

1.5.2 In 2025, a remuneration of EUR 56 671 had been calculated for the President and the members of the Council. The President had a paid health insurance policy. No other expenditure has been reimbursed.

1.5.3 The average number of employees under contracts of employment in the reference year was 33. For 2025, a remuneration of EUR 1 126 834 had been calculated for employees and contractors for additional responsibilities or odd jobs, EUR 22 394 for health insurance, EUR 67 499 for vacation allowance and according to royalty agreements EUR 53 063 have been calculated for the development of the computer program, translations for the homepage and legal proceedings, preparation of AKKA/LAA visual data charts.

1.5.4 The association has received no donations or gifts in 2025.

AKKA/LAA CEO:

Egīls Šēfers

AKKA/LAA Chief Accountant:

Gunta Dambe

Rīga, date in the timestamp

Management Report

1. General information on the Association

1.1. Name and registered office:

Copyright and Communication consulting Agency/ Latvian Authors' Association (AKKA/LAA), Aleksandra Čaka Street 97, Rīga, LV-1011

1.2. Registration No. and date:

40008043690, December 30, 2004

1.3. Area of activities, objectives and methods for their implementation:

1) bringing together authors for the exercise of collective management of authors' rights in accordance with laws and regulations of the Republic of Latvia and international conventions and agreements of which Latvia is a member;

2) arrangement of the copyright protection system in the Republic of Latvia;

3) promotion of cultural diversity in Latvia by ensuring lawful exploitation of the works of foreign authors to the public;

4) promotion of the work and cultural accessibility of Latvian authors abroad;

5) collective management of the rights of Latvian copyright holders in the Republic of Latvia and abroad;

6) collective management of the rights of foreign copyright holders in the Republic of Latvia and abroad;

7) promoting favorable conditions for creative activities of authors by exercising their copyright and defending their economic interests.

1.4. Information regarding the structure of the association

The structure of the association consists of its highest decision-making body – a General Assembly of Members, supervisory body – Council and executive body – Executive Director (CEO).

The General Assembly consists of copyright holders who have entered into a collective management agreement with the AKKA/LAA and have been admitted as members of the AKKA/LAA.

The Council represents the interests of the members during the period between the general meetings and monitors the performance of the Executive Director. The Council is elected from among the members by the general meeting for a term of three years. The number of members of the Council is 9.

The work of the Council is chaired by the President. The President is elected from among the Council for a term of three years. The President convenes

meetings of the Council, enters into a contract of employment with the Executive Director, supervises the implementation of decisions of the General Assembly and the Council.

The Executive Director is elected by the Council.

1.5. Information on the policy governing the operation

The documentation of the association includes policies on quality, personnel, conflict of interest prevention, confidentiality of information and processing of personal data.

1.6. Information on the decision-making process

The General Assembly shall decide all matters within its competence by a simple majority of the members present, except for a decision terminating the Association, which shall be taken with the consent of more than 2/3 members. The General Assembly shall approve the Statutes of the association, elect a Council, approve the remuneration and other financial benefits of the President and members of the Council, approve the annual transparency report and general regulations of the association, etc.

The Council shall determine and implement the strategy of the Association, organize and control the implementation of general meetings and decisions thereof, elect and revoke the executive director, supervise the activities of the executive director, determine the amount of the fees of members, admit new members, approve the annual budget and annual accounts, creative and financial programs and the utilization of funds thereof, approve minimum norms (tariffs) for authors of remuneration and the rules for the collection, distribution and disbursement thereof, appoint and cancel an auditor, etc.

The Executive Director (CEO) manages the matters of the Association, ensures the execution of decisions of General Assembly and Council, manages the funds and property of the Association in conformity with laws, statutes and decisions of General Assembly and Council, decides on the numerical and personal composition of the staff, as well as the procedures and amount of remuneration, hires and fires employees, etc.

Internal process descriptions have been developed for the circulation of information.

1.7. Information on financial management

The Council shall approve the annual budget, the annual report, the report of the Executive Director on the results of the annual work, approve the findings of the auditor on the results of the audit.

1.8. Information on the staff

AKKA/LAA staff perform their duties in accordance with approved job descriptions. Staff policies are included in the AKKA/LAA documentation.

1.9. The governing body:

AKKA/LAA Council, elected in August 28, 2023.
Acting since October 14, 2023:

Kārlis Kazāks (President)
 Dagnija Dreika
 Lauris Gundars
 Valdis Muktupāvels
 Juris Arvīds Mūrnieks
 Juris Petraškevičs
 Valdis Rūmnieks
 Ingus Ulmanis
 Kaspars Zemītis

1.10. The executive body:

CEOs of AKKA/LAA:

Inese Paklone, confirmed in office from 13.12.2004 to 16.09.2025
 Anita Sosnovska, confirmed in office from 16.09.2025 to 12.03.2026
 Egīls Šēfers, confirmed in office since 12.03.2026

1.11. Number of members:

there are 293 members in the association, including 288 natural persons and 5 legal persons.

1.12. Information regarding the accounting official signing the annual report:

Chief Accountant Gunta Dambe

1.13. Information regarding the sworn auditor:

License No. 159 of Briede and Vīndedze, Ltd.

LR Sworn Auditor Niāra Vīndedze, Certificate No. 114

Biedrība AKKA/LAA

1.14. Key achievements in 2025 and development perspective

2025 was the thirtieth year of operation for the copyright collecting society AKKA/LAA. By adding the initial two-year period of AKKA (the authors' communications consultancy agency), then the thirty-second year of operation and the twentieth year of being as an association. In 2025, total royalties collected amounted to 12.22 million euros, 16.8 percent up from 2024.

91% of the total remuneration consists of the remuneration collected for authors, and 9% of the remuneration collected were received by holders of related rights.

Remuneration collected in 2025

	Type of work	Summa	%
1.	Musical works <i>Including public performance</i>	8 067 835 3 275 835	66.02 26.81
2.	Dramatic and musical dramatic works	1 020 341	8.35

3.	Literary works	205 630	1.68
4.	Visual works	81 013	0.66
5.	Audiovisual works	291 868	2.39
6.	Choreography	3 310	0.03
7.	Blank tape levy	664 137	5.44
8.	Public lending	353 752	2.89
9.	Remuneration from sister societies abroad	303 104	2.48
10.	Revenue from bank % for authors	175 495	1.44
Remuneration to rightsholders in total		11 166 485	91.38
1.	To related rights organizations in Latvia	1 053 755	8.62
Remuneration to other rightsholders in total		1 053 755	8.62
Total remuneration		12 220 240	100.00
<i>including proceeds from bank accrued deposit %</i>		<i>175 495</i>	

In 2025, EUR 4 522 100 were collected for **the public use of musical, literary and choreographic works**, including EUR 3 063 740 for artistic performances, EUR 1 328 368 for public playback of musical records and EUR 129 992 for the film music. The increase in royalties collected against 2024 is EUR 733 865, or 119% against the previous year's revenue.

The increase in remuneration collected in the segment of live concerts and events was due to increased number of events and an increase in the average price of tickets. The increase in revenue was also influenced by a one-off event – the 13th Latvian School Youth Song and Dance Festival. During the reporting period, the majority of licensees in the concerts and events segment submitted reports electronically using the AKKA/LAA online electronic data system. This approach ensured more efficient data circulation and processing, as well as facilitated the process of verifying the submitted data.

In sectors where recorded music is traditionally played – shops, cafes and services – there still was a high variability of companies. Rising prices led to increased number of companies doing without any background music at all or choosing the product generated by AI, currently used without any licensing. Due to the high variability of licensees and new AI options, regular monitoring of the market sector continued in this area.

In the field of film industry, the remuneration collected for **the public performance of film music** had grown, while the number of issued licenses remained the same as in 2024. The increase in collected royalties is due to the attendance statistics of the award-winning animated film “Straume” in Latvian cinemas.

In **the audiovisual sector**, the AKKA/LAA collected EUR 119 493 in 2025, a decrease of 1,73% against 2024. The majority of the revenue – EUR 94 841 – as usual came from the pay for broadcasting audiovisual works on television. EUR 5 998 was charged for public screening of films, while the remuneration collected for reproduction and synchronization of film fragments in 2025 was EUR 8 117. The amount of remuneration collected for these types of use of audiovisual works had experienced a minor decrease compared to the previous year, reflecting a slight decrease in the use of the repertoire represented by AKKA/LAA. As in previous years, there had been an

increase in remuneration for publishing audiovisual works online (making them available interactively). In 2025, they were EUR 10 535, which is 24.9% more than in 2024.

The Media Department administers the use of musical works – broadcasting in electronic media – on radio and television, as well as distributing works on cable and closed internet protocol television and making them public online. In addition, the Department also administers the reproduction of authors' works on carriers. In the case of cable and closed internet protocol television, the remuneration charged by the division, in addition to musical works, covers literary, audiovisual and visual works and, in the case of radio, literary works as well.

In 2025, the Media Department collected EUR 3 934 628. Compared to 2024, the collected remuneration has increased by 16%. This increase can be explained by the fact that, in accordance with the terms of the license agreements concluded in 2024, Latvia's largest users of authors' work on paid video subscription (VOD or “video-on-demand”) platforms also settled with authors last year for the use of protected works over several previous years. As television viewing habits change, royalties collected from cable television have been declining for several years, while they have been increasing from paid subscription platforms.

The Department of Literary and Dramatic Works issues licences and collects royalties due to authors for both the use of literary works (publishing, reproduction, broadcasting, internet use) and the use of dramatic works (public performances in theatres, reproduction, broadcasting, Internet use). The Department also licenses the publication and online use of sheet music. Licensing the use of works in theatre performances the Department licences not only the use of texts (plays, literary works), but also of musical works (musical dramatic works, specially written music and existing musical works), as well as choreographed works and scenography (setting and costume), as well as the recording (reproduction) and broadcasting and use thereof on the Internet. The department handles the reports and also collects royalties for televising choreographic works.

In 2025, 163 licenses were issued to publishers of literary and musical works, which is fewer than in 2024. Accordingly, there has been a decrease in royalties collected from publishers.

The number of licenses issued to theatres has increased slightly, but the amount of fees collected continued to grow. In total, 363 licenses were issued to theaters in 2025, while the fees collected increased significantly, exceeding EUR 1.21 million.

The Visual Works Department administers the extensive and varied use of visual and photographic works – reproduction by printing (books, press publications, brochures, exhibition catalogues, etc.), reproduction in posters, on various materials, reproduction on data carriers, in films, as well as broadcasting of reproductions on television, showing and making them available on the Internet. The department is also responsible for collecting and distributing remuneration for the resale of visual works, as well as for distributing the remuneration for the retransmission of visual works on cable television and the blank tape levy. Cooperation with foreign visual works organizations takes place, receiving and distributing remuneration for the use of works of Latvian authors abroad and vice versa – by issuing licences for the use of works of foreign authors in the territory of Latvia.

In 2025, EUR 47 649 in remuneration was collected for authors of visual and photographic works, which is EUR 11 000 more than in 2024, and EUR 33 362 in remuneration for rebroadcasting on cable television were distributed.

In 2025, EUR 353 752 were received from the Ministry of Culture of the Republic of Latvia **for public lending** in 2024, an increase of 8.66% against the previous year. Unlike previous years, when the reward was distributed based on circulation data from a sample of libraries as a whole, this time the distribution used data from all Latvian public libraries and the National Library of Latvia. EUR 324 977 were distributed and paid to authors for the lending of copies of books, sheet music, phonograms and films. EUR 1 560 were transferred to organizations representing owners of related rights.

The Blank Tape Levy Department collects remuneration for blank tape carriers imported into the territory of Latvia. The amount of remuneration, machinery for which the remuneration is to be paid and groups of rightsholders receiving remuneration are defined by Cabinet of Ministers Regulation No. 321 (10.05.2005).

In 2025, revenues from the blank tape levy amounted to EUR 1 717 892, including EUR 621 184 for authors and EUR 985 604 for holders of related rights – this remuneration minus actual administrative costs AKKA/LAA distributed to the groups of the holders of related rights in February 2026.

Compared to 2024, blank tape levy collection revenue in 2025 increased by slightly more than 14%.

The Documentation and Distribution Department: In 2025, 232 authors joined AKKA/LAA, and 51 heirs signed authorization agreements. Thus, as of December 31, 2025, AKKA/LAA represented 6 999 Latvian authors, 25 music publishers, 968 heirs of rights under direct management agreements and calculated remuneration for those 878 authors who had applied for public lending remuneration.

In accordance with international standards and as decided by GA, AKKA/LAA continued to use both full-scale, analogue and sampling programs. The remuneration collected from concerts and major broadcasters was distributed through full-scale, analogue and sampling programs, the blank tape levy was distributed by compiled analogue programs, while the remuneration for the public performance of recorded music was distributed by the analogue and the sampling methods. Remuneration had been distributed monthly.

The cooperation with foreign companies providing distribution of remuneration for large groups of foreign authors (e.g. film music). It is especially important looking forward to the VOD sector. Currently, the processing of large amounts of data received from film and music portals has been carried out by AKKA/LAA in collaboration with Swiss-based company SUISA Digital, which specializes in the processing of reports from major music portals, and BMAT, registered in Barcelona, which basically processes music reports from film portals.

At the beginning of 2025, AKKA/LAA received funding from the EU Recovery Fund to implement a wide-ranging customer service platform. Of particular note in the scope

of the project is the module for unrecognized musical and choreographic works, in which 7 200 works had already been entered as of December 31, 2025.

The structure of the remuneration paid is characterized by the following table:

paid out by AKKA/LAA in 2025 (including income tax)

No.	Rightsholders	Amount (EUR)
1.	Directly represented authors and publishers of musical, literary, dramatic, visual, audiovisual and choreographic works	4 430 770
2.	Foreign copyright organizations	3 075 384
3.	Music performers and producers in Latvia	668 876
4.	Film producers in Latvia	93 456
5.	Performing actors in Latvia	93 456
	Total:	8 361 942

On October 14, 2017, the General Assembly of AKKA/LAA decided that the Culture and Education Foundation (CEF) would consist of unclaimed remuneration, that is to say, the recipient of which had not been ascertained within three years after the use of the work. On August 30, 2021, the General Assembly decided that 25% of the blank tape levy would also be transferred to the CEF.

These funds are used in accordance with the provisions of the CEF. The use of the funds in 2025 was approved by the AKKA/LAA Council at its meeting on January 29, 2026. The balance of the CEF on December 31, 2025 was EUR 173 418.

AKKA/LAA concluded the year of 2025 with an excess of EUR 173 882 over expenditure.

The main development trends of AKKA/LAA involve the refinement of Business Information System AVIS. The refinement plan of AVIS has been drawn up to 2028. The plan provides implementation of international audiovisual database IDA in the system (it has been manual work up to now) in 2026, and the distribution will be elaborated to make AKKA/LAA capable of processing the ever-increasing amount of data.

The full 2025 report of the AKKA/LAA and the report of independent auditors are submitted electronically to the State Revenue Service electronic declaration system. An overview of the remuneration collected and distributed to authors by the AKKA/LAA is submitted to the Secretariat of the International Confederation of Societies of Authors and Composers (CISAC). The annual report is also published on the AKKA/LAA website in www.akka-laa.lv.

AKKA/LAA CEO:

Egīls Šēfers

Rīga, date in the timestamp

THE ELECTRONIC SIGNATURE OF THE BOARD MEMBER APPLIES TO THE MANAGEMENT REPORT AS A SINGLE DOCUMENT FROM PAGES 15 TO 21, AS WELL AS TO THE ANNUAL REPORT AS A SINGLE DOCUMENT FROM PAGES 3 TO 21.

THE ELECTRONIC SIGNATURE OF THE PERSON RESPONSIBLE FOR ACCOUNTING IS APPLIED TO THE ANNUAL REPORT AS A SINGLE DOCUMENT FROM PAGES 3 TO 14.

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