

APPROVED
at the meeting of the AKKA/LAA Council of 27.03.2025.
President of the Council
Kārlis Kazāks
Rīga, 27.03.2025.

**Copyright and Communication Consulting Agency/
Latvian Authors' Association
(AKKA/LAA)
Reg. No. 40008043690**

ANNUAL REPORT 2024

RĪGA, 2025

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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

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Unit of measure: EUR

BALANCE

December 31, 2024

Association AKKA/LAA
Reg. No. 40008043690

Balance
at December 31, 2024

(EUR)

No.	Item name	at 31.12.2024	at 31.12.2023
	ASSET		
	<i>LONG-TERM INVESTMENTS</i>		
I	Intangible investments	736 813	382 979
II	Fixed assets:	697 275	705 702
1.	Real estate	659 802	668 812
2.	Other fixed assets	37 473	36 890
	<i>Total long-term investments</i>	<i>1 434 088</i>	<i>1 088 681</i>
	<i>CURRENT ASSETS</i>		
I	Debtors	3 158	4 300
II	Expense for subsequent periods	14 081	14 887
III	Money	9 396 105	9 020 427
	<i>Total current assets</i>	<i>9 413 344</i>	<i>9 039 614</i>
	BALANCE	10 847 432	10 128 295

AKKA/LAA CEO:

Inese Paklone

AKKA/LAA Chief Accountant:

Gunta Dambe

March 19, 2025

Association AKKA/LAA
Reg. No. 40008043690

(EUR)

No.	Item name	At 31.12.2024	At 31.12.2023
	LIABILITY		
I	Funds:		
1.	Target fund	165 117	193 514
2.	Real estate revaluation reserve	433 959	433 959
3.	Reserve fund	634 352	620 906
	<i>3.1. reserve fund for previous years</i>	<i>620 906</i>	<i>391 277</i>
	<i>3.2. reference year reserve fund</i>	<i>13 446</i>	<i>229 629</i>
	<i>Total funds</i>	<i>1 233 428</i>	<i>1 248 379</i>
III	Short-term creditors:		
1.	Taxes and compulsory state social insurance contributions	221 979	183 669
2.	Other creditors	7 816 307	7 364 077
	<i>Short-term creditors in total</i>	<i>8 038 286</i>	<i>7 547 746</i>
3.	Accrued liabilities and provisions	1 575 718	1 332 170
	<i>Total short-term creditors with accumulated liabilities and provisions</i>	<i>9 614 004</i>	<i>8 879 916</i>
	BALANCE	10 847 432	10 128 295

AKKA/LAA CEO:

Inese Paklone

AKKA/LAA Chief Accountant:

Gunta Dambe

March 19, 2025

Association AKKA/LAA
Reg. No. 40008043690

Statement of revenue and expenditure
for 2024

(EUR)

No.	Revenue and expenditure items	In the reporting period 2024	In the reporting period 2023
I	Membership fees, enrolment fees and other annual contributions	2 093	2 033
IV	Revenue from economic activities	1 929 259	1 787 416
V	Other revenue	29 634	13 535
VII	<i>TOTAL REVENUE</i>	<i>1 960 986</i>	<i>1 802 984</i>
VIII	<i>Expenditure for the fulfilment of the objectives and tasks laid down in the Statutes</i>	<i>1 940 172</i>	<i>1 565 987</i>
	including		
1.	Services of other persons received for the performance of economic activities	192 597	171 919
2.	Salaries	904 430	789 501
3.	Social security payments	205 962	182 384
4.	Depreciation and write-off of fixed assets and intangible investments	177 482	120 335
5.	Other expenses	459 701	301 848
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>1 947 540</i>	<i>1 573 355</i>
XI	DIFFERENCE BETWEEN REVENUE AND EXPENDITURE	13 446	229 629

AKKA/LAA CEO:

Inese Paklone

AKKA/LAA Chief Accountant:

Gunta Dambe

March 19, 2025

CLARIFICATION OF THE ANNUAL REPORT

1. Accounting policies and explanations on balance sheet and revenue, expenditure statement items.

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, 2024. 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

In accordance with the Corporate Income Tax Law of the Republic of Latvia, the association is exempted from payment of corporate income tax.

If the classification of items is changed in the reporting year, the previous year's figures are reclassified accordingly so that the information is comparable.

Association AKKA/LAA

2.2.1. Overview of the long-term investment movement in 2024

	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 long-term investments
Initial value 31.12.2023.	866 577	22 493	0	397 862	405 910	201 576	1 894 418
Purchased in 2024	204 043	51 100	241 999		968	24 779	522 889
Corrections in 2024						(6 626)	(6 626)
Relocation	73 593	(73 593)				0	0
Initial value 31.12.2024.	1 144 213	0	241 999	397 862	406 878	219 729	2 410 681
Accumulated depreciation 31.12.2023.	506 091	0	0	0	134 960	164 686	805 737
Calculated in 2024	139 275		4 033		9 978	24 196	177 482
Corrections in 2024						(6 626)	(6 626)
Accumulated depreciation 31.12.2024.	645 366	0	4 033	0	144 938	182 256	976 593
Residual value 31.12.2023.	360 486	22 493	0	397 862	270 950	36 890	1 088 681
Residual value 31.12.2024.	498 847	0	237 966	397 862	261 940	37 473	1 434 088

1.2.2 Clarification of AKKA/LAA balance 2024 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 31.12.2024	At 31.12.2023
Intangible investments	736 813	382 979
Software value less depreciation	736 813	360 486
Expenses for creating a royalty computer program		22 493
Fixed assets	697 275	705 702
including		
1) real estate		
Value of land and office building less depreciation	659 802	668 812
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	37 473	36 890
Office technique and inventory value less depreciation		
Debtors	3 158	4 300
including		
1) overtaxation	643	1 643
2) settlement of membership fees	2 211	2 135
3) other debtors	304	522
Costs of subsequent periods, including:	14 081	14 887
– press subscription, licence extension 2025	2 752	3 470
– Health Insurance for employees/ January-June, 2025	10 919	11 032
– insurance payments for 2025	410	385
In 2023 doubtful debtors have accumulated EUR 83 214		
Money	9 396 105	9 020 427
Monies to cover management costs	1 611 311	1 725 311
Monies for royalties		
of which		
1) treasury funds	211	394
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>	7 784 583	7 294 722
I Funds	1 233 428	1 248 379
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>	165 117	193 514
2) reserve fund	634 352	620 906

* builds from excess revenue over expenditure, designed to offset long-term expenditure				13 446	229 629
* amount of revenue overrun in previous years				620 906	391 277
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		
III Short-term creditors, including:				8 038 286	7 547 746
1. Taxes and national social security contributions at 31.12.2024 <i>Budgeted debits 01.2025. See Annex 2.4</i>				221 979	183 669
1. Other creditors:				7 816 307	7 364 077
1) settlement of distributed and unpaid compensation				1 837 291	1 544 410
- including distributed royalties for authors in Latvia				1 144 793	1 036 227
<i>of which: distributed and unpaid remuneration due to the settlement of inheritance matters, closed bank accounts, etc.</i>				734 534	666 077
<i>non-payable remuneration: 96 138 EUR for 2021, 80 527 EUR for 2022, 104 414 EUR for 2023, 129 180 EUR for 2024</i>				410 259	370 150
– distributed royalties to foreign copyright organizations				692 498	508 183
<i>of which: distributed and unpaid remuneration due to closed bank accounts etc.</i>				122 291	80 977
<i>of which: distributed and unpaid remuneration due to sanctions</i>				570 207	427 206
2) settlement of undistributed remuneration				5 854 375	5 736 720
including blank tape levy and public lending				1 313 791	1 386 698
remuneration still to be distributed from previous years				4 540 584	4 350 022
3) bills of suppliers and customers				70 926	35 541
– payment of December bills				28 281	22 028
– advance payments received				42 645	13 513
4) billing parties				1 471	860
5) settlement of December salary				52 244	46 546
Provisions and accrued liabilities				1 575 718	1 332 170
Accrued liabilities for payment of employee leave money and state social insurance deductions, material stimulation of employees regarding the results of the previous year				315 718	287 170
<i>Provisions</i>					
of which – upgrading and developing supplements for AVIS software				800 000	675 000
– repair of heating systems and interior of the office building				100 000	100 000
– legal proceedings				0	125 000
– AKKA/LAA anniversary events				90 000	90 000
– to ensure business continuity of AKKA/LAA				270 000	55 000

1.2.3 Clarification of the AKKA/LAA revenue and expenditure statement items for 2023

*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.*

	2024	2023
Membership fee and enrollment fee in 2024	2 093	2 033
A total of 298 members, including 293 natural persons and 5 legal persons		
Revenue from economic activities, in total	1 929 259	1 787 416
Deductions for administration expense of received compensation		
of which AKKA/LAA	1 779 290	1 643 468
public lending	40 209	42 742
blank tape levy	109 760	101 206
Other revenue	29 634	13 535
<i>1) proceeds from the issue of licences for related rights</i>	356	381
<i>2) proceeds from exchange rate fluctuations</i>	1 288	0
<i>3) revenue from the deposit of administrative funds</i>	26 500	10 436
<i>4) compensation for legal proceedings and other costs</i>	1 490	2 718
Expenditure for the performance of the tasks provided for in the Statutes, in total	1 940 172	1 565 987
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 2024, the actual expenditure was as follows:		
1. Saimnieciskās darbības veikšanai saņemto citu personu pakalpojumi, tai skaitā:	192 597	171 919
– <i>business trip expenses, transport services</i>	23 895	16 30
– <i>office machinery servicing, purchase of spare parts</i>	38 673	36 871
– <i>seminars and training of employees, ISO</i>	780	1 632
– <i>legal services and recovery of receivables</i>	27 045	7 415
– <i>communication services</i>	17 549	16 561
– <i>purchase of information, research, advertising</i>	41 080	30 367
– <i>purchase of stationery and household goods</i>	2 630	5 422
– <i>expenditure related to maintenance, repair and utilities of property, property insurance</i>	34 280	51 343
– <i>payment of various services</i>	6 665	6 078
2. salary	904 430	789 501
3. state social security payments	205 962	182 384
4. depreciation of fixed assets and intangible assets	177 482	120 335
5. other expenditure, including:	459 701	301 848
– <i>Labor Protection expenditure, employee health insurance policies</i>	27 473	21 005
– <i>membership fees CISAC, GESAC, EVA and foreign databases</i>	20 439	13 993
– <i>representation expenses</i>	8 092	9 654
– <i>savings for holiday money, social security deductions, employee bonus</i>	403 697	191 248

– <i>losses from exchange rate fluctuations</i>	0	1 000
– <i>fine</i>	0	64 948
Taxes		
– property tax	7 368	7 368

1.3. Report on turnover of resources of the Culture and Education Foundation (CEF) in 2024

(EUR)

Balance at 31.12.2023	193 514
CEF actual revenue in 2024	209 451
<i>including:</i>	
25% of blank tape levy	134 596
non-payable remuneration	74 855
TOTAL:	402 965
Actual expenditure of CEF in 2024	
1. Copyright Infinity Awards, event 2024	36 217
2. CEF project management	28 178
3. Copyright Museum maintenance	742
4. Home page improvement, maintenance expense	4 466
5. Arranging and conducting educational seminars, events	1 270
6. Author Grants	83 300
7. Conference of Baltic authors' societies in Tallinn	4 863
8. Calendars	13 000
9. Participation in CopyMonkey project	170
10. Support to Music Education Technologies project by "Zvaigznāja komanda", Ltd.	12 492
11. Support to the festival "Rakstivāls"	3 150
11. Donation to Ukraine, Ukrainian authors	50 000
KOPĀ:	237 848
Balance at 31.12.2024.	165 117

1.4. Tax and fee information

Tax payment to the budget in 2024

(EUR)

No.	Type of tax	Calculated for 2024	Paid in 2024
1	Personal income tax	744 940	706 199
	of which		
	– of salaries	207 673	207 703
	– of the authors' remuneration	537 267	498 496
2	State social security contributions	359 548	359 978
3	Property tax	7 368	7 368
4	Risk charge	149	149
	Total:	1 112 005	1 073 694

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 guarantees or guarantees have been provided to other persons, no property of the association has been pledged.

1.5.2 In 2024, a remuneration of EUR 39 961 has been calculated for the President and the members of the Council. The President was paid a 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 34. For 2024, a remuneration of EUR 1 058 827 has been calculated for employees and contractors, and according to royalty agreements EUR 85 634 have been calculated for the development of the computer program, translations for the home page and legal proceedings, preparation of AKKA/LAA visual data charts.

1.5.4 The association has received no donations or gifts in 2024.

AKKA/LAA CEO:

Inese Paklone

AKKA/LAA Chief Accountant:

Gunta Dambe

March 19, 2025

Management Report

1. General information on the Association

1.1. Name and registered office:

Copyright and Communication consulting Agency /
Latvian Authors' Association (AKKA/LAA), A. Caka Street 97, Riga, 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 favourable 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 shall consist of its highest decision-making body – a General Assembly of Members, supervisory body – Council and executive body – Executive Director (CEO).

The General Assembly shall consist 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 shall represent the interests of the members during the period between the general meetings and shall monitor the performance of the Executive Director. The Council shall be elected from among the members by the general meeting for a term of three years. The number of members of the Council shall be 9. The work of the Council shall be chaired by the President. The President shall be elected from among the Council for a term of three years. The President shall convene meetings of the Council, enter into a contract of employment with the Executive Director, supervise the implementation of decisions of the General Assembly and the Council.

The Executive Director shall be elected by the Council.

1.5. Information on the policy governing the operation

The documentation of the association shall include 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 shall 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)

Kārlis Lācis (until 14.10.2023.)

Valdis Muktupāvels

Juris Petraškevičs

Kaspars Zemītis (since 25.08.2022.)

Juris Arvīds Mūrnieks

Ingus Ulmanis

Valdis Rūmnieks
 Lauris Gundars
 Dagnija Dreika (since 14.10.2023.)

1.10. The executive body:

Executive Director (CEO) of AKKA/LAA:

Inese Paklone, date of approval 13.12.2004

1.11. Number of members:

there are 298 members in the association, including 293 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

AKKA/LAA

1.14. Key achievements in 2024 and development perspective

2024 was the twenty-ninth year of operation for the copyright collecting society AKKA/LAA, adding the initial two-year period of operation of the AKKA (the authors' communications consultancy agency), then the thirty-first year of operation and the twentieth year of being as an association. In 2024, total royalties collected amounted to 10.46 million euros, 5.8 percent up from 2023.

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 2024

Type of work		Amount (EUR)	%
1.	Musical works <i>including public performance</i>	6 838 199 3 976 826	65.36 38.01
2.	Dramatic and musical dramatic works	743 225	7.11
3.	Literary works	232 459	2.22
4.	Visual works	77 551	0.74
5.	Audiovisual works	324 219	3.10
6.	Choreography	2 316	0.02
7.	Blank tape levy	580 816	5.55
8.	Public lending	325 571	3.11
9.	Remuneration from sister societies abroad	267 937	2.56

10.	Revenue from bank % for authors	148 759	1.42
	Remuneration to rightsholders in total	9 541 052	91.19
1.	Blakustiesību organizācijām Latvijā	921 554	8.81
	To related rights organizations in Latvia	921 554	8.81
	Total remuneration	10 462 606	100.00
	<i>including proceeds from bank accrued deposit %</i>	<i>148 759</i>	

In 2024, EUR 3 788 234 were collected for the **public use of musical, literary and choreographic works**, including EUR 2 439 173 for artistic performances, EUR 1 226 781 for the public playback of musical records and EUR 122 279 for the film music. The increase in royalties collected against 2023 is EUR 145 401, or 104% against the previous year's revenue.

The increase in remuneration collected in the sector of live concerts and events was due to increased number of events and an increase in the average price of tickets.

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 that decided to do without any background music at all. Due to the high variability of licensees, 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** and the number of issued licenses remained the same as in 2023.

In 2024, **the Musical Works Department** continued to improve the management of licensing processes, thereby saving administrative costs. It was achieved that a majority of the licensee reports were submitted electronically. Educational and training courses for licensees were organised as previously. Following the administrative reorganization of local government cultural/folk houses within the framework of territorial reform, training seminars were organized for new employees. Specialists in the Musical Works Department put a lot of work into training the licensees.

In **the audiovisual sector**, the AKKA/LAA collected EUR 121 593 in 2024, an increase of EUR 8879 or 7,3% compared to 2023. The majority of the revenue as usual comes from the pay for broadcasting audiovisual works on television. The amount entered under this heading in 2024 was EUR 95 524 or 1.6% more than in 2023. EUR 6 860 were charged for the film shows, showing a decrease of 5.19%. Largest increase was provided by the VOD sector: in 2024, te collected remuneration was EUR 8 437 or 35,25% more than in 2023. EUR 10 721 were collected for the reproduction of film snippets – 16,83% more than in 2023.

The fluctuations of the amount of collected remuneration in recent years are non-essential and do not reflect any specific changes in the usage of audiovisual repertoire administered by AKKA/LAA.

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 2024, the Media Department collected EUR 3 279 496. Compared to 2023, the remuneration collected increased by 20%. Such an increase is due to the agreements with all the largest users providing VOD platforms: this sector has been proving itself to be one of most significant and steadily growing if compared with traditional media – TV, radio and cable TVs.

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 theater 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 the field of literary and dramatic works, AKKA/LAA has issued 240 licenses to publishers in 2024, more than in 2023. There was an increase in remuneration collected from publishers: EUR 39 088 in 2024 (for the publication of literary works, almost EUR 35 678 and for the publication of musical works (sheet music), just over EUR 3 410).

The number of licences issued to theatres has been stable – 337 in 2024 (308 in 2023), but the collected remuneration grew – almost EUR 903 011 (EUR 772 745 in 2023).

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. Co-operation with foreign visual works organisations 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 2024, a remuneration of EUR 38 334 was collected for authors of visual and photographic works.

The remuneration for the publication of visual and photographic works on the Internet (websites and social network accounts) was EUR 2 373. The trend of

developing digital learning tools, including visual and photographic works, continues in recent years.

In 2024, EUR 325 571 were received from the Ministry of Culture of the Republic of Latvia **for public lending** in 2023, a decrease of 6.93% compared to the previous year. The information necessary for the distribution of remuneration regarding the issued works of specific authors was compiled in 139 libraries and library branches of Latvia. A total of EUR 283 694 has been distributed for the lending of books, sheet music, phonograms and copies of films. Of that amount, EUR 1 110 were transferred to holders of related rights. 99.35% of the distributed remuneration went to the authors of books.

Amendments to the Cabinet of Ministers Regulations have been suggested to reduce administration costs, and the costs of the software programme for libraries have been covered to obtain perfect and cheaper data in the long term, more precise distribution and larger remuneration in the future. The initiative is going to be continued in 2025.

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.

In 2024, revenues from the blank tape levy amounted to EUR 1 502 370, including EUR 538 382 for authors and EUR 854 226 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 2025.

Compared to the year of 2023, the BTL remuneration in 2024 decreased for a little more than 6.5%.

In 2024, **the Documentation and Distribution Department** completed work on the AKKA/LAA External Portal to significantly improve the AKKA/LAA online site for communication with rightsholders, as the functionality of the website plays an increasingly important role in registering authors' works, as well as for rightsholders to be more fully able to control revenue from the use of their works. On the other hand, the licensees are now able to obtain the licenses and submit the reports online.

Last year, 218 new signed with authors and 63 with rightsholders heirs. Thus, as of 31 December 2024, AKKA/LAA represented 6 767 Latvian authors, 25 music publishers and 917 heirs of rights under direct management agreements, as well as calculated remuneration for those 850 authors who had applied for public lending remuneration.

In accordance with international standards and as decided by GA, AKKA/LAA continues 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 the analogue method, while the remuneration for the public performance of recorded music was distributed by the analogue and the sampling methods.

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.

**The structure of the remuneration paid is characterized by
the following table:
paid out by AKKA/LAA in 2024
(including income tax)**

		EUR
No.	Rightsholders	Amount
1.	Remuneration for directly represented authors and publishers of musical, literary, dramatic, visual, audiovisual and choreographic works	4 049 382
2.	Remuneration for foreign copyright organizations	2 939 459
3.	Remuneration for music performers and producers in Latvia	722 735
4.	Remuneration for film producers in Latvia	100 806
5.	Remuneration for performing actors in Latvia	100 805
Total:		7 913 187

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 2024 was approved by the AKKA/LAA Council at its meeting on January 23, 2025. The balance of the CEF on December 31, 2024 was EUR 165 117.

AKKA/LAA concluded the year of 2024 with an excess of EUR 13 446 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 2027. The plan provides implementation of international audiovisual database IDA in the system (it has been manual work up to now), and the distribution will be elaborated to make AKKA/LAA capable of processing massive data.

The full 2024 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 shall be 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

Inese Paklone

March 19, 2025